



**Training Proposal for:  
BP Lubricants USA Inc.**

**Fast Track ≤ \$100,000**

**ET15-0160**

**Panel Meeting of:** June 27, 2014

**ETP Regional Office:** Sacramento

**Analyst:** L. Lai

**CONTRACTOR**

- Type of Industry: Manufacturing
  
  - Number of Full-Time Employees
    - California: 800
    - Worldwide: 83,900
    - Number to be trained: 38
  
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training:  Yes  No
  - High Unemployment Area:  Yes  No
  - Turnover Rate: 0%
  - Repeat Contractor:  Yes  No
  - Substantial Contribution:  Yes  No
- Priority Industry:  Yes  No
- Owner  Yes  No
- Mgr/Supr 6
- Frontline 32

**FUNDING**

- Requested Amount: \$50,616
- In-Kind Contribution: \$198,360

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Continuous Impr, Mfg Skills	38	8 - 200	0	\$1,332	\$18.00
				Weighted Avg: 74			

- Reimbursement Rate: \$18 Priority Retraining
- County(ies): Contra Costa
- Occupations to be Trained: Administrative Staff, Operator, Technician/Mechanic, Supervisor/Manager
- Union Representation:  Yes  
 No
- Health Benefits: N/A
- Electronic Recordkeeping: N/A

**SUBCONTRACTORS**

- Development Services: TGII in Suwanee, GA assisted with development at no charge.
- Administrative Services: TGII will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

BP Lubricants USA Inc. (BP Lubricants) is an international corporation with operations in over 70 countries. Its key strengths are in oil/gas exploration and production, refining, and petroleum and chemical products. The Company manufactures and distributes an extensive range of lubricants, from engine oils and brake fluids for automobiles, motorcycles, and lawn mowers to heavy duty lubricants for trucks, earthmovers and diggers, marine vessels, and industrial machines. BP Lubricants is a subsidiary of BP plc and has been operating in Richmond for over 40 years.

This will be the second ETP proposal for BP Lubricants' Richmond facility in the last five years. The previous project focused on the initial phase of a Total Productive Manufacturing (TPM) system and Business Skills. This project will include Manufacturing Skills and new Continuous Improvement topics such as Black Belt Training, Green Belt Training, ISO, and Raw Materials Planning. Some curriculum topics are repeated from the previous agreement; however, the subject matter has been updated and/or improved per new technology and developments so there will be no duplication of training content in those courses.

## Training Plan

**Continuous Improvement** - Training will be provided to all occupations. Topics encompass various facets of TPM, including but not limited to Operating Management System Online, Black Belt, Green Belt, raw material planning, process improvement, Just-in-Time, Hazardous Identification Task Tracking Risk Assessment, and ISO 9001/14001 Internal Auditing. Training will help the Company continue its efforts to improve processes and achieve a goal of zero accidents and defects.

**Manufacturing Skills** - Training will be offered to all occupations except Administrative Staff. Topics include Total Productive Manufacturing, Equipment Operation and Maintenance, and Electrical Systems Technology. Training will improve worker skills and efficiencies.

### Out-of-State Vendor

TGII, located in Suwanee, GA, developed the project and will provide administrative services. TGII provided similar services under the previous contract and has an on-going, long-term national business relationship with BP Lubricants.

### High Unemployment Area

Trainees in the Richmond facility work in a High Unemployment Area (HUA). This is a region with unemployment exceeding the state average at least 15%. The Company's location in Contra Costa County qualifies for HUA status under these standards. BP Lubricants is not requesting wage or retention modification.

### RECOMMENDATION

Staff recommends approval of this proposal.

### PRIOR PROJECTS

The following table summarizes performance by BP Lubricants under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0351	Richmond	04/17/12 – 04/16/14	\$99,180	\$50,040 (50%)

The Company representative states that poor performance was due to inexperience, personnel transitions, and problems with getting all trainees/trainers to properly document all applicable training as not all training hours were documented even though training was conducted. The current proposal has been capped at payment earned under ET12-0351.

Factors that may improve performance:

1. BP Lubricants has assigned two people to oversee training and roster collections.
2. A new numbering and organization system was established to better track rosters and distribute them efficiently to the third party vendor for input into the online system.
3. BP Lubricants has been training in TPM (as opposed to in the planning stage during the beginning of the previous contract).
4. The Plant Manager has a better understanding of the expectations for reimbursement.
5. The Plant Director has communicated the importance of training and has established a protocol called "My Plan" that will require each employee to take part in at least 2 hours of training a week.
6. Monthly team meetings will be held to review employee hours and ensure the correct steps are being taken to maximize ETP funds.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- + Black Belt Training
- + Business Training for Skills
- + Communication Skills
- + Early Management
- + Focus Improvement
- + Frontline Huddles
- + Good Manufacturing Practices
- + Green Belt Training
- + Hazardous Identification Task Tracking Risk Assessment
- + ISO 9001/14001 Internal Auditor Training
- + Just-In-Time Processes
- + Leadership Skills
- + Material Improvement
- + OMS Online
- + Organizational Capability Continuous Improvement
- + Preventative Maintenance
- + Problem Solving
- + Process Improvement
- + Project Management
- + Quality Concepts
- + Quality Good Manufacturing Practices
- + Quality Management
- + Raw Materials Planning
- + Systems, Applications and Products
- + Teambuilding
- + Terminal Person in Charge (Marine Terminal Training)

**MANUFACTURING SKILLS**

- + Autonomous Maintenance
- + Cross Training in Operations and Maintenance
- + Electrical & Electronic Equipment Operation, Maintenance & Repair
- + Electrical Systems Technology
- + Maintenance Processes
- + Operator Process/Equipment
- + Pneumatic Equipment Operation
- + Production Equipment Operation and Maintenance
- + Technician Processes
- + Total Productive Manufacturing

**Note:** Reimbursement for retraining is capped at 200 hours total per-trainee, regardless of method of delivery.