

## World of Excellence

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Two things were obvious at the sixth annual Global Energy Awards. First, there were more international entries and more international finalists than ever before. And second, the four new award categories created by Platts were on track to become instant hits.

### AS THE GREAT AND THE GOOD ASSEMBLED

at New York's Plaza Hotel for what is now a traditional parade of excellence, it was clear they were in for an exceptional celebration of business leadership, talent, and innovation from around the world. Global in name and truly global in nature, the Global Energy Awards (GEA) recognized a record 34 finalists from outside the United States. The U.S., of course, was the original home of the Awards and remains, as the world's largest economy, the largest contributor of hopefuls.

But 2004 saw the most diverse geographical range of nominations ever, with finalists from Australia, Bangladesh, Canada, Egypt, Germany, India, Norway, Saudi Arabia, South Korea, Spain, Thailand, and the UK. Not only that, but of this year's 16 winners, 7 came from outside the U.S.

The days when U.S. companies might automatically assume superior business management skills or more innovative technology are clearly gone for ever, challenged by the tigers of Asia, especially India, and by a renaissance of technology and invention in Europe.

Meanwhile, this year's new awards looked set to become instant hits. Platts received dozens of nominations for the new categories—Lifetime Achievement, Industry Leadership, Petrochemicals Company of the Year, and the modified Renewables Project of the Year award (formerly Renewables Company of the Year)—and judges had a tough time picking winners. In fact, for Renewables Project of the Year, the entries were so strong that the judges exercised their prerogative to give the award to two entrants.

The 2004 winners and the judges' rationales follow.



### CEO of the Year

**Anil Ambani, Reliance Energy Ltd.  
India**

In fewer than 18 months at the helm of this Reliance Industries subsidiary, Anil Ambani has transformed a sleepy local utility into a lead player in one of the world's fastest-growing, most exciting electrical industries. Despite the formidable challenges of the deregulating Indian energy sector, Ambani has wrought his transformation while simultaneously boosting Reliance Energy's net profits by 127% and earnings per share by 192%, restructuring the power generation sector of the company, embarking on construction of the largest gas-based power plant in the world, and aggressively enlarging his customer base. Ambani's strategy of achieving total integration "from wellhead to wall socket" for Reliance Energy is a model of targeted and effective leadership. Ambani's visionary transformation of Reliance Energy crowns a notable career as co-chief executive of the parent Reliance Industries.

Other finalists in the category were, in alphabetical order: KeySpan Corp.'s Bob Catell, USA; ABB Ltd.'s Jürgen Dormann, Germany; Valero Energy Corp.'s Bill Greehey, USA; Tenaska Inc.'s Howard L. Hawks, USA; Southwestern Energy Co.'s Harold M. Korell, USA; Entergy Corp.'s J. Wayne Leonard, USA; Indian Oil Corp., Ltd.'s M.S. Ramachandran, India; AGL Resources' Paula G. Rosput, USA; and Constellation Energy's Mayo A. Shattuck, USA.



**Coal Company of the Year**  
**Peabody Energy**  
**USA**

This was the strongest group ever of contenders for the Global Energy Awards coal prize. But Peabody has won the award for the second year running on the strength of its record on growth, shareholder value, safety, and innovation. Delivering a \$2.2 billion increase in market capitalization over the past year, Peabody is not only the world's largest private sector coal company, but it is also a true industry leader, setting the standard for recovery rates, technological advance, and cost-cutting.

Other finalists in the category were, in alphabetical order: Alliance Resource Partners LP, USA; Arch Coal Inc., USA; BHP Billiton, Australia; and Westmoreland Coal Co., USA.



**Commercial Technology of the Year**  
**High-Temperature Hydraulic Nut,**  
**Technofast Industries**  
**Australia**

Combining true technological innovation with hard commercial worth is a tough trick to pull off. All too often, the technology is flashy but the commercial gain is hard to find; or the business gain is there but the technology turns out to be just some new words to an old tune. Technofast Industries has come up with the rare exception: a truly new piece of technology that everyone seems to want to buy. A hydraulic nut sounds like a small thing to invent, but Technofast's revolutionary application of high-temperature hydraulic tensioning is revolutionizing maintenance in nuclear facilities, permitting the completion of complex bolting operations in hours rather than days, saving its customers millions of dollars in downtime, and drastically cutting workers' exposure to dangerous ionizing radiation.

Other finalists in the category were, in alphabetical order: Elster Electricity LLC, USA; GE Energy, USA; Indian Oil Corp., Ltd., India; International Rectifier, USA; John Zink Co., LLC, USA; PB Power, UK; Prenova, USA; SmartSignal Corp., USA; and Tracerco, UK.



**Community Development Program of the Year**  
**Weatherwise Community Outreach,**  
**TXU Electric Delivery**  
**USA**

The judges were impressed by TXU's concrete and practical approach to implementing Texas' Low Income Weatherization program. The utility distributes up to \$10 million annually to pay contractors to improve the energy efficiency of low-income residents' homes. To build awareness of the program TXU launched a community outreach program in just 45 days, and 600 of its employees volunteered their time to weatherize a group of low-income homes to mark the program's start, building rapid awareness of the program and combining community development with commercial good sense.

Other finalists in the category were, in alphabetical order: EnCana Corp., Canada; Entergy Corp., USA; Peabody Energy, USA; Salt River Project, USA; and Valero Energy Corp., USA.



**Energy Company of the Year**  
**Constellation Energy**  
**USA**

Constellation Energy is a star that has risen. It has gone in three years from a Baltimore-based regionally focused gas and electric utility to the largest competitive supplier of electricity to large commercial and industrial companies in the U.S. Its revenues have almost tripled in the process, and earnings are growing at a compound 10% plus. A once-crippling debt load has been slashed, and today it boasts 57 of the top Fortune 100 companies as clients. Constellation was a founding member of the standards group that has done so much to reestablish the industry's ethical credentials in the wake of the Enron meltdown. It also has stood out as a leader in diversification and competition at a time when many of its competitors were retreating in their thinking to the safety of a regulated industry model.

Other finalists in the category were, in alphabetical order: AltaGas Income Trust, Canada; Entergy Corp., USA; Exelon Corp., USA; FPL Group Inc., USA; Peabody Energy,

USA; PTT Public Co., Ltd., Thailand; and Reliance Industries Ltd., India.



### Energy Engineering Project of the Year

#### **Prestige oil spill, Repsol YPF Spain**

You don't get many more exciting engineering challenges than trying to recover the oil from a tanker that has sunk in 3,850 meters (almost two and a half miles) of cold Atlantic Ocean. Excitement aside, Repsol's highly innovative and highly successful approach to the recovery of 12,500 tonnes of fuel from the seabed wreck of the *Prestige* tanker off the coast of Spain earned the judges' respect and admiration. This was no routine project. It required modification of robotic vehicles to operate at extreme depth; data acquisition in total darkness; development of a system capable of safely perforating the deck of the *Prestige* and extracting the fuel; development of new synthetic fuels to test extraction procedures in the lab; and the introduction of innovative coreflow techniques to extract highly viscous fluids. And it wasn't Repsol's tanker in the first place. Robot tests began on-site in July 2003, and 11 months later, in June 2004, Repsol began removing the fuel itself, completing the operation successfully in September after more than half a million man-hours of work. Vestigial oil in the tanker was then treated with biological agents to break it down.

Other finalists in the category were, in alphabetical order: Bechtel Enka Joint Venture, USA; Burns and Roe (for BP Houston plant), USA; Fluor Corp. (for ConocoPhillips desulfurizer), USA; Fluor Corp. (for ExxonMobil low-sulfur unit), USA; Fluor Corp. (for Jubail Olefins Project), USA; GAIL (India) Ltd., India; KerrMcGee Corp., USA; and Union Fenosa, Spain.



### Gas Company of the Year

#### **EnCana Canada**

Size isn't everything, but it helps. This year's gas company of the year, EnCana, is North

America's largest independent gas producer and storage operator. But what impressed the judges was how it got there. EnCana's unique, highly rigorous Resource Play Management System has put it in charge of an asset base that is radically different from that of many of its competitors: properties with often unconventional characteristics but containing significant resources and boasting much longer production horizons. EnCana's approach puts it at the forefront of smart application of cutting-edge technologies: It is engaged in or has used coil-tubing drilling of shallow gas, horizontal underbalanced drilling, multi-stage fracturing, and micro-seismic, four-dimensional seismic and steam-assisted gravity drainage. Meanwhile, EnCana grew its 2003 earnings by 97%, well outstripping the natural 67% boost it would have gotten from higher gas prices. Its natural gas and oil sales were up 9%. And this year saw a continued march for growth, with the \$2.4 billion acquisition of Tom Brown Inc.

Other finalists in the category were, in alphabetical order: AGL Resources, USA; KeySpan Corp., USA; and Southwestern Energy Co., USA.



### Industry Leadership Award

#### **Department of Navy USA**

This award was about setting an example—and few downstream energy consumers have ever set an example quite like the U.S. Department of Navy did in its 2003–2004 quest for energy efficiency. Spending over \$200 million in a single year on energy-efficient measures across facilities worldwide, the Navy plans to cut energy consumption by 1.5 MMBtu a year. It has invested in 17 megawatts of combined heat and power, opened the largest government-owned photovoltaic system in the U.S., and implemented 14 solar generation facilities, almost 6,000 thermal installations (geothermal and solar facilities), three daylighting projects, and a wind farm. It has also committed to purchasing renewable energy in a major way, for example buying power for its Portsmouth yard from a waste-to-energy plant. It has systematically implemented power reduction measures across its hundreds of facilities, adopted sus-

tainable building design as a core principle, instituted water conservation measures, and achieved a reduction in energy consumption per square foot by 19.6% against a year 2000 baseline—bumping up against its 2005 target more than a year ahead of schedule. Judges were impressed by the integrated approach and the powerful demonstration of how much can be achieved if you try.

Other finalists in the category were, in alphabetical order: Cinergy, USA; EnerSea Transport LLC, USA; Enginuity LLC, USA; GAIL (India) Ltd., India; International Transmission Co., USA; New York Mercantile Exchange Inc., USA; NiSource Inc., USA; TXU, USA; and Xcel Energy Inc., USA.



### **Lifetime Achievement Award** **Donald Hintz, Entergy Corp.** **USA**

Donald Hintz retired as president of New Orleans-based Entergy Corp. in April 2004. A chemical engineer and veteran of the U.S. Navy, he spent his early career in a technical role at the Kewaunee nuclear plant in Wisconsin. Rising to manage plant operations, he joined Entergy in 1989 to oversee its nuclear businesses as COO. It was then that he began his advocacy for a nuclear power strategy that has earned him respect—and notoriety—worldwide and quite possibly created the climate for the nuclear renaissance of the past decade. It was Hintz who in 1998 convinced Entergy's Board of Directors that a well-operated nuclear plant could be competitive. By the time of his retirement, Entergy had become the second-largest and fastest growing nuclear operator in the U.S. Under his stewardship, Entergy rose to become one of the most successful and respected energy companies in the world, last year winning Global Energy Awards for Energy Company of the Year and CEO of the Year for Hintz's colleague, Wayne Leonard. A master of operational management, Hintz also had the ability to inspire those around him to work to the highest standards, convincing entry-level employees and senior management alike that they could achieve, as he has done.

Other finalists in the category were, in alphabetical order: Invensys' Dr. Calvin B. Cobb, USA; Meckler Group's Milton Meckler, PE, USA; and GE Energy's Del Williamson, USA.



### **Marketing Campaign of the Year** **"You Get All of Our Energy," Xcel Energy** **USA**

Xcel Energy has achieved what many in corporate marketing and advertising strive for: a way to portray its business as human without spooning out mawkish or self-indulgently folksy sentiment. Xcel's "You Get All of Our Energy" TV ad campaign is that rare success—a series of ads starring real employees, from plant technicians to a woman who digs holes in streets, that seem genuinely to convey how those employees feel. And they feel dedicated. Winners of this award have to demonstrate results as well as nice visuals. Xcel did that more than adequately, boosting customer satisfaction and awareness by eight points since the March 2004 launch of the campaign across 11 states. Perception of Xcel's commitment to the community was up six points, while perception that the company meets energy needs and is anticipating future needs is up a massive 17 and 18 points respectively.

Other finalists in the category were, in alphabetical order: Bharat Petroleum Corp., Ltd., India; EPB, USA; FPL Group Inc., USA; Long Island Power Authority, USA; and South Carolina Electric & Gas Co., USA.



### **Newcomer of the Year** **Vortex Flow LLC** **USA**

This new award was bound to garner a wide variety of entries from all corners of the energy industry and the world. This winner impressed the judges with the simplicity and efficacy of its business: revolutionary fluid dynamics technology that is fast seeing uptake by many of the world's largest exploration and production companies. Since startup in 2001, and with only 10 full-time employees, Vortex Flow has contrived to

install 500 of its tools, which are designed to improve flow in pipelines and tubing strings in oil and gas wells, preventing unwanted fluid or paraffin accumulation. The company has built its business cautiously, basin-by-basin, and has clearly succeeded by going the extra mile in design and re-design of its tool. As a result, it is offering cutting-edge technology solutions to very large players that will extend reservoir life and potentially save its customers many millions of dollars. The business is now poised to expand internationally and is the subject of multiple client-initiated approaches for help with other flow-related engineering problems.

Other finalists in the category were, in alphabetical order: Eastman Gasification Services Co., USA; SemGroup LP, USA; Technofast Industries Pty, Ltd., Australia; Tortoise Energy Infrastructure Corp., USA; Union Fenosa Gas, Spain; and Wolverine Power Marketing Cooperative, USA.



### **Oil Company of the Year** **Valero** **USA**

This year's strong international field saw U.S. refiner and distributor Valero emerge as an impressive winner. The judges were impressed by Valero's comprehensive realization of an ambitious seven-year strategic plan that has taken the company from a single refinery operation to a \$50 billion giant, with 15 refineries and 4,500 retail outlets in North America and the Caribbean. At a time when refining was seen as a poor industry niche, Valero steered its own course, divesting its natural gas business to focus exclusively on the oil side and successfully building up capacity of 2.4 million bbl/day. Over the past two years Valero has successfully and rapidly turned around underperforming plants when it acquired the St. Charles and Aruba refineries; and it has ridden out the poor margin wave of the past decade to emerge poised to capitalize on current high margins. Shareholders have seen cumulative five-year return of over 339%. In the first six months of 2004, Valero outperformed all other U.S. oil companies in earnings, having already hit record stock price highs in 2003.

Other finalists in the category were, in alphabetical order: Hindustan Petroleum Corp., Ltd., India; Indian Oil Corp., Ltd. India; and Reliance Industries Ltd., India.



### **Petrochemicals Company of the Year** **Reliance Industries Ltd.** **India**

In a remarkable and sustained expansion in the face of world-class international competition, India's Reliance Industries has propelled itself into the position of being the largest polyester producer on the planet and has successfully acquired and integrated Germany's Trevira GmbH and India's second-largest petrochemicals producer, IPCL, into its structure, substantially boosting revenue and earnings. Reliance has also made itself number three in the world in paraxylene production, fifth in PTA, and seventh in polypropylene. Reliance is at the forefront of petrochemicals research, opening a major technology center in 2003 and partnering with Invista Performance Technologies (formerly DuPont Polyester Technologies). Its naphtha cracker at Hazira topped a Solomon Associates 2003 survey in terms both of cash margin and maintenance reliability.

Other finalists in the category were, in alphabetical order: Eastman Chemical Co., USA; and SABIC, Saudi Arabia.



### **Power Company of the Year** **Cinergy** **USA**

U.S. Midwest integrated utility Cinergy bested a field of first-class entries to secure this award. Judges were impressed by the delivery of 191% shareholder return in the 2003-2004 year alongside the company's first-class record on commitment to sustainability, safety, environmental standards, and the local economy. In 2003, Cinergy amended its Code of Business Conduct Ethics to enshrine social responsibility, economic progress, and environmental improvement in its core values, and in that year scored 99.6% on the Institutional Shareholder

Services Corporate Governance quotient. Cinergy was also among the first U.S. power companies to “clean house” and act to implement enhanced market reporting standards in the wake of the Enron scandal. Cinergy has impressed by building its business on a foundation of contributing to local economies and the society around it. On the regulated side, it serves 1.5 million electric customers and half a million gas customers. Its commercial business unit owns 6,300 MW of capacity and operates the most liquid power trading hub in the U.S.

Other finalists in the category were, in alphabetical order: ENMAX Corp., Canada; Entergy Corp., USA; FPL Group Inc., USA; Green Mountain Power, USA; KeySpan Corp., USA; Korea Western Power Co., Ltd, South Korea; Reliance Energy Ltd., India; and ScottishPower Plc., UK.



**Renewables Project of the Year**  
**Utsira wind-hydrogen plant, Hydro Norway**  
*and*  
**Domestic solar project, Rahimafrooz Batteries Ltd. Bangladesh**

This category once again drew a wealth of high-quality entries of great diversity, and after prolonged debate, the judges decided to give two Renewables awards for 2004. The two winning projects could not be more different.

Hydro's fully self-sufficient wind-driven hydrogen fuel cell power plant on the remote island of Utsira in the North Sea is a textbook proof of concept study in imaginative renewables engineering. A closed system, the Utsira project gets around the stability shortcomings of wind generation by using one of its two 600-KW turbines to manufacture hydrogen from water. This hydrogen is then used in a fuel cell to provide stable electrical supply to the islanders. Surplus electricity from the system will be sold into the Norwegian grid.

The judges were equally impressed with the practicality of the second winner, Rahimafrooz Batteries of Bangladesh, whose Solar Home Systems project has been realized across more than 8,000 households in a single year, with a further 4,700 installations targeted by the end

of 2004. Producing components locally, Rahimafrooz has injected much-needed employment into desperately poor areas of Bangladesh while providing power for the first time to rural and isolated communities. Rahimafrooz has achieved this with the lowest level of World Bank support in the region (only 12%) and is aiming high: It plans to extend the project to 2010 with the goal of transforming the lives of five million people.

Other finalists in the category were, in alphabetical order: Abengoa Bioenergy Corp., USA; Calpine Corp., USA; East Kentucky Power Cooperative, Inc., USA; ENMAX Corp., Canada; FPL Group Inc., USA; New & Renewable Energy Authority (NREA), Egypt; ORMAT Technologies Inc., USA; and ScottishPower Plc., UK. ■

## An Invitation to Innovators with a Commitment to Excellence

The Platts Global Energy Awards showcases the extraordinary accomplishments of energy businesses worldwide. Each year's winners display an innovative spirit and an enduring commitment to customers, shareholder, and future generations.

*The 2005 Call for Nominations will be issued on June 1, 2005.*

For more information, visit:  
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