



2006 API Distinguished Environmental & Safety Award Winner

April 8, 2008



**Marathon
Pipe Line LLC**

Marathon Pipe Line



- ◆ **Winning API's Distinguished Environmental and Safety Award**
 - We're proud of our accomplishments
 - rarely take time to recognize
 - It's an honor to be recognized by peers
 - We'll be listening to you to learn more
- ◆ **MPL “cultural game changers”**
 - Changes that delivered improved performance
 - All born from need to improve
- ◆ **More tactical efforts of interest**

What are MPL's cultural "game changers"?



1. "Process based" business model

- Operational Excellence
 - 2001 & 2002 reorganization
- Centralized "process"
- Decentralized "execution"
- Couldn't spell "process" then; now vital

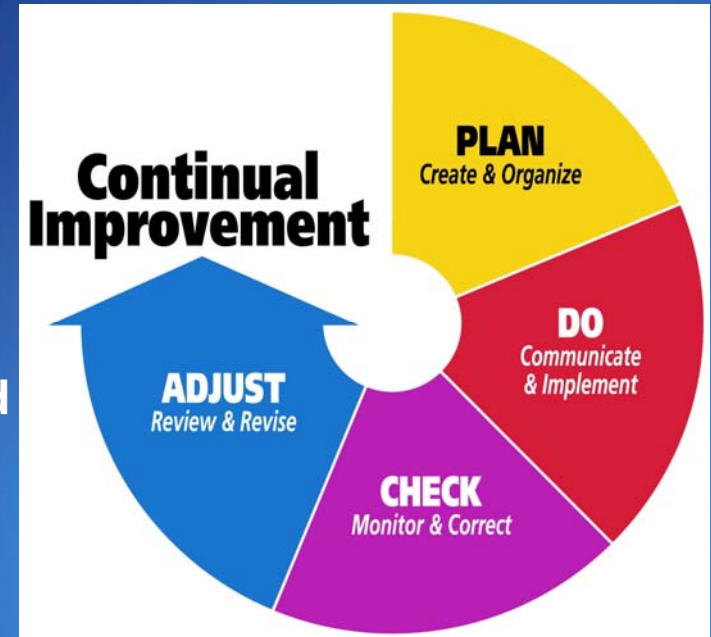
Marathon Pipe Line LLC

PIPELINE *to Excellence*

MPL cultural game changers”



- ◆ Build process around “plan, do, check, adjust”
 - Process owner is at home office
 - Process executers are in the field
 - some are in the home office
 - Best way to get consistency across a geographically diverse operation
 - View problems through “process” and “execution” lenses.
 - Typically helpful.
 - Rarely all one way vs. another.
- ◆ Became part of culture
 - Took several years.
 - Produced more results, faster than expected
 - Has its weaknesses.



MPL cultural “game changers”



2. “Spill not one drop”

- Taken literally
- Our history had not been good
- Encompasses a significant portion of the enterprise
- Major cultural change



MPL cultural “game changers”



3. “Continuous Improvement”

- Recognition is an essential part of our culture
- “Flawless” is expected
 - a good learning organization is a must
- Scrutinize our bobbles
 - We file incident reports
 - We look for systemic problems via TapRoot investigations
 - Major part of managers’ duties
- Use “check” and “adjust”
- Plan
 - Departments have 5-year change plans for process improvements
 - Anticipate tomorrow’s risks

What have we done?



1. “Process Based” business model

- Integrity Management Program
- Commissioning, Decommissioning and Recommissioning (CDR)
- Damage Prevention



What have we done?



2. “Spill not one drop”

- Count everything
- Involves everyone
- Monitoring plans
- Guard against non-reporting

<u>Year</u>	<u>bbbls</u>
2000	11,779.20
2001	1,144.41
2002	4,214.00
2003	609.07
2004	60.32
2005	64.32
2006	24.26
2007	3.79

What have we done?



3. “Continuous Improvement”

- Area staffing plans
- Emphasis on efficiency
- Attrition planning, proactive hiring
- Training Center

