



What Good Looks Like: STO 2007 Best Management Practices of Shutdowns, Turnarounds, and Outages

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The *Shutdown – Turnaround – Outages (STO) 2007* conference was held in Denver, Colorado on September 9 – 12. This was the first meeting of a new community of asset management professionals focused on best management practices for STO, and, based on my observations and discussions with many other attendees, it was a resounding success for everyone involved.

Management of shutdowns, turnarounds and outages is a critical, challenging activity for asset intensive businesses. These events are disruptive for operations, and it is vital to keep facilities in the condition required to profitably meet today's stringent safety, regulatory, and quality requirements. STOs can also be very costly in themselves and in their impact on operations, since assets are unavailable for revenue generation. Not surprisingly, the pressure on managers to minimize costs and duration is intense and the value of best practices in this area is high.

All of these events affect asset availability, but the management challenges differ. For shutdowns, which are routine, short duration (turns or days) interruptions to operations, the responsibility generally falls on maintenance supervisors to make the best possible use of the limited time they have been allotted. Good performance means high plant availability, minimal startup problems and few unscheduled stoppages. Correspondingly, Shutdown Management discussions at this conference focused on strategies like: designing/modifying equipment for easy, fast maintenance; better "planning" of shutdown work to take advantage of pre-positioned tools and materials; better information management and training, etc.

Outages and turnarounds are bigger events, driven by the need to upgrade and/or restore major process units. They can cost tens of millions of dollars, have relatively long durations (weeks to months) and involve many contractors, with hundreds or thousands of people, whose work needs to be closely coordinated and controlled to ensure safe completion. Depending on the scope and focus, management for outages and turnarounds often falls on engineering and project management groups to identify the work that has to be done, develop plans and schedules to get the work done in the shortest possible time, make contracts that minimize labor costs, and manage all of the activities preceding and during the event.

Outage and turnaround management is clearly a form of project management, but the discussions at this conference highlighted some of the special challenges that merit separate discussions and strategies: much of the work involves existing equipment, in unknown condition, and good estimates of time and cost to repair/restore simply cannot be determined beforehand; the scope of work can change drastically right before and during the shutdown, as everyone sees this as an opportunity to address their "critical" problems. Speakers and attendees shared experiences and methods they developed like: more strategic approaches to planning; standardized scheduling and contract management; tighter scope control; creative contracting strategies including use of offshore labor resources; and, schedule/budget risk management.

STO 2007 included four inspiring keynote speeches that encouraged attendees to "Share Ideas", "Take Action" and "Optimize Results". Christer Idhammar, President, **IDCON, Inc.** and a recognized expert in reliability and maintenance, kicked off the event with a very entertaining, information-rich speech discussing the right way to manage reliability. His picture of "*What Good Looks Like!*" was truly memorable and became an oft-repeated phrase among event attendees and speakers.

Randy Linzel, EAM Systems Manager, **Catalyst Paper Corporation**, closed the first day's sessions with an equally entertaining keynote that called on attendees to appreciate the importance of better communication throughout their asset management activities.

Bobby Singh, President, **Project Assurance**, kept up the high level of keynote energy with his enlightening discussion of some of the poor paradigms people continue to use in managing turnarounds, and the benefits of more strategic thinking, earlier planning and creative problem solving. A key takeaway from Singh's speech was the difference between planning and scheduling, how this limits one's ability to get an early start and do the strategic thinking that is so vital to real success.

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Terry Wireman, Vice-President, **Vesta Partners** and a well known speaker and author in the maintenance management arena, closed the event with an inspirational "call for action" and challenge for attendees to return next year with some real success stories. He reiterated the concern of other speakers regarding the challenge we all face with aging workforces, and he punctuated his call for more attention with memorable quotes like, "Stopping training to save money is like stopping the clock to save time".

Sessions were also an impressive aspect of this event. The conference included three, well-balanced tracks focused on "Lifecycle – Processes and Performance Management", "Organization, Contractor Management and EH&S", and "Systems and Technology". Presentations were made by users, vendors and consultants who freely shared their knowledge and offered a wealth of good case histories, experiences and practical advice. I attended several sessions and found them both interesting and helpful. I was particularly impressed by the open, free exchange of ideas between the speakers and the audience. Workshops were also offered after the main event. While I didn't attend, I suspect that many attendees took advantage of this opportunity.

I was also impressed by the excellent turnout for this first conference on a rather specific topic. Approximately 180 people, from around the world, attended the conference, and I estimated that 70 percent were owner/operators of asset-intensive facilities. But this was also not a surprise to me since STO 2007 was organized and managed by **Eventure Events**, the group that has so successfully managed the SAP-centric EAM Conference over the last few years. Like SAP-centric EAM, this event was an enjoyable experience and an example of community building at its finest. As one of the track chairs so appropriately put it, "This is *What Good Looks Like!*"

Given my past experience with Eventure Events, I expect to see this community grow substantially over the coming years and STO will likely become a "must attend" event on asset management agendas. Next year's event is scheduled for June, and I have already marked it on my calendar. I encourage you to do the same.