

2011 ECC Award Winners

The ECC Board of Directors was pleased to honor industry leaders in 2011 with the following awards on September 8, 2011 at the 43rd Annual ECC Conference in Phoenix, AZ.



The 2011 ECC Achievement Award was presented to Mr. Khalid Farid, Executive Vice President, AMEC. Khalid is a senior management executive with his full career (over 44 years experience) in international Engineering and Construction and Process Technology businesses. He is currently serving as Senior Vice President Strategic Development for AMEC plc, an FTSE 100 listed multinational company operating in oil and gas, power, clean energy and environmental project management, engineering and technical services. His family as well as clients and colleagues from across the globe joined him both in person and via video to celebrate his significant contributions to our industry over the past 4 decades. Mr. Farid was chosen based on a career characterized by integrity, bold risk taking, vision, his stature among peers in the industry and positive impact on the competitive nature of our business. Mr. Farid's career is testimony to the values our industry demonstrates as we continue to strive toward better project execution and enhanced relationships between owners, contractors and suppliers.



The 2011 Spirit of the ECC Award was presented to Chevron Project Resources Company. Mr. C. Michael Illanne, President and General Manager of Project Resources Company accepted the award on behalf of PRC. Project Resources Company (PRC) was formed in 1997 to create a center of expertise within Chevron for the management of major capital projects. PRC was nominated on the basis that it embodies the spirit of ECC with its strong drive for safety, excellence in project management, continuous improvement and creation of new processes/tools/techniques to address the challenges of today's highly complex and technically challenging project portfolio. More importantly, PRC fosters the spirit of ECC through cooperation and sharing with and learning from others in both the oil and gas and other capital intensive industries.

Nominate a project or team for the Spirit of ECC Award – see next page for details.

44TH ANNUAL ECC CONFERENCE

MARK YOUR CALENDARS – SEPTEMBER 5 - 8, 2012

JW MARRIOTT HILL COUNTRY RESORT • SAN ANTONIO, TEXAS

Riding the Wave

Capitalizing on the Velocity of Change

Agility Is An Imperative For Organizational Success. Challenges driven by regulatory, technological, competitive and geopolitical flux are testing our ability to develop and execute projects. Opportunities avail to those able to capitalize on the velocity of change.



We know that while risks exist, incidents are avoidable. Each individual has a personal responsibility for their own safety and the safety of others. As leaders we are accountable for driving this safety culture.



ECC ASSOCIATION

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www.ecc-association.org

ECC SPONSORSHIP OPPORTUNITIES

Before we look forward to the 44th ECC conference at the JW Marriott San Antonio Hill Country Resort & Spa, we would like to ask each of you to take a look back at the 43rd Conference in Phoenix which would not have been possible without the unwavering support of our Corporate Sponsors – for this support we would like to express our tremendous gratitude to each and every one who continues to support the ECC. We would like to ask that you continue your support in 2012 and welcome any comments you may have to increase the value you receive from participation. We welcome the opportunity to support each and every organization trying to assess the opportunity and resulting value to your organization as an ECC Sponsor. Please feel free to contact any Board member for additional information regarding either general sponsorship of the ECC or hosting an event during the conference. Whereas we make every attempt to minimize commercialization of the conference, sponsorship is an opportunity for your company to be recognized for its support. We welcome your participation.

And a special thank you to our 2011 sponsors who supported the 43rd Annual Conference and our 2012 sponsors who have already committed to the 44th Annual ECC...these organizations are part of the reason the quality of the ECC Conference remains so high.



If you are interested in becoming a corporate or event sponsor for the 2012 Annual Conference, contact:
Mike Yost at mike.yost@fluor.com or Tom Hudes at tom.p.hudes@exxonmobil.com

Pulse OF THE INDUSTRY

PROMOTING THOUGHT LEADERSHIP | ENGINEERING & CONSTRUCTION CONTRACTING ASSOCIATION | SPRING 2012

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CHAIRMAN'S NOTE

Welcome to the 2012 Spring edition of ECC's Pulse of the Industry newsletter



First of all, I would like to congratulate Mike Lowder and the 2011 ECC Executive Board and Executive Advisory Committee for their many accomplishments and successful leadership of ECC this past year. Our 43rd conference in Phoenix was a huge success, including a record number of program sponsors and attendees. Most importantly, last year's conference received a record level of positive feedback from conference participants.

It's a pleasure and honor to have the opportunity to chair this year's Executive Board and work with such a talented and committed group of professionals that serve on the Board and Executive Advisory Committee. These individuals serve strictly on a volunteer basis and share a common desire to advance the mission of the ECC Association, which seeks to improve capital project results and global competitiveness of member companies, and endeavors to provide industry leaders with one of the best and most relevant conferences each year.

Our 2012 conference will be held at the luxurious JW Marriott San Antonio Hill Country Resort & Spa, located in San Antonio, Texas, September 5 – 8. The Marriott's 265,000 square feet of meeting space, 36-hole golf course, numerous relaxing pools and lavish spa will serve as a fitting backdrop to this year's events. Please mark your calendars today and plan to attend this year's conference – and invite your associates to join us. [CONTINUED ON THE NEXT PAGE.](#)

43RD ANNUAL ECC CONFERENCE – SEPTEMBER 7TH–10TH, 2011 – JW MARRIOTT DESERT RIDGE – PHOENIX, AZ JOURNEY INTO UNCHARTED TERRITORIES

Recap of the 2011 Conference

Mike Lowder, ECC 43rd Conference Chair

The 2011 ECC conference was a huge success and the Board wishes to thank all of you who supported it. We work all year to deliver an event where the attendees leave glad that they were there. This year had a record attendance of 611 (with over 200 first timers)! How is that for new networking opportunities?

More important than the attendance number was the large response to the post-conference survey with very positive feedback regarding the venue, the speakers, the content, and the networking. Again, thank you to all who participated. [CONTINUED ON THE NEXT PAGE.](#)

What 2011 attendees said about the 43rd Annual ECC Conference:

"Best and most relevant conference on the market."

ecc-conference.org

Mr. Ian Bremmer shared his outlook on the world economy and its impact on the current and future capital projects industry to overwhelming response from attendees at the 2011 ECC Conference. We asked Mr. Bremmer to share some additional thoughts on how current issues in the world market are affecting how we plan and execute global capital projects, and touch on what has changed since he joined us in September 2011.



ECC: Do you see a closure or significant reduction in the competitive labor rate gap between the US and China and the US and India? What is your best guess as to timing?

Ian Bremmer: China and India are not really comparable here, India is much cheaper, but even in China input costs are in an entirely different league than those in the United States. Beyond labor rates, there is also the lack of regulatory oversight, environmental issues, overtime, and the black economy in China. In some ways, China's about to become more competitive with the US, not less...as the bulk of their manufacturing labor starts actually competing with mainstream American jobs.

ECC: Which three countries do you believe are the best positioned financially for the future and what will be their strongest industries?

Ian Bremmer: Brazil, Turkey, and Indonesia have the economic dynamism and fast-growing middle classes that give them big long-term advantages. Crucially, all three are able to use these assets to maintain a diverse range of commercial relationships. None of them is overly dependent on the power of one particular market—as Mexico is tied to the United States or Ukraine is tied to Russia.

But I'm also quite bullish on the long-term prospects for the United States. Very broadly speaking, there are two types of debtor nations: those that have the capacity to grow once their books are rebalanced, like Ireland, and those that don't, like Greece. For all its current troubles, the combination of an entrepreneurial culture and the sheer size of the US market provide unique advantages for the medium- and long-term US growth outlooks.

ECC: Where globally are the power, hydrocarbons and mining industries each losing and gaining momentum?

Ian Bremmer: Mining now has strongest momentum in Latin America and Africa. Latin American markets like Mexico, Brazil, Argentina, Colombia, and even Peru are benefitting from strong inward investment, thanks to shifts toward more investor-friendly policies and greater political stability. Africa remains the primary market for more aggressive exploration plays, with great geology and broad political instability. The frontier market plays in markets like Burkina Faso, Liberia, and Mozambique are joining the traditional African mining powers like South Africa and Ghana.

In oil, the North American tight oil and Alberta oil sands are bringing the US/Canadian companies "back home," but they're also attracting a lot of FDI from national oil companies. Iraq, Brazil, and Russia will be the other big game-changing oil supply stories. Power is concentrated in East Asia, South Asia, and the GCC where double-digit demand growth is driving build-out of new generation capacity, with coal remaining dominant.

ECC: We have discussed the future growth markets within our industry sectors and the "BRIC" nations often come up. Where do the African countries fit into the global economic growth over the next 10 years and are there particular nations leading the charge?

Ian Bremmer: Africa is the biggest untold emerging market growth story in the world. The continent's population is about 1 billion, comparable to India's. Demand for goods and services has been markedly higher in Africa than in India. The percentage of Africans who live in cities is comparable to China and higher than India. And while everyone is familiar with the economies that export oil, gas, metals and minerals, the countries that are not major commodities players have enjoyed growth rates almost as strong in recent years. Even in a major oil export economy like Nigeria's, look at consumption levels and the banking industry. This is a more broadly diversified economy than most outsiders understand. In South Africa, when Nelson Mandela was first

elected president, just 10 percent of South Africans could credibly call themselves "middle class." Today, that number is at about 37 percent. In Africa generally, telecom companies have added more than 320 million subscribers since 2000. Foreign direct investment has grown by about 500 percent over that same period. Growth numbers have slumped with all the turbulence in North Africa over the past year, but Africa generally is a very exciting growth story.

ECC: How has shale gas changed the landscape of the global energy industry?

Ian Bremmer: Shale gas has made North America a surplus gas market, freeing up supply from major markets like Qatar to go elsewhere, particularly to Europe and Japan. Countries like China, India, Poland, Argentina, and Ukraine are looking to reproduce the success of the North American shale story. These markets are particularly attractive to energy companies because of the prospect of oil-linked pricing for the shale gas that is eventually produced, in contrast to the weak prices in North America. Over the long-term, shale gas might help displace both LNG and coal in Europe and Asia, but it is unlikely that the extent of switching will replicate the "revolution" in North America.

ECC: How has the world outlook changed since your presentation at ECC in September?

Ian Bremmer: The perception of risk has become heightened beyond reason. The eurozone is not on the verge of fragmentation. China is not headed for a hard landing, at least not this year. The polarization and paralysis of US politics will not kill the US economy. In fact, everywhere you look these days, you'll see political officials adopting incremental, reactive crisis management strategies that will keep things on track awhile longer. It's not sexy, but a lot of big problems can be solved this way—especially those that weren't really that intractable to begin with.

There are hotspots to watch. Less direct Western involvement leaves the Arab world to sort through its own problems. That could stoke some unexpected trouble. Young Kim Jong-un probably can't govern North Korea, which could eventually trigger a battle for power within the elite that provokes trouble on the peninsula and beyond. Pakistan is only becoming more dangerous.

But in general, we're likely to see less upheaval than most observers appear to expect this year—particularly in Europe, America and China.

For more information about Eurasia Group and Ian Bremmer, please visit www.eurasiagroup.net or write to info@eurasiagroup.net

FUTURE LEADERS UPDATE

The 2012 Future Leaders program is gearing up for another exciting year.

Michael Padilla, WorleyParsons and
Lisa Nash, The Dow Chemical Company

The 2011 roster of future leaders greatly exceeded expectations by successfully planning and leading two forums at the 2011 ECC Conference while coordinating and executing multiple thought-leadership activities throughout the year.

THE 2011 FORUMS INCLUDED:

1. **The Evolution of our Workforce – Retain, Refocus, and Replenish**
2. **Cool Projects, A Journey into Uncharted Territory**
 - a. Shell Athabasca Oil Sands - Project Expansion
 - b. Chevron Gorgon LNG Project - Quarantine Management

Both forums were very well attended and received outstanding feedback from the conference attendees. The survey and data content combined with the interactive presentation style of the Workforce forum resulted in standing room only attendance, while the Cool Projects forum provided a glimpse at 2 very different project perspectives.

In addition, the 2011 Future Leaders participated in a midyear Thought Leadership workshop on Character and Temperament Types and then a full day of Thought Leadership activities at the ECC Conference. The pre-conference session included outside speakers on cross-cultural negotiations and ethics, while roundtable discussions with current Industry Leaders provided an invaluable opportunity to pick the brains of some of today's leadings minds.

This year, we are planning thought provoking leadership and development training as well as efforts to increase connectivity of the group. Our first social hour was held in December in Houston and was very well attended by the ECC Board and Future Leaders. Stay tuned, as we are currently planning the launch of the Future Leaders website and blog.

As the Future Leaders program grows, the Board ensures us that we will again be challenged to develop content for the ECC Conference. The bar has been set high by the 2011 Future Leaders, but we are up for the challenge!

Future Leaders participation is a key benefit of sponsorship – don't forget that 1st, 2nd and third year Future Leaders are provided a registration discount at the conference as well as special opportunities reserved just for them. Don't miss out!

 Check out the latest Future Leader happenings on-line at:
www.ecc-conference.org/future_leaders.html

The ECC Future Leader Program is a benefit of Corporate Sponsorship and designed to provide a network of emerging professionals in our industry. In addition, the program supports the ECC mission of promoting thought leadership by providing fresh perspectives on various matters related to our industry, and by enabling knowledge transfer across various stakeholders of the ECC community by active participation in the organization and its annual forum.

FROM THE CHAIRMAN – CONTINUED

We are well into the planning process for the 2012 Conference Schedule, and it is shaping up to be another excellent ECC program. The theme, "Riding the Wave – Capitalizing on the Velocity of Change", reflects the importance of corporate agility in today's market environment. We expect to again engage fantastic keynote speakers including industry leaders, geopolitical experts and specialists that will promote thought leadership by exploring opportunities associated with an ever-changing environment. We are now busy planning our Plenary Sessions; determining the Breakout Forum Topics; and seeking nominations for the Annual ECC Achievement Award (distinguished individual) and the Annual Spirit of ECC Award (innovative team, group, or project).

As has been mentioned in previous newsletter issues, the Future Leaders Program is an integral component of ECC. We are pleased to have had more than 80 Future Leaders from our sponsoring companies engaged in the association throughout the past year. These emerging leaders enjoyed opportunities to meet and interact with industry leaders;

network with peers from other member companies; receive training in international communications, ethics and leadership; and participate in the development and presentation of two conference breakout forums – all of which were intended to promote individual development and sustain the long-term leadership of our industry.

On behalf of the Executive Board and the Executive Advisory Committee, I would like to thank our sponsor companies for their continuing support of the ECC Association and Annual Conference – and for their involvement in our Future Leaders Program. If you are not a sponsor company, I encourage you to look into the benefits that a sponsorship can offer your emerging leaders.

I wish all of you a safe and successful 2012 and look forward to seeing you September 5 – 8 in San Antonio.

Steve Dedman
ECC Chair, 44th Annual Conference

2011 RECAP – CONTINUED

The 2011 theme "Journey into Uncharted Territories: Repositioning the Projects Business in a World with Changing Boundaries" continued to build on the themes of the past few years: uncertainty and change. Events impacting our industry are increasingly frequent, unpredictable, and significant. They come from many directions (project complexity, technology shifts, geopolitical instability, global financial upheavals and natural disasters to name a few). It seems that we are constantly traversing unfamiliar tracts with maps that are, at best, ambiguous. The famous journeys throughout history were made by those people who saw opportunity, embraced adventure, overcame obstacles, and prevailed. In 2011 the ECC Board sought to arrange content and promote discussion around the drivers and implications of changes (be they actual, or potential) that would put the attendees in a better position to take advantage of the uncertainty rather than fall victim to it. Feedback from the attendees indicates that we were successful in achieving that goal.

Content is always a major component of the conference. Alan Boeckmann, Non-Executive Chairman, Board of Directors, Fluor Corporation led off as the Thursday morning keynote. He shared his observations about both the many changes in the industry during his 35+ year career and the prospects for the future. Some of the changes he views as positive; others not so much so. The Friday keynote, Ian Bremmer, Founder and President, Eurasia Group, provided an outstanding overview of the dynamics driving geopolitical change around the world. Ian also offered insight on what may be to come. Our third featured speaker was Frank Abagnale, the real-life subject of the motion picture "Catch Me If You Can". Frank closed the Friday lunch in tremendous form. His personal story was amazing and delivered in an engaging style. His final message was profound and deeply touched many of us. While you can find videos of Mr. Bremmer's and Mr. Abagnale's sessions on the ECC website: www.ecc-conference.org/past-conferences-2011.php, you do not get the impact of being there live. Beyond the featured speakers, the three Plenary Sessions focused on subjects of interest to the broad audience while the eight Breakout Forum Sessions offered deeper dives into more specific topics.

Besides content, the ECC Conference offers wonderful networking opportunities. Our industry, more than most, depends upon superb relationships to deliver a superb product (a unique project). The JW Marriott Desert Ridge provided a luxurious venue for refreshing old acquaintances and making new contacts. Again, attendee feedback on the networking component was overwhelmingly positive.

On behalf of the Executive Board and the Executive Advisory Committee, I sincerely thank everyone who supported your conference in 2011. We hope to see you September 5-8 in San Antonio where we will endeavor to out-perform 2011. Please have a safe and prosperous 2012.

You can find presentations from the 2011 ECC Conference online including the full video of the presentations from Ian Bremmer and Frank Abagnale at www.ecc-association.org/pastpresentations

SPIRIT OF ECC AWARD NOMINATIONS

Do you know of an exceptional project/project team that exemplifies the Spirit of the ECC? Or an organization that is responding to the current market conditions in a truly visionary way?

The ECC is proud to announce the 2nd Spirit of the ECC Award nomination process that will recognize this year's winner at the 44th conference in San Antonio on September 6, 2012. The award will recognize an exceptional project and/or project team that exemplifies the true spirit of the ECC.

This annual Spirit of ECC Award, initiated in 2011, recognizes an outstanding exemplar of an owner, contractor or supplier in the global energy, process, industrial, general manufacturing or related industry (at a national or international level), that unequivocally demonstrated a unique and significant:

- **Commitment to Global Competitiveness;**
- **Improvement to the Outcome of a Capital Project;**
- **Strategic Response to a Fundamental Challenge or Opportunity;**
- **Application of Thought Leadership;**
- **Implementation of Value Creation for all Stakeholders**

How to Nominate for the Spirit of ECC Award

Nominations will be accepted online on the **ECC Website (www.ecc-association.org) during April and May 2012.** The recipients will be chosen by the ECC Board of Directors and Executive Advisory Committee based on the criteria above and awarded at the 44th Annual ECC Conference September 6, 2012 at the JW Marriott Hill Country Resort in San Antonio, TX. Self nominations or third party nominations are welcome...we just ask that all nominated are available to accept the award at the conference in September. If you have questions about the nominations process or award itself please feel free to contact Tara Wilson at twilson@EventsiaGroup.com or 713-337-1600.