

PETRIN



CORPORATION

Petrin Pipeline

Serving the Southeastern United States in Industrial Insulation

2nd Quarter 2010

Dynamic Fuels Project Nears Completion

Petrin Corporation is close to completion of the insulation and electric tracing scope of work for the Dynamic Fuels renewable fuels project located in Geismar, Louisiana. Petrin began work on this project in early March of 2010 with a completion schedule in July 2010. Once complete, Petrin will have insulated approximately 31,000 linear feet of pipe and traced 8,000 linear feet. The Petrin crew worked long and hard on this project and we commend the efforts of Project Superintendent Greg Diamond.

SE-15 Facelift Concludes

For the SE-15 Project at Angus Chemical in Sterlington, LA, Petrin executed a complete facelift of the tower. A Petrin scaffold crew built scaffolding from the ground up to the top of the tower and another crew removed all of the existing insulation. The coatings crew then moved in and sandblasted and painted the entire structure and finally the insulators installed cellular glass and stainless steel jacketing to complete the work.



According to Don Wilhelm, the Angus Chemical Project Coordinator, "Petrin did an excellent job on this project. Not only did they finish on time but they also came in under budget." Congratulations to Joe Matney and all of the Angus crew.

Taminco Project Nearing Completion

Petrin Corporation is nearing completion on the Taminco St. Gabriel Expansion Project located in St. Gabriel, Louisiana. Petrin Corporation has been working closely with Performance Contractors to supply shop painting, field touch up painting, piping insulation, and equipment insulation specialty services.

Scaffolding services for this project were provided by Petrin's sister company Scaffolding Rental & Erection Services, LLC.

Upon completion, Petrin will have shop painted over 3,600 pipe spools, field touch up painted over 130,000 square feet of surface area, installed over 15,000 square feet of equipment insulation, and insulated over 20,000 linear feet of piping. To date, Petrin has had zero OSHA Recordable accidents on this project which has logged over 30,000 man hours.

Congratulations to Allen Bevins - Petrin Coatings Construction Manager, Samuel Stroup - Petrin Coatings Superintendent Jimmey Rome - Petrin Insulation Construction Manager, Greg Phillips - Petrin Project Estimator, Ashton Granier - Petrin Insulation Superintendent, and Brian Taylor - Petrin Insulation Superintendent.

Dupont Project Completed Successfully

Petrin Corporation recently completed a large piping and equipment insulation project at the Dupont Fayetteville Works in Fayetteville, North Carolina. This project included over 8,000 linear feet of piping insulation and over 4,000 square feet of equipment insulation. In addition to the insulation work, Petrin erected all of its own scaffolding.

This project bid in mid-February of this year and mobilized in early March. Petrin completed the project on schedule in early June. In total Petrin logged over 8,000 man hours on this project.

In addition to finishing efficiently and on schedule, Petrin made safety a priority. As a result, we completed the project with zero First Aid cases or OSHA recordable injuries.

Congratulations to Delane Freeman - Petrin Construction Manager, Mike Guedry - Petrin Project Estimator, and Marco Loza - Petrin Project Superintendent for a job well done!

Congratulations to the Petrin crew at Dow who recently celebrated an 11-year milestone without a recordable injury. Way to go!



CEO's Message



JIM HALL
CEO

Welcome to the heat of the summer. A quick rundown.

The 2009 year was a good one for the company, business was good and more impor-

tantly from a safety standpoint on a combined basis, we ended the year having worked an average of almost 625 people and finished the year with a combined OSHA incident rate of .31. Obviously our ultimate goal is to have everyone go home everyday as healthy as when they came to work that morning. And, while individual yearly performance is important, consistent long-term performance is what we strive for, and we are pleased that the **Ten-Year Average OSHA Incident Rate for Petrin stands at .41**. Thanks again to everyone for your focus on safety. We thank you and we know that your family and the people who are close to you thank you also.

In spite of the fact that the last year has been one of economic uncertainty, we have been very fortunate that opportunities have continued to surface and that our team of employees has had the ability and desire to step up and safely be of assistance to our customers. One of the main reasons that we have been able to do this is because our employees are the absolute best at what they do; namely, insulation, material and removable cover fabrication, painting, scaffold building and the other activities needed to keep these all running smoothly.

Because the power of a team increases exponentially when a team works together, we are very optimistic about our ability to further increase service levels to our customers. We will do this by consolidating our operational team upon completion of our new building. The new building, located adjacent to Petrin's existing facility, will serve as the home office of safety, estimating and project management for our insulation, painting and scaffolding operations. This will allow the team to communicate faster about what our customers need and how we can help them. Additionally, we are pleased to have added Mike Shipp to our team as Executive Vice President

-Continued at right

Mike Shipp Joins Petrin as Executive Vice President



Mike Shipp has joined Petrin as Executive Vice President where he will be responsible for Corporate Level oversight of Construction Operations and Business Development.

Mike is a graduate of Texas A&M University with a degree in Building Construction. He has worked in Petrochemical related construction and operations for 35 years as both owner and contractor.

Petrin North Highlights

Dow/Angus Chemical in Sterlington

During a recent outage at Dow/Angus Chemical, Petrin utilized experienced crews to provide five of our specialty services. Petrin crews did a small amount of asbestos removal, followed by scaffolding, blasting and painting, insulation, and fire proofing on one job. The SE-15 column project began in February with some asbestos removal at the base by Petrin abators. Afterwards, Petrin crews erected scaffolding, with a stair tower. The old metal and insulation was removed by Petrin, and after mechanical maintenance work was complete, our paint crew blasted the column and structure prior to painting. New fireproofing was installed by Petrin, as well as insulation and metal lagging, before the scaffolding was taken down in April. This work was completed safely, on time and under budget.

El Dorado, Arkansas

At Chemtura, we are maintaining a continuous presence workforce as needed to meet the customer's requirements, which are constantly changing. In addition, Petrin has provided insulation services to Dupont Chemical, Tetra Technologies, and Lycus Limited, among others.

Lamb Weston / Con-Agra Plant in Delhi

Petrin mobilized March 24 at this site, initially contracted by Breck Construction to insulate their installed piping during the construction of this sweet potato processing facility, which is scheduled to open in November. By the end of June, Petrin had worked over 12,000 man-hours on the job for Breck, and has contracted with several other mechanical contractors to provide them with our insulation services.

Masonite – Laurel, Mississippi

Petrin Corporation has mobilized several times since November of last year to work with S & E Design and Installation at Masonite's facility in Laurel, Mississippi. S & E has been installing new equipment and ductwork, which Petrin has been insulating. At the same site, Petrin assisted James Construction in February and March with insulation of a new boiler and precipitator.

CEO's Message Continued

and know that his wealth of experience will help us better anticipate and respond to customer needs. In this capacity, Mike will serve as the corporate organizational head of our construction, maintenance and business development operations. To quote from Mike, "I am proud to have been invited to be a part of this team. Having worked with the various Petrin Group companies from the customer angle, I am well aware of the quality and integrity of the team

members at all levels of the organization. I consider it a privilege for me to be able to support, lead, and help grow this team as we continue to provide safe, high quality, cost effective services to our customers and tackle new challenges going forward."

Thanks again to all of you for all of your efforts and have a safe rest of the year at home and work.

President's Message



KENNY FREEMAN
PRESIDENT

In November of last year, several members of the Board of Directors of the National Insulation Association descended upon Capitol Hill in Washington D.C. with the intent to discuss Energy Efficiency legislation with our Representatives and Senators. I had the

good fortune of meeting with our U.S. Congressman from the 6th Congressional district, Dr. Bill Cassidy, who was very interested in hearing about how insulation can not only save energy but reduce carbon emissions as well. What NIA is trying to do is establish tax credits for both industrial and commercial facilities that perform energy reduction measures. NIA was successful in getting a get bill introduced (H.R. 4296). It is called the Mechanical Insulation Installation Incentive Act. In addition to conserving energy proper mechanical insulation can reduce greenhouse gas emissions, increase process productivity, help control condensation, as well as, several other benefits. It is the intent of NIA to heighten the awareness on the value of insulation to policymakers. NIA estimates that over \$4.8 billion can be saved and 43 million tons of CO2 would be reduced with proper insulation installed.

On Friday, July 30th several divisions within Petrin moved into our new building (*See photo at bottom right*) located next door to our main facility in Port Allen. Everyone is looking forward to the move and it should help facilitate better communications across all operating divisions.

Finally, a note of thanks to the wonderful Petrin Family for continuing to be the best, not only from a productive perspective, but our safety record is outstanding. We have once again been nominated for the Greater Baton Rouge Industry Alliance Safety Award. Mosaic just presented us with their highest safety award given in Louisiana, and in addition, LWCC recognized Petrin for the third consecutive year as being one of the safety 70 companies among its 19,000 policyholders. These awards and recognitions happen because all of our employees make a commitment to safety.

Departmental Highlights

Accounting Department

We cannot believe that we are already half way through 2010. Our department has been as busy as ever keeping the hidden most workings of Petrin flowing smoothly. We continually strive to improve our procedures and are still working toward a paperless office.

Campus Federal Credit Union offers several educational seminars and would be willing to accommodate us if employees would be interested. Below are a few of the topics. We will be sending out more information in the near future.

- Money Matters – Understanding the concepts and benefits of budgeting.
- Pay Yourself First – Why savings is important
- Borrowing Basics – What is credit and why is it important?

Material Sales

The Material Sales Division has experienced a very busy 2010 forcing us to start a second shift in our fabrication shop. We have been fabbing insulation sixteen hours a day for most of this year in order to meet the demands of our clients with a response time that is unmatched by our competitors. It is unknown to many that our shop has and is capable of producing more fabricated insulation than anyone in our state. We have recently welcomed several new customers on board and have extended our delivery service areas into other states. Our industry is still faced with long lead time issues on Perlite insulation which is currently ten weeks out. Perlite insu-

lation continues to be a desired commodity and we are doing all we can to expedite shipments, and we see no relief in the near future. Please get the word out to be better prepared for future projects.

Blanket Division

The Blanket Division continues to service the removable insulation needs of clients in the U.S.

A major project was executed at Air Products in Baton Rouge, La. This project required a temporary shop to be set up in Ponchatoula with a dozen part-time employees. Thanks to Ralph Landry and his crew for the shop space and layout/cutout work of the pigtail sleeves that covered hundreds of furnace tubes.

A major re-insulation project was also completed for Drew Prejeant at Monsanto-Luling. On this project, the Blanket Division replaced conventional insulation and existing blankets on 12 reactors with blankets designed for a caustic environment.

A major new construction project was finished for Shintech in Plaquemine, La. Chad Ronkartz was the lead on this project, which required over 1200 blankets to be fabricated.

Other projects were also completed for John Deere-Thibodaux, GulfCraft in Patterson, La., KSB Inc in Richmond, Va. and PCS/TST in Hanover, Md.

On July 30, several divisions of Petrin moved into the new building located next to the main facility in Port Allen.



Safety Spotlight

2010 is nearly half over and, so far has been outstanding as far as safety is concerned. 2009 was also a successful year; it presented new clients, new challenges and new opportunities. Several major jobs were completed on time, within budget and most importantly without injury. So congratulations to all members of the Petrin family for meeting and exceeding safety expectations once again!

Additional thanks and congratulations go out to the following jobsites for completing another year without an OSHA recordable:

Jobsite, Years since OSHA recordable

Blanket shop, 19
Warehouse, 17
Mosaic U.S., 16
Mosaic Faustina, 12
Dow, 11
Fab Shop, 6
Lion Co Polymer, 4
Angus, 3
El Dorado Construction, 3
Chemtura Arkansas, 3
Wynnewood, 2
Baton Rouge Construction, 1



On June 29th Petrin was recognized by Mosaic as we received the Gold Award. It was the highest category of award given by Mosaic.

Petrin's Blanket Shop has successfully reached a 19-year milestone without an OSHA recordable. Congratulations to the entire team on a job well done. Your commitment to safety is a credit to your dedication. Thanks!