

B2B: Comfortable Living at a Working Site

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I would like to address the construction of temporary and residential accommodation and amenities intended for housing of construction and operational labor required throughout the full life cycle of the exploration or industrial enterprise's construction and operation.

It is common knowledge that a significant part of capital expenditure, which constitutes up to 60-70 percent of the overall cost of the project, is related to the construction of the project's infrastructure, which usually encompasses all utilities, transport and logistics solutions e.g. ports, rail spurs, main and service roads, construction materials delivery, feed-stock, consumables and finished goods storage and export facilities, etc. Infrastructure always includes as its integral part temporal/permanent accommodation for construction labor, camps for shifts and permanent residential accommodation for operational staff and their families.

I think that the creation of good conditions for construction labor and operational personnel adds over and above the overall culture of project execution and improves operational performance. I am not saying anything new by reiterating the simple statement that namely "being determines one's consciousness."

Comfortable and homely conditions of living are very important, particularly when the site is located remotely, in areas with harsh climatic conditions such as cold regions in extreme North, marshy lands, etc.

Remotely located camps, with difficult outreach and limited availability of the local service subcontractors, have the task of providing "one-stop-shop" services to residents, including medical aid, food catering, laundry, clothing and bathing facilities, as well as cleaning, maintenance and repair services for its compartments. The important thing is to effectively

link up residential accommodation selection with logistics and transportation solutions with their supply and servicing hubs and carefully evaluate risks at the early project implementation phases.

During my past work in engineering and construction, I have visited a number of project sites, operated by local and international contractors, and I have seen few successful "all-in-one" solutions for the project's operational and servicing labor. I remember one of my visits to a project site located remotely in the Russian extreme North, servicing oil extraction and initial treatment facilities. There were 2 principally different types of labor camps sharing the same site. One camp consisted of standard 3-4 layers stacked assemblies of typical make-shift cabins, inter-connected with crossings, and the second one was the hi-tech design facility, which included accommodation units, restaurant, storage and service zones, a gym and even a cinema! I spoke to the management and I recall that somebody told me that the cost of construction of the second one exceeded 2.5 times the cost of a conventional camp. However, nothing was added for labor conditions and the efficiency of their work, which was the key factor, I think!

In order to keep good productivity of personnel, many companies try to develop projects in a reasonable and wise manner, so they make the planning of their project involve temporal and permanent accommodation from the early stage on, when they develop a conceptual design of the entire facility and do a project feasibility study.

Many companies in the oil and gas and mining sector, as well as others, particularly dealing with mega-projects, are applying great efforts in order to create favorable conditions for sustainable development of their production facilities and maintenance of the steady operation as well as creation of friendly conditions for environment and communities where they work. There are quite a few success stories.

Many of us remember from the past fuel barrels, which were served after completion of their main purpose as temporal accommodation for the labor shifts. Their residents called them also «barrels». It was hoped that this accommodation was temporary, however, as we know, there is nothing more permanent than temporary. These so-called accommodations exist even now. I believe that we are in a position to change this trend! Let's start now.

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