ConocoPhillips

GAS RECOVERY Optical Fugitive Emission Pilot Study

Terence Trefiak P. Eng. January 17th 2007

Overview

- Background
- Pilot Study Scope
- Summary of Findings
 - Source Data
 - Facility Comparison
 - Economics
- Path Forward



Fugitive Emissions

Losses (leaks) of HC product (methane, propane, VOC's)

UNINTENTIONAL FUGITIVES

- normal wear and tear / damage
- improper or incomplete assembly of components
- inadequate material specification
- manufacturing defects

INTENTIONAL FUGITIVES

- venting (tanks, controllers, comp. seals, stacks, etc.)



"Why worry about some little leaks?"

"What is the Problem?" Gas leaks are *invisible*, *unregulated* and *go unnoticed*



Background

Study Objective

 – evaluate new leak detection and measurement technology and determine actual facility fugitive emission rates

Drivers

- Increase production & reduce costs by recovering lost gas
- CAPP Fugitive Emission Management BMP
- Increase operations Health & Safety
- Reduce GHG emissions / Carbon Credits
- Part of CPC E/E, Gas Star Program, and BIC Initiative



Background

Detection Technology

- GasfindIR optical emission technology
 - infrared video camera with hydrocarbon/VOC filter
 - provides visible images of a HC gas emissions in real-time

Benefits :

- Rapid, accurate and safe detection
- Scan hard-to-reach components from a distance
- Assessments performed without interruption of operations
- Inspection times are minimal, which can keep costs down.
- With exact leak source info, repairs are less time consuming and less expensive.
- Cost-effectively scan hundreds of components simultaneously

Approx. Cost:

\$75,000.00USD





Background

Measurement Technology

• HiFlow Sampler – volumetric leak measurement

- vacuum flow rate detection uses dual-element hydrocarbon (methane) detector
- measures hydrocarbon concentrations in the captured air stream and determines the leak flow rate (+- 10%)

Benefits :

- offers a much higher accuracy of measurement (compared to conventional methods)
- allows an objective cost-benefit analysis of each repair opportunity

Approx. Cost: \$14,000 USD



SCOPE

- Evaluate 22 facilities (9 gas plants and 13 comp. stns.) from various asset areas
- Obtain fugitive emission data
- Complete repair cost/benefit analysis
- Create recommendations for applying a Canada-wide program (CAPP BMP)



SOURCE INFO

of Sources

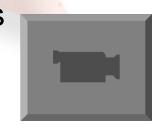
- 77% leaking components (111)
- 23% other fugitive emission sources (33)
- 92% economical to repair (133)

Composition

- 75% Process gas (108)
- 21% Fuel gas (30)
- 4% Propane (6)

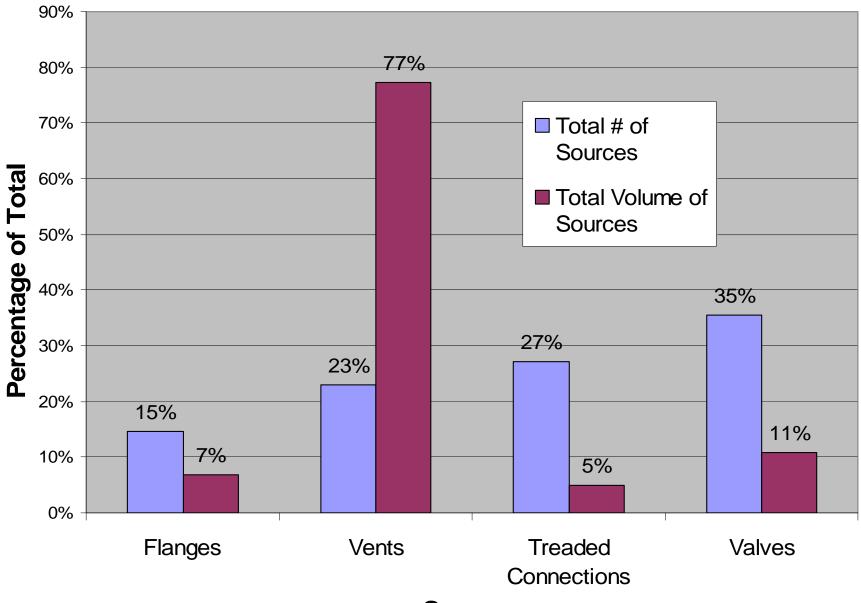
Location

- 72% Compressor Buildings
- 20% Process Buildings
- 4% Outside piping
- 4% Tanks



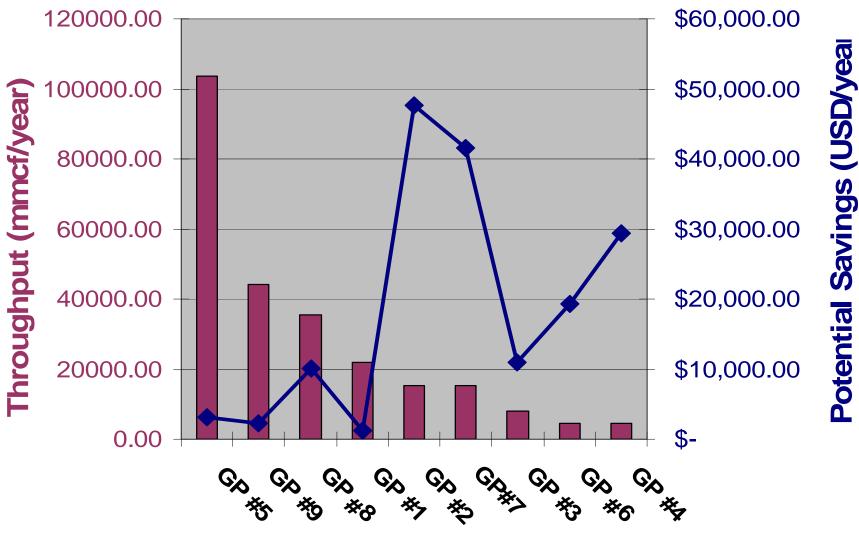


SOURCE TYPES



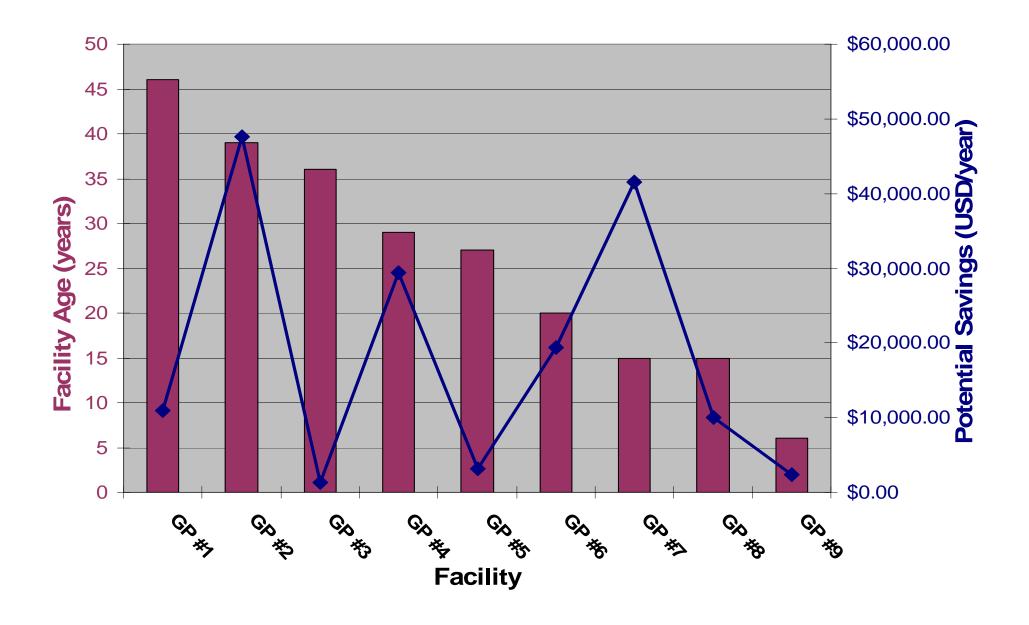
Cauraaa

GAS PLANT COMPARISON



Facility

GAS PLANT COMPARISON



ECONOMICS

Average Yearly Savings/Facility (US\$/year)	\$16,300.00
Average Total Cost/Facility (US\$/year) (assessment and repairs)	\$8,000.00
Average Est. Payout Period (years)	0.50
Total Gross Est. Annual Savings (US\$/year)	\$10,400,000.00
Total Est. NPV (US\$/year)	\$35,000,000.00
CO2e/year Reduction (tonnes)	630,000
CO ₂ e Credit Value (US\$)	\$15,750,000.00

* Using \$5.50 USD/mmbtu and \$25.00 USD/tonne CO2e

CAPP BMP CONTROL STRATEGY

- Fugitive Assessment Schedule
 - Company-wide assessment of all facilities
- Fugitive Maintenance Plan
 - Operating procedures and performance objectives for minimizing fugitive emissions
 - Directed Inspection & Maintenance (DI&M)
 Program
 - Prioritize inspections to target high potential processes and components
 - Influence facility design (i.e. flow meters, low bleed, vapour recovery, etc.)



Table 1. Proposed schedule for implementation of this fugitive			
	itial 4-year Schedule		
Туре	 ~150 Facilities/ year Majority of GP in 1st year 		
Gas F	 ~ 70 assessment days/year 		
	 Coordinate with turn-arounds when possible 		
	fter 4 years		
	– 2 year maintenance-phase schedule	NO	
Comp Static	 Average assessment times drop due to leak rates decline 		
	 Leak-prone facilities will require a higher priority/rate of assessment 	NO	
Group Batte	atte fugitive maintenance findings		
Single Batter			

PATH FORWARD

- Set schedule to follow CAPP BMP guideline
- Evaluate pipeline opportunities
- Decide on resources
 - i.e. third party, in-house, cost/benefit evaluation
- Develop Fugitive Maintenance Plan
 - Imbed Fugitive Management into Operations and Facility Design
- Education / Knowledge Sharing



QUESTIONS?

