

# CASE STUDY: KALTIM PRIMA COAL

## FIVE YEAR TRIPARTITE PARTNERSHIP BEHIND SUCCESSFUL FUEL MANAGEMENT IN INDONESIAN MINE



An effective partnership between Banlaw, mining giant KPC and its distributor Atlas Copco Nusantara has been central to the highly successful implementation of an integrated fuel management system at one of the world's largest open pit mining operations in Sangatta, Indonesia.

Five years on, Banlaw's fuel management system is performing extremely well, saving KPC time and money. The good news is there are still more benefits being realised.

### AN INNOVATIVE REFUELING SYSTEM, NOT JUST OUTSTANDING FUEL PRODUCTS

Five years ago Banlaw installed its unique FuelTrack system to monitor and report on fuel usage across the mine's fuel farms, tanks, vehicles and equipment.

The system is working brilliantly to deliver 99.8% auto ID verification of fuel usage.

To have a truly effective fuel management system you need more than just a piece of technology.

KPC has an ongoing service agreement with Atlas Copco Nusantara that provides it with expert staff on site as well as a 24/7 Help Desk to help monitor the system, support mine staff and identify problems or reporting issues before they are even identified on-site.

Banlaw's continued partnership with Atlas Copco Nusantara allows them to help KPC to develop and implement new, more efficient fuel management systems and processes.



### PARTNERSHIP

The important element to the success of this project is the partnership between client, distributor and Banlaw. The distributor worked along-side Banlaw during installation so they also know the system inside and out too.

The system has been handed over to the distributor but Banlaw now assist with

audits of the distributor, customer, hardware and the site environment.

This was Banlaw's first true tripartite partnership arrangement but the model has been successfully used in other projects including Mt Isa, Australia and Mozambique, Africa.

*"KPC is now in a much better position to accurately measure where all its fuel is going. While the equipment is excellent there are obviously always going to be issues and teething problems in implementation and ongoing operation. Having Banlaw's expert people on hand has allowed us to identify problems and solutions that we would not have picked up ourselves. With the help of Banlaw we have not just installed a new system, we are continuing to improve its operation to maximise its value to our business."*

Syahrinil Rizal  
Store Inventory Control Manager

### FAST FACTS

Start: November 2008  
Finish: October 2009  
Cost: \$A 3.3million  
Payback: Under 1 year

### Keys to success

Focus on better systems not just automating existing ones.

55 operational (62 total) Banlaw FuelTrack™ depots installed at refuelling points.

Banlaw's AutoID system installed to measure fuel usage across:

- ▶ 3,668 Registered Units
- ▶ 9 Refuelling Locations
- ▶ 25 Fuel Trucks

A long-term tripartite partnership with the client and its distributor.

New point of custody transfer agreed with fuel supplier.

Ongoing service agreements introduced to improve systems and flow rates, as well as to identify operational issues and solutions.

24/7 Banlaw Helpdesk support and system "health checks".

### Results

KPC now has much more than a fuel security system. Here are the top 5 benefits it reports.

1. 99.8% per annum of fuel usage automatically, accurately monitored at vehicle, tank, department and system level
2. Improved inventory control (including at tank level to ensure fuel is delivered before its runs out)
3. Improved custody transfer (including back charging contractors for fuel usage)
4. Fuel consumption data for condition monitoring
5. Contamination Control

### More Information

[banlaw.com](http://banlaw.com)  
Ph: +61 2 4922 6300