

Refinery Plans

Participants at the Trinidad and Tobago Petroleum Conference 2005 were asked to view the refining industry as a platform for a Caricom Energy Plan that integrates Caricom refining. Head, Strategic Planning Mr Michael John, put this proposal forward as he wended up his address on the 2nd day of the conference at the Trinidad Hilton.



Michael John

He said if this were done the CSME would become more than just access to LNG or natural gas but an integrated platform for the advancement of the region. "With this Caricom Energy platform we can approach discussions for any Petro Company Alliance for the Americas," he said. "We can approach this not as individual entities seeking concessions but a group negotiating a partnership for the Latin America and the Caribbean."

In his presentation at the conference Mr John focused on Petrotrin's plans for the Pointe-a-Pierre refinery. Referring to the refinery's financial performance since its last upgrade in 1997/98, Mr John pointed out that there was an upward trend in net income and a decline of direct operating costs as a result.

He also pointed out that after the Phase I Upgrade completion in 1998, throughput increased and Fuel Oil cut decreased. "Our current situation is that since the Phase 1 Upgrade there has significant progress building a more viable refining business," he said. "Fuel oil output was reduced from 42% to 35% and crude processing capability increased from 90 MBCD to 160 MBCD."

He said by the end of 2008, the Company aims to efficiently realize the full potential of existing and new assets in the refinery and have it prepared for increased competition and market fluctuations with involved stakeholders and competent accountable personnel. Quite a few challenges must be overcome if this goal is to be achieved. Key among these are increasingly stringent Caribbean product quality specifications in line with global trends, competitor actions, market conditions and a shortage of skills.

Because of these challenges Petrotrin faced the option to discontinue refining operations, upgrade a new refinery or upgrade the current refinery. The decision was taken to upgrade the refinery. Mr John said a number of programs are underway to achieve this goal. He focused on the gasoline optimization programme which is scheduled to run from 2004 to 2007 and includes an upgrade of the Fluidized Catalytic Cracking Unit from 26 MBPSD to 35 MBPSD, the construction of a new Isomerisation Unit, the replacement of the 40 year old platformers with a modern CCR Unit and the establishment of a larger more modern Alkylation Unit.