Operational Efficiency Plans

Gas STAR Technology Transfer Workshop

October 26, 2005



Worldwide Production 2005 GHG Reduction Goals

- Develop comprehensive GHG emissions management plan for 2006 implementation
- GHG reduction metrics established for 2005
 - target to match 2004 GHG emissions baseline
 - stretch to reduce 2004 GHG emissions by 10%
 - threshold exceeds 2004 GHG emissions by 10%



Strategy to Achieve 2005 GHG Goals

- Utilize existing BMPs & GHG database (EMIS) to prioritize efforts
- Utilize consultants with GHG reduction expertise to develop overall program
 - Process optimization design specifications for new facilities
 - Structured review process for existing facilities
- Focus on operational efficiency improvements
 - Opportunities to increase profitability while reducing GHG emissions



Operational Efficiency Studies

- Studies Conducted
 - North Shongaloo Red Rock (NSRR) Central Facility
 - NSRR Parker 23 #1
 - NSRR Camp Heirs #3 Alt
 - Indian Basin (IB) Gas Plant
 - IB MOC Federal Battery
 - IB East Indian Basin Battery
 - IB Station 120
- Two major and five satellite facilities



Operational Efficiency Studies

Process

- Similar to a Process Hazards Review
- Follow process flow
- Identify opportunities
 - Cost effectively eliminate emission source
 - Cost effectively capture for sales
 - Flare (destruction)



Typical Facility Efficiency Opportunities

- High Bleed vs. Low Bleed Pneumatics
- Pressure Drop separator flash gas to tanks
- Non-Condensables HC's vented in glycol dehy units
- Overall engine fuel efficiencies
- Compressor seals
- Fugitive emissions
- Vent gas versus flared gas



Study Results

- Optimization work completed
 - Marathon is doing a good job of ensuring energy efficiency of properties
 - Examples
 - Vapor recovery units
 - Low emission engines
 - Condensers on dehydrators
- Inventory Update
 - Removal of all dehy's and fired vessels
- Optimization Opportunities
 - Smaller Scale
 - Example Turbulators on heaters
 - Longer Payout
 - Example Compressor Controls



Conclusions

- Update Emissions Inventory
- Focus Studies
 - New facilities
 - Smaller facilities
 - Flares 59% of emissions
- Evaluate GHG reporting methodology
 - Take credit for the GHG reduction technology we use



Path Forward

- Finalize Efficiency Studies
 - North Shongaloo Red Rock
 - Indian Basin
- Develop Opportunity List for BU Consideration
 - Based on EMIS and Industry BMP's
- GHG Emissions Management Plan
- Process optimization design recommendations for new facilities (30 Nov)
- Structured review process for existing facilities (30 Nov)

