



## WELCOME

Welcome to the Spring 2006 edition of XLERPLATE® *Steel In Touch*. This time last year we launched our first issue – so a big ‘thank you’ for your continuing interest and consistent support.

As winter makes way for spring, it’s pleasing to report that WA’s current strong mining and resources boom is leading to stronger orders for XLERPLATE® steel throughout the State. We anticipate orders remaining strong for the foreseeable future as demand for WA minerals and gas remains high.

As these steel projects emerge, we’ll be covering them in XLERPLATE® *Steel In Touch*. Our stories on

the Woodside Energy and Worsley Alumina expansions in this edition are good examples of this coverage.

Also in this issue, we announce the winner of our recent Reader Competition prize, the 32-inch LCD TV.

Moving to the bigger picture, we look at China’s robust economy, which already produces and consumes a third of the world’s steel.

On behalf of *Steel In Touch* and the XLERPLATE® team thanks again for your continuing support.

**Elly Pilkadaris**  
State Sales Manager - Western Australia

## MAJOR ENERGY EXPANSION STACKS UP WELL

Leading West Australian steel fabricator Pacific Industrial Company (PIC) has recently designed, fabricated, surface-treated and refractory-lined three emission stacks as part of a major \$2 billion expansion program for Woodside Energy Ltd.

The emission stacks incorporate 340 tonnes of 250 Grade XLERPLATE® steel and are bound for Burrup Peninsula in Western Australia’s far northwest as part of the work on the North West Shelf LNG Phase V Expansion project.

Work started in 2005 and will increase the production capacity of Woodside Burrup by 4.2 Mt/a. Woodside expects to export the first LNG cargoes from the new facilities in late 2008.

Family-owned PIC specialises in all aspects of steel fabrication and construction, including design, engineering, procurement, installation, commissioning and related electrical, instrumentation and civil works.

“We have been involved in every major resource project in Western Australia in the last 30 years,” PIC Business Development Manager George Petley said.

“Our facilities and expertise made us a logical choice to manufacture the emission stacks.”

PIC is known for its extensive preparation and quality control. Company executives visited the office of Foster Wheeler Worley, Woodside’s UK-based engineering, procurement and construction contractor, to ensure effective collaboration.

“The stacks are technically very complex,” Mr Petley said. “They have to be designed for seismic and cyclone loadings and for their ability to do their job safely as emission stacks in a highly volatile plant.”

Nearly 310 tonnes of refractory material is being used to line the 42 XLERPLATE® steel “cans” which are then formed up into seven stack components up to 20 metres long.

All of this work is being carried out at PIC’s Naval Base (Kwinana) workshops.



*A section of the Woodside Train V, Burrup LNG Plant Gas Turbine Emission Stack. (From left) George Petley, PIC Business Development Manager, and Ian Binnie, PIC Project Manager.*



# FREMANTLE STEEL FABRICATION GIVES ITSELF A LIFT

With its order book continuing to reflect Australia's resources boom, Fremantle Steel Fabrication has just completed its fourth major workshop expansion.

The 13,000-square-metre workshop, equipped to accommodate very large-scale fabrication jobs, includes large bays serviced by 26 overhead travelling hoist cranes.

The company has won some of the largest fabrication jobs undertaken in the country, and was recently involved in the fabrication of the largest ship loader of its type ever built in Australia.

ThyssenKrupp contracted Fremantle Steel Fabrication to fabricate the massive bridge structure of the loader as part of Worsley Alumina's expansion at the Port of Bunbury.

Fremantle Steel Fabrication has also produced major components for BHP Billiton's Ravensthorpe mine and for Woodside Petroleum's Northwest Shelf project.

"Because of our expertise we have been able to contribute to our own expansion," Administration Manager Mark D'Amato said. "We have increased



Fremantle Steel Fabrication is introducing new automated equipment to its workshop.



workshop floor space by 3000 square metres and added four new cranes. We designed the cranes ourselves, then built them using 150 tonnes of XLERPLATE® steel.

"Everything you fabricate needs to be moved, sometimes several times. Two of our new cranes have 25-tonne lifting capacity and two have 32-tonne lifting capacity. We did the design, fabrication and treatment work, and contracted a specialist supplier for mechanical components and lifting equipment.

"When the cranes were ready we lifted them

into position using our own 100-tonne mobile hydraulic crane."

"We are introducing new automated equipment to bring extra efficiency to our steel processing capabilities," he said. "We can now perform punching, drilling and thermal cutting of the XLERPLATE® steel plates with just one machine, where previously we had to use two.

"Product quality and service are critical factors in our decision to use XLERPLATE® steel," Mr D'Amato said.

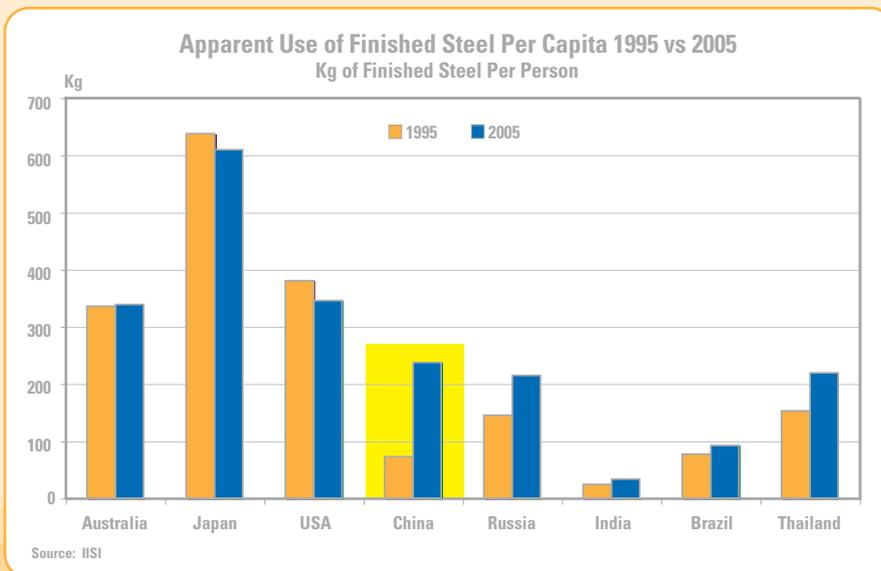
# CHINA FORGES FURTHER AHEAD

China's economy is now the fourth largest in the world, having recently overtaken the UK. China's share of world GDP, on a Purchasing Power Parity (PPP) basis has quadrupled over the last 25 years to almost 16 per cent last year.

Beyond 2006, construction investment is expected to continue growing but at more sustainable levels. Meanwhile, the manufacturing sector continues to expand aggressively and China's positive net export position is expected to improve further.

Investment in the steel industry has risen more than 400 per cent since 2001, which now sees China account for one in every three tonnes of steel produced and consumed globally.

There are now eight steel makers in China producing over 10 million tonnes a year, or 30 per cent of



total Chinese production. China's demand for raw materials, including iron ore, has soared to meet the needs of the steel industry and general economy.

China's per capita steel consumption (see chart) has grown dramatically over the past 10 years.

The experience of Japan and other developed economies suggests that if the Chinese economy continues to grow at its current pace, there is strong potential for further healthy steel consumption growth.

Of some concern however, is that while economic growth has brought improved living standards, growth has not been totally benign. Pollution is damaging agricultural land and human health in the major cities as the basic air and water quality standards continue to deteriorate.

Addressing environmental issues remains one of the government's main challenges into the future. The government is likely to make companies invest in more stringent emission control technology, which will add to their costs of production.

## SAFETY MESSAGE: CROSSING DANGER

Fewer than one per cent of all road fatalities result from crashes between trains and road vehicles, yet nearly all such accidents result in death.

While most fatal road/rail crashes involve cars, 15 per cent involve heavy trucks.

A recent Australian study indicated that drivers' failure to take sufficient care or action was the major cause of such crashes.

More than 80 per cent of road/rail crashes happen in daylight, in fine weather and on straight, dry roads. More than half happen at crossings with electronic warning systems. And more than 60 per cent of drivers and motorcyclists are hit by trains – rather than running into the sides of trains.

Please remember, when you see a sign indicating a railway crossing:

- Slow down
- Look and listen carefully
- Always assume there's a train on the track.



## SILOS ADVANCE TREND TO STEEL

A \$100 million upgrade to grain handling facilities in the West Australian port of Albany has confirmed a growing trend towards steel silos in the State.

The new 60,000 tonne-capacity Albany silos at the centre of the work are similar to 10 built at Esperance in 2000. More than 3000 tonnes of XLERPLATE® steel has been used to fabricate the new Albany silos.



Co-operative Bulk Handling (CBH), which also operates terminals at Geraldton and Kwinana, commissioned the Albany and Esperance port projects.

Kwinana-based SDR Australia Pty Ltd, working for Leighton Contractors, worked on both the Albany and Esperance upgrades in steel fabrication and silo construction.

The CBH Albany Grain Terminal has a load-in/load-out capacity of 2000 tonnes per hour.

SDR Australia, a privately-owned construction and engineering company with a workforce of 250, won



Surface-treating the silo sections at SDR Australia's workshop.

the contract to fabricate the silo sections, deliver them to site and erect and surface treat them. 150-tonne and 450-tonne pin jib cranes erected the sections on site.

Leighton Contractors installed the in-loading and out-loading equipment including conveyors, bucket elevators and associated structural steelwork for the storage facility upgrade.

"The steel design concept is mostly to increase the life expectancy of the silos," a Leighton Contractors spokesman said.

"Concrete cells used for grain storage in the past have been prone to failures that led to expensive repairs. There were also concerns about the cost of construction and the importance of maintaining the quality of the grain."

## BLUESCOPE EMPLOYEES KEEN TO KNOW MORE



BlueScope Steel employees Breelee Traynor, Graham Solomon and Gemma Knight took part in the internal survey.

BlueScope Steel employees are keen to know more about their customers, according to a recent internal survey.

Ninety-two staff members from across all departments of the Port Kembla Steelworks and service providers including Transfield and Hatch were asked to answer questions about customers and their relationships with them.

Employees strongly identified a need to strengthen their knowledge of what BlueScope Steel's customers wanted.

They agreed their actions within their respective jobs impacted on the satisfaction level of BlueScope Steel's customers, which they see is also linked to business performance. Employees also wanted to learn more about what BlueScope Steel customers want.

## UPGRADE TO ROLLING MILL

The Port Kembla Steelworks Plate Mill undertook a refit of Rolling Stand One incoming side guards in July. Stand One outgoing side guards will also be replaced soon.

The Stand One side guards had not been replaced for three years and the mechanical equipment had experienced substantial wear.

The side guards are an integral part of the set-up for Stand One rolling mill and edger. They are also responsible for centring the steel in the rolling mill to ensure accurate plate width measurements.

"Before the refit our operators had to allow for 10-40mm of margin when rolling XLERPLATE® steel," Plate Mill Manager Gerard Mahoney said.

"The refit has reduced that margin to just plus or minus 2mm, allowing us to deliver a better quality product to customers because the plates will be closer to the ordered width."

The Plate Mill plans to roll at least 388,000 tonnes of XLERPLATE® steel this financial year.

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# Xlerplate®



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## IN THE HOT SEAT SCOTT DUNSTAN



**Name:** Scott Dunstan

**Job title:** Customer Service Manager – Plate Products

**No. of years with BlueScope Steel:** 26

**No. of years in the steel industry:** 26

**Description of current role:** Manage the XLERPLATE® steel supply chain and provide leadership to our team at the Plate Mill

**Previous position:** Product Manger – Plate Products

**Woman I most admire:** Halle Berry

**Man I most admire:** Allan Yates (Chief Technologist Plate & General Strip)

**Emails received on average per day:** 50

**Best invention of the last century:** Computer

**Worst television program:** Too many to mention

**Time I spend in my car each day:** 15 minutes

**Hardest habit to break:** Coffee

**Favourite drink:** VB

**Best car on the road/favourite car of all times:** Mk2 Mini Cooper S (1967)

**Most useless**

**possession:**

Short sailboard – hasn't been used for 20 years

**Favourite outdoor**

**recreational activity:** Racing sailing dinghies (NS14) with my wife and four sons

**What kick-starts my day:** Coffee

**If I had \$1m to blow it would be on...** Take six months off with the family and walk the Appalachian Trail - Maine to Georgia

**If I could have one person over for dinner, it would be...** Andrew Denton

**If there was one thing I could do all over again...** Thermodynamics 3 – I would have made sure I did better than the Pass Conceded!

**Favourite holiday destination ever:** Backpacking through the Sierra Nevada Mountain range in California – up to 12,500ft

## ANYTHING BUT STEEL

### Did you know that...

- When only four, Mozart was able to learn a piece of music in 30 minutes.
- Adolf Hitler was *Time* magazine's Man Of The Year in 1938.
- Alexander Graham Bell, the inventor of the telephone, never used it to speak with his wife or mother. They were both deaf.
- Alexandre Gustave Eiffel, the man who designed

the Eiffel Tower, also designed the inner structure of New York's famous Statue of Liberty.

- Albert Einstein was offered the presidency of Israel in 1952. He graciously declined.
- The most murders reportedly committed by a woman were 650, by Countess Erzsabeth Bathory, of Hungary. The Countess (1560-1614) systematically tortured and killed young female staff and girls within her castle's walls.

## TIM IS OUR TV WINNER!



**Winner Tim Elkington of WA-based RCR Tomlinson with State Sales Manager Elly Pilkadaris.**

Congratulations to Tim Elkington, of RCR Tomlinson in WA, for winning our recent Reader Competition prize – a 32-inch LCD TV.

"I'm delighted that such a fine prize went to someone in Western Australia – and I'm equally delighted that Tim's our winner," State Sales Manager Elly Pilkadaris said.

"Tim's over the moon, and says his kids are excited to be watching their favourite programs and DVDs on such a wonderful screen!"