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## "Fueling the Games" - Vital sponsorship of the 9th Micronesian Games



## Mission

We deliver Affordable, Accessible, and Available high-quality energy products and services through innovation to the

## Vision

Vital is the largest provider of energy life-line products and services in Micronesia.

Vital is a proud sponsor of the 9th Micronesian Games held in the State of Yap this past July. The quadrennial, multi-sporting event anticipated over 2,000 visitors from throughout the Micronesian region. Over a thousand athletes, coaches and officials from the FSM, the U.S. territory of Guam, the Republic of the Marshall Islands, the Republic of Nauru, the Republic of Palau, the Republic of Kiribati, and the Commonwealth of the Northern Mariana Islands participated in the Games.

It was the second Micronesian Games that Vital contributed \$25,000 worth of fuel. In a letter from the 9th Micronesian Games Organizing Committee, it was expressed that the donation of fuel would prove vital and support the Games' transportation requirements for the athletes.

Vital also funded the awarding medals for the first time, donating the 1,150 handcrafted gold, silver and bronze medals used to award the event's top athletes. Photos, pg 7



## Enterprise Risk Management (ERM)

In April, members of the Senior Management Team and the Board Committee on Risk and Audit (CoRA) participated in the FSM Energy Master Plan launch in Honolulu.

The master plan highlighted projects that would reduce the country's dependence on fossil fuels. The Committee views this as both a risk and opportunity for Vital.



The CoRA approved updates on the ERM processes and procedures that were reviewed and adopted by the Board at the 3rd quarterly meeting in Kosrae in July. Roll out of the material is expected in late 2019.

## Critical Roles Training - Chuuk, Kosrae

As with all businesses, within our organization, there are critical roles. A critical role is a role that is essential for the business to achieve its goals and to function properly. Within our Operations, there are currently six critical roles:



1. On-Site Supervisor
2. Gas Free Testing Officer
3. Permit Officer
4. Laboratory Technician
5. Wharf Attendant
6. Tanker Discharge Officer

A Training Development Plan and Schedule has been approved and is being implemented across

the company to staff who play critical roles in our operations. The facilitation of all trainings will be conducted by Project Manager Peni Drodrolagi, SAFER Manager Juanito Hasugulmal, and Competency Assurance Manager Garrison Irons.

In June 2018, the team launched a mandatory refresher training course for critical roles within our Operational Units. Training packets and a training schedule to conduct face-to-face, classroom-type learning and assessment sessions have been compiled in the hopes of increasing operational efficiency and minimizing the company's exposure to various risks within the fuel industry. The Critical Roles Training is being rolled out for all Operational Units, beginning with Chuuk (June 25-July 15) and continuing on with Kosrae (Sept 3-21).



## Press Statement 4-2018: FSMPC announces further price increases for fuel expected

May 18, 2018 – Vital FSM Petroleum Corporation (FSMPC) announces to its valued customers the potential of further increases in wholesale gasoline, kerosene and diesel prices in the coming weeks. This will be the third price increase into the authorized reseller channel in the past 12 months and remains consistent with movements in regional markets.

FSMPC CEO Mr. Jared Morris states, "As of May 18, 2018, Pohnpei motorists continue to pay \$4.25 per gallon for regular, unleaded fuel. In Kosrae, pump prices are as low as \$4.15 per gallon. Guam pump prices increased another twenty cents in the past week, and is up to



Prices at a Service Station in Tamuning, Guam on May 16, 2018

\$4.43 per gallon. In the past six months, the price has increased in Guam by \$0.57 per gallon, whereas we have only seen a pass through in the FSM by around \$0.40 per gallon.

We will do our best to cushion this as long as we can, but if prices stay high we will have to follow Guam."

According to the Guam Daily Post, a factor attributed to the region's rising costs of fuel is a decline in crude oil inventories since petroleum-exporting countries have reduced their combined output.

## Press Statement 5-2018: Yap Terminal JETA1 returns to normal operations

August 31, 2018 – On Monday, August 27, 2018, Vital FSM Petroleum Corporation announced to our valued customers in Yap that aircraft refuelling operations have returned to normal. JetA1 (aviation) fuel supplies had been limited over a two week period. Although the shortage did not affect the United Airlines' and World Fuel Services' scheduled flights, it did affect operations for the Caroline Islands Airlines.

"We apologize for inconveniences resulting from these shortages, and are working hard to prevent similar incidents from being repeated in the future," said Operations and Distribution Manager Savenaca Tamani.

Related link: <https://www.vitalenergy.fm/news/>



## Coconut For Life Update



The Coconut For Life (C4L) project has acquired the first of its inter-island transport vessels. In May, the C4L team and crew underwent formal training for the operation and maintenance of the boat. In addition to the personnel training conducted by Rob Benn Holdings, trial voyages were conducted from Weno to Tonoas.

The 48-passenger/crew vessel is an aluminum power catamaran with enclosed seating for 38 passengers and exposed seating for ten on the aft deck. The boat has a cruising speed of 20 knots, sprinting to 28 knots. It will function as a shuttle for personnel during the construction of our Tonoas facilities and later during operations. It will also serve as a water ambulance and water taxi service within the Chuuk lagoon. It will also provide emergency support to other vessels as required.

Inter-island transportation is expected to become available to staff and the public as early as January 2019.



C4L crew and Vital personnel with contractors V&B and the Adams Brothers, conducting a site visit to Ichimanton, Tonoas.



The Rob Benn Team and C4Life crew conducted various training exercises and test runs of the vessel.

## MCT to assist in community engagement process

On August 10, 2018 Vital entered into a Memorandum of Agreement (MOA) with the Micronesia Conservation Trust (MCT). MCT Executive Director Mr. William Kostka and Knowledge Management Specialist Ms. Elly Love represented the non-government organization in the signing.

Within the terms of the MOA, MCT agrees to:

- “provide community engagement services to establish farmers and farmer groups based on the PGS principles;

- “facilitate and assist interested farmers/farmer groups through the PGS establishment stages; including awareness, formation, election, pledging, chartering, registration, training and implementation;

- “coordinate with key community, government and private sector stakeholders to schedule community engagement meetings regarding farmer/PGS initiatives.”

MCT’s years of experience in facilitating community engagements is ideal for the establishment of Participant Guarantee System (PGS) supplier groups. Vital intends

to purchase copra and fresh coconuts solely with PGS groups.

The first, 1-year phase of MCT’s community engagement services will begin in Pohnpei. Phase 2 is tentatively scheduled for Chuuk in 2019.





# Partnerships

## TOTAL Lubricants agreement renewal, promo

On May 16, Vital hosted a dinner to celebrate the signing and renewal of the Lubricants Distributor Agreement with TOTAL OIL PRODUCTS EAST ASIA. Members of the Management Team and staff were present at the signing of the Agreement. The renewal will see Vital begin rolling out a new marketing campaign managed by Key Accounts Manager, Trevayne Esiel. With the purchase of either 5 bottles of Engine Oil 15w40 or 5 bottles of Outboard Engine Oil (Neptune Sport), you get a free tool kit! The campaign is currently running in Yap while supplies last, and will be rolled out in the other locations by the end of the year. TOTAL lubricants are available exclusively by Vital in the FSM. Find out more information on the promotional campaign in our next issue, or contact Trevayne at 691-320-6364 for more details.



## 2018 Vital Annual Fishing Circuit: PNI

Vital partnered with the Pohnpei Fishing Club to hold the second fishing tournament within the 2018 Vital Annual Fishing Circuit on June 9, 2018. It was the largest fishing derby ever for the Fishing Club, with a record-breaking 46 boats.

Weigh in began at 3pm which drew a large crowd as the boats and their crew began weighing in some impressive big fish. Some of the largest catches of the day included four 100+lb marlins and many yellow fin tuna weighing in at over 75lb. Over \$2,700 in fuel was awarded for the tournament's Top 10 Biggest Fish, Top Lady Anglers, Top Junior Anglers, and Biggest Species. Every participating boat was also sponsored with free fuel totaling over \$9,000. 1st Prize went to Mary Tretnoff for her 329lb Blue Marlin, and the 2nd Prize went to Vital's very own Shambhu Prasad for his 178.5lb Blue Marlin. In addition to fuel prizes, both 1st and 2nd Prize winners also received Round-trip airfare tickets courtesy of our valued partner, Nauru Airlines.

*Nauru Airlines*  
Airline of the Central Pacific



A big KALAHNGAN is due to our partners: the Pohnpei Fishing Club, for managing the registration, check out and weigh in events; and Nauru Airlines, for generously donating two Round-trip airfare tickets, redeemable for travel to any of their seven destinations. Our Head Office, Pohnpei Terminal and CDU staff volunteers were also instrumental in the distribution of t-shirts, hot coffee and doughnuts, and lunches to all participants, and we are so proud of the amazing support our staff showed at the company event. Photos, pg 8

## C4Life Update to FSM R&D Conference

In August, Chief Strategy & Investment Officer (CSIO) Mathias Lawrence represented the company in a recent national conference convened by the FSM

National Government's Department of Resources & Development. Offices at the state and national levels, civil society and the private sector were invited "to address issues impeding concerted efforts for social and economic development in the FSM," according to an official memorandum released by the Office of the FSM President.

Themed "Working Together for Better Results," Secretary Marion Henry reiterated throughout the week-long conference the importance of "the 3 C's: Coordination, Collaboration and Communication" as the FSM strives to further social and economic development.

CSIO Lawrence's presentation offered an update on the C4Life project as well as recent advances made in renewable energy.

The presentation can be downloaded from our website at: [www.vitalenergy.fm/coconut\\_for\\_life/](http://www.vitalenergy.fm/coconut_for_life/).





## Staff Highlight: 9th Micro Games Edition

Vital is proud to support our staff in extracurricular activities, sponsoring three employees and their teams who participated in the 2018 Micronesian Games.

We're happy to share an extended Staff Highlight for this issue, featuring interviews of these employees.

First, Burton Charley who represented his home state of Pohnpei as a member of the Weightlifting Team.



In addition to making it on the Pohnpei team, Burton made huge changes in his personal life. By adopting a healthier lifestyle, he's shed over sixty pounds in the past year, and has inspired many of his colleagues in the process.

In May, we asked our three colleagues to share a bit about themselves. Here are excerpts from the Q&A's.

**Name:** Burton "B2" Charley  
Technical Support Officer, Head Office

**In the 2018 Micro Games:**  
Weightlifting - Super Heavy 105+kg category

### Q&A with Burton:

Q: Where are you from?

A: "I am from a small village in Kitti called Nanmand, Pohnpei State."

Q: Who do you look up to?

A: "My dad. He's my hero."

Q: What opportunities have you experienced since joining weightlifting?

A: "I got to make new friends and families. I had the privilege to represent Pohnpei State in these Micro Games events. It's been an honor."

Q: How do you balance your workload and training?

A: "Having a positive mind and supportive teammates and colleagues."

*We are so proud to announce that Burton won three gold medals at the 9MG. In August, our Head Office staff convened for a brief ceremony, where CEO Morris gave remarks in recognition of the weightlifter's achievements.*

*Congratulations, Burton.*







**Name:** Anthony Sigeyog  
Aviation Refueler, Yap Terminal

**In the 2018 Micro Games:**  
Yap Women's Volleyball Coach

## Q&A with Anthony:

Q: What first interested you in volleyball?

A: "I started playing volleyball [in the] 3rd grade and have been playing for island wide volleyball tournaments since grade 7. I love the sport as it is the main sport that was played in my village when growing up. I've won several championships and coached several teams that have won championships as well."

Q: How do you balance your workload and training?

A: "It's becoming very difficult especially with the type of work that I am tasked to do these days...so I have to juggle a lot these days. There are days that I skip lunch so I can make sure our customer receives their order and I can make practice in the evening. I'm sometimes late to practice, but my players understand my work schedule as I've explained it to them. I go straight to practice from work. There are technical meetings that I've missed because of my workload, but I'm not complaining because I know customers and Vital come first. I've asked my superiors to allow me to miss some work such as bunkering and receiving tanker, but it's not possible at this time. I am now asking the company if I can be given some time off during the games so I can concentrate on my team."

Q: What about the upcoming Micro Games are you most excited about?

A: "I am most excited about 2 things during the upcoming games. First, I'm excited about my team playing because through many struggles and obstacles, I believe we will put up our best performance. I am also excited about Yap hosting these many people as this is the first time for my island state to see so much people on it."



**Name:** John "JG" Gilsowuth  
Terminal Supervisor, Yap Terminal

**In the 2018 Micro Games:**  
Competitive Manager, Basketball

## Q&A with JG:

Q: Where/in whom do you find your biggest support?

A: "FSMPC has been my biggest support so far. With the management allowing me to be able to take time away from work to attend training and/or meetings in preparation for this role and this event I wouldn't have been able to do it at all. Secondly, my family has been very supportive of me taking on these huge and challenging roles and responsibilities."

Q: What opportunities have you faced since acquiring this new role?

A: "I am meeting new people and learning a lot of new things. Through this process it has helped me feel more confident in myself, knowing of my capabilities."

Q: What about the Games are you excited about?

A: "There is so much to be excited about. It is the first [time] ever for this small island, Yap, to be hosting such a big event. There are going to be a lot of new and different kinds of people on the island. In term of my sport, I believe there are going to be challenges, ups and downs which I am very excited to face them, deal with them and most importantly learn from them and move on. I am doing everything in my capability and capacity at this point in time to reduce those challenges that might come up during the games. As long as there are no major incident during the games and all the teams get to play safely with good sportsmanship and show some kind of unity amongst our nations that would be a major satisfying accomplishment for me."



*Vital is a proud sponsor of the Yap Women's Volleyball Team, as well as the YMG's Basketball Competition and its team of referees, table officials and volunteers. Congratulations Anthony & JG--great teamwork!*



## Vital at the Games! #TeamMicronesia





# Vital in the Community

We recognize the importance of actively supporting local communities and continue taking strides toward improving and strengthening the relationships we have with our valued partners.

## 2018 Vital Annual Fishing Circuit: POHNPEI



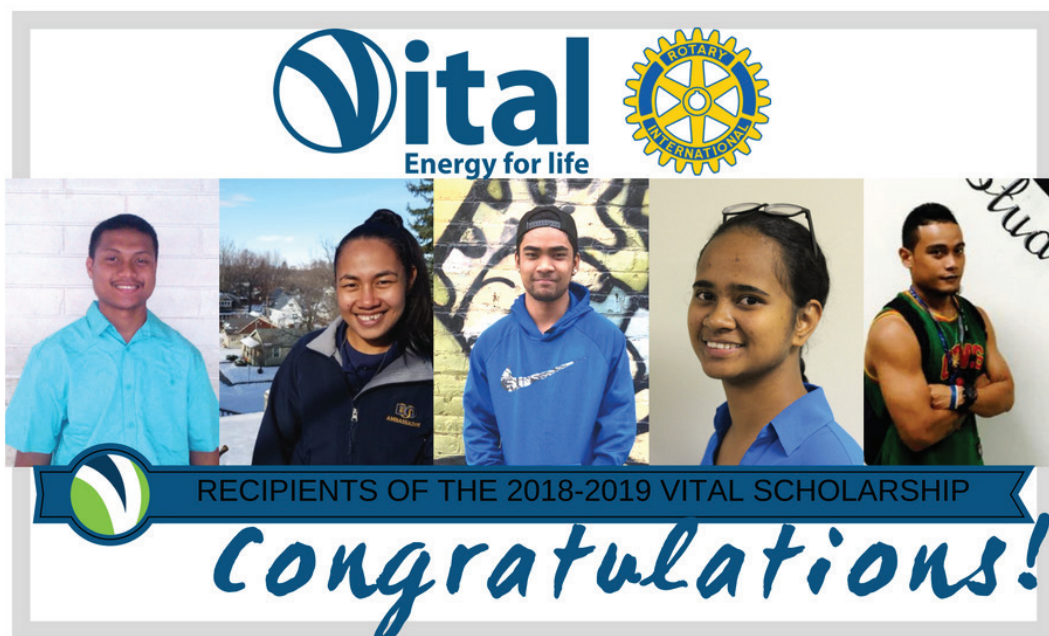
## 2018-2019 Vital Annual Scholarship

On July 26, The Rotary Club of Pohnpei awarded five exceptional scholars the 2nd Vital Annual Scholarship for the oncoming 2018-2019 School Year. The Club's Scholarship Committee recommends students for the Vital scholarship based on financial need, GPA, and academic major, among other factors.

In 2017, an MOU between Vital and The Rotary Club of Pohnpei established The Vital-Rotary scholarship fund worth \$25,000 per year. The scholarship supports FSM scholars pursuing post-secondary education in the priority fields of Engineering, Agriculture, Chemistry, Business and Finance, consistent with Vital's business interests and needs.

The Application Season for the 3rd Vital Annual Scholarship for Fall 2019-Spring 2020 will open in April 2019. For more information, email The Rotary Club of Pohnpei at [rotarypohnpei@gmail.com](mailto:rotarypohnpei@gmail.com).

Congratulations to the 2018-2019 Vital Annual Scholarship Recipients (L to R): Stewart Johnny (Agriculture), Pamela Fredrick (Computer Science), Andrew Musrasrik (Engineering), Jamilyn Mooteb (Physics) and Rennie Glen Taiwerpal (Agriculture).





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**Coconut Development Unit**  
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FSM 96941  
Tel (691) 320-2892



## UPCOMING EVENTS

### Critical Roles Training - Kosrae

Date: Sat, Sept 3-21, 2018  
Venue: Kosrae Terminal  
Event: Critical Roles Training  
for staff  
For more information:  
garrison.irons@fsmmpc.com

### Vital Annual Fishing Circuit - Nauru

Date: Sat, Sept 15  
Venue: Anibare Boat Harbor  
Event: Annual fishing  
tournament  
For more information:  
giovanni.bernicke@fsmmpc.com



### Vital Annual Fishing Circuit - Yap

Date: Sat, Dec 8 (tentative)  
Venue: Yap Marina  
Event: Annual fishing  
tournament  
For more information:  
john.gilsowuth@fsmmpc.com



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