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FASTEST GROWING PRIVATE COMPANIES

Current energy boom gives 26-year-old company a growth spurt

BY TIMOTHY SPRINKLE
SPECIAL TO THE BUSINESS JOURNAL

The U.S. energy market was in an interesting place in 1981, when Lakewood-based oil and gas pipeline engineering firm Trigon EPC first opened for business. Demand for fuel products was at an all-time high, and supplies were running at or near capacity. As a result, prices were skyrocketing.

Fast forward 26 years, and we're facing a similar situation with steady consumer demand for oil and gas and increasing pressure from Washington to find new fossil-fuel sources in this country.

"In the past eight to 10 years, the normal domestic supplies in the Gulf of Mexico and the Four Corners area have started to trail off," said Stuart Asselin, one of Trigon's principal partners and its vice president for business development. "So there has been a lot of exploration in Utah, Colorado and New Mexico, and that's been a real boom for us since we're right in the middle of the Rockies."

And boom is right. In the past three years, Trigon's annual revenue has grown from just over \$15 million to \$50.8 million last year, up 236 percent since 2004. The company now employs 310 field workers and engineers in its offices in Lakewood and Durango.

"We're an integrated, full-service engineering firm that specializes in oil and gas lines," Asselin said. "We offer everything, including field services, routing, acquisitions, surveying, government permitting, construction management and testing. We don't do processing plants or refining, but if someone can bring a molecule of oil or gas to the ground, we can move it around."

That tightly focused business model has paid off for Trigon, setting the company apart from its competition and developing its reputation as a turnkey pipeline services provider. The last three initials in the firm's name, Asselin explains, represent its three areas of pipeline specialization: engineering, procurement and construction.

As a regional firm, Trigon concentrates most of its efforts on projects in the Rocky Mountain region, but its engineers have worked everywhere from Washington state to Florida to Canada. Its customers include pipeline companies such as Kinder Morgan, EnCana and Transwestern Pipeline as well as oil and gas exploration firms such as Chevron, Shell and BP. It also works with exploration and production clients such



Kathleen Lavine | Business Journal

Stuart Asselin, principal, vice president, and Neil Stockholm, principal, at Trigon.

UP
236 Percent

No. 4 Large



Trigon EPC

President: Mark Smith

Location: Lakewood

Industry: Oil and gas pipelines

Web site: trigon-epc.com

Phone: 303-296-9645

No. of employees: 310

Revenue growth:

From \$15,137,630 to \$50,806,939;

236 percent

as Noble Energy and DCP Midstream.

And the firm takes on more than just oil and gas projects. It spent several years in the late 1990s routing fiber-optic cables — according to Asselin, the field work for fiber is essentially the same as fuel; it's just moving a different product around — and was recently contracted by Denver-based Ranchers Energy to engineer a system to bring CO₂ gas to the company's Wyoming oil fields. There, the gas will be pumped underground to force trapped oil to the surface.

Such diversification helped Trigon remain

competitive during the lean years of the '90s, when many oil and gas companies shifted to in-house engineers, and firms were competing primarily on price.

But those days, Asselin said, are pretty much over. Trigon now has enough pipeline work to keep its engineers busy into nearly the next decade.

"It became apparent in the last five years that significant growth in the pipeline infrastructure in this country was needed, and suddenly there weren't enough of us to go around," he said. "We raised our rates a little bit, started taking on better projects, and now we're pretty well booked up through 2008 and have projects out into 2009."

But, as in any industry, Trigon execs know these busy times won't last forever.

"We're about three years into a boom cycle that started with oil going to \$60 a barrel and natural gas going from \$3 to \$6 per cubic foot," Asselin said. "We're betting on at least two solid years of growth and then we see it slowing down but probably not declining for the next 10 years after that. If oil stays high, we'll have a lot more exploration and drilling, but our market can turn pretty quickly as commodity prices change."