

Introduction

John Thompson (JT) is a division of ACTOM (Pty) Ltd with its principal focus on being the best boiler and environmental solutions company serving the power generation and industrial markets, both locally and internationally, with innovation and enthusiastic response.

JT has been designing and manufacturing firetube and watertube boilers since 1954 at their facility in Cape Town. During this period we have earned a worldwide reputation for quality and reliability.



Boiler Plant Management Services

The Boiler Management Services department of JT's Package Boilers Business Unit was formed to embrace the current worldwide trend of outsourcing. This demonstrates our commitment to delivering not only world competitive products but also a commitment to world class service.

The primary focus of this Department is Boiler Plant Contract Management. BPCM is a long-term agreement, whereby JT takes the responsibility for supplying steam to the client reliably, safely and efficiently.

BPCM is not a prescriptive solution, technically or commercially. JT will together with the client tailor each and every agreement to satisfy individual client needs. The reasons for this are simple: each plant has its own operating parameters and key performance indicators.

BPCM therefore is a partnership solution offering transfer of risk by outsourcing to the specialist; John Thompson.

The cost effectiveness with which the fuel in the boiler is converted into useful energy is the essence of the service we are offering and is one of the main sources of containing the cost of steam generation. High thermal efficiencies are the result of skilled supervision and management of trained resources combined with a thorough understanding of boiler design.

In this context John Thompson has been approved by the World Bank as an international technology source for boiler manufacturers in China, who wish to burn low grade coal.

We believe therefore that the engineering back-up that you receive with a BPCM contract is extremely valuable and will help improve the effectiveness and profitability of your organisation. As a partner in your business we would understand your steam requirements and the impact they have on your factory. Together we can optimize the input of steam to your process.

Staff Training

John Thompson believes staff training is an essential part of boiler operation; all of our staff is trained at our modern training centre which has a fully operational coal-fired boiler. JT is prepared to discuss the position of your existing boiler operating staff in order manage any risk of labour unrest as a result of outsourcing.

Outsourcing

Outsourcing is a business decision and as such must be thought through very carefully. Some reasons for deciding to outsource a boiler house include:

- Transfer of operating risk
- Delegation of responsibility in terms of the OHS Act, 85 of 1993
- Fixing operating costs to allow accurate budgeting
- Freeing-up management time for other value adding activities
- Lower working capital costs

John Thompson, within its boiler plant contract management, is responsible for compliance with current legal requirements with regard to operation and maintenance of the boiler plant. The condition of the plant is monitored by JT and regular reports submitted to your engineering management.



We are able to finance capital upgrade and/or new plant through a contract of this type. This allows customers the flexibility to apply their capital in other value adding plant.

By entering into a JT boilerplant management contract, you will be totally relieved of the responsibility for the generation of steam. You will simply be charged monthly for the metered quantity of steam used plus agreed fixed costs. This will facilitate accurate steam cost budgeting.

The costs are made up as follows:

Fixed Cost

The Fixed Cost covers those costs that are unrelated to the amount of steam used such as:

- Salaries and wages
- Capital costs
- Insurance
- Statutory inspections
- Administration

Variable Cost

The Variable Cost covers all input costs which relate directly to the amount of steam produced such as:

- Fuel
- Water
- Electricity
- Water treatment
- Operating maintenance

The operation of steam generation plant is our business and we acknowledge that a reliable steam supply is critical for your production. Our services can also include the maintenance of steam pipelines in accordance with statutory requirements. Our boilerplant management service is backed by 75 years experience in the South African industry.

For further information please contact Ken Klein, our Steam Supply Manager, kenk@johnthompson.co.za; or our regional office closest to you.