

All thoughts must be distilled into action and action that brings results.

# When you're Russia's third largest oil company, energy is your No. 1 concern.

*TNK-BP wanted to slash the \$130m energy bill at its Linik Oil Refinery, so Celerant Consulting was brought in to deliver a sustainable greenprint for the future.*

**W**ith a portfolio of series production, refining and marketing enterprises in Russia and Ukraine, TNK-BP is the 3rd largest oil company in Russia and one of the world's Top 10 private oil companies in terms of crude production.

Its Linik Oil Refinery, one of the biggest in Ukraine, was designed to handle up to 22m tons of oil per year, but was operating at just 4-5m tons because structural and technological inefficiencies were causing significant energetic and qualitative losses. The company knew that it had to slash

*'This project was a great opportunity for us to learn from Celerant so that we can do a much better job and get the results we want.'*

Maxim Grekov, Chief of Utilities, Linik Refinery.

Linik's energy costs to increase its competitiveness and financial performance, so Celerant Consulting was brought in to help drive a comprehensive Change Programme that would make Linik's \$130m energy bill, a significant percentage of operational costs, its key focus.

#### **A new system. A new outlook.**

To achieve maximum impact in the programme's compressed timeframe, Celerant's experts worked closely with a Linik Taskforce to rapidly set up an Energy Efficiency Group. They then introduced a sophisticated Energy Performance Measurement System that included process maps, roles & responsibility matrixes and short interval controls, to all the major consumption areas on the site. The Crude Distillation Unit, the refinery's second biggest energy consumer, was also given its own rough-cut capacity plan.

With this system in place, production and utilities personnel could now identify process irregularities, determine root causes and take rapid action. They could also capture and standardise energy consumption best practice and facilitate better cooperation and decision making at all levels.

All savings had to be sustainable, so Celerant also developed an internal energy audit and implemented new maintenance routines that placed a particular focus on actions that required no capital investment. ■

#### **SUSTAINABLE RESULTS**

- A 7.4% reduction in fuel consumption, with over \$2.4m benefits.
- An Energy Efficiency Group has been established and an energy audit system, involving key personnel in every production and maintenance shop, now systematically drives energy saving actions and initiatives.
- An action plan, with more than 90 actions for technical and organisational change, has been deployed to improve performance.
- A culture of Continuous Improvement has been created, moving the organisation from passive reaction and fire-fighting to performance management that actively seeks cost-reduction opportunities.