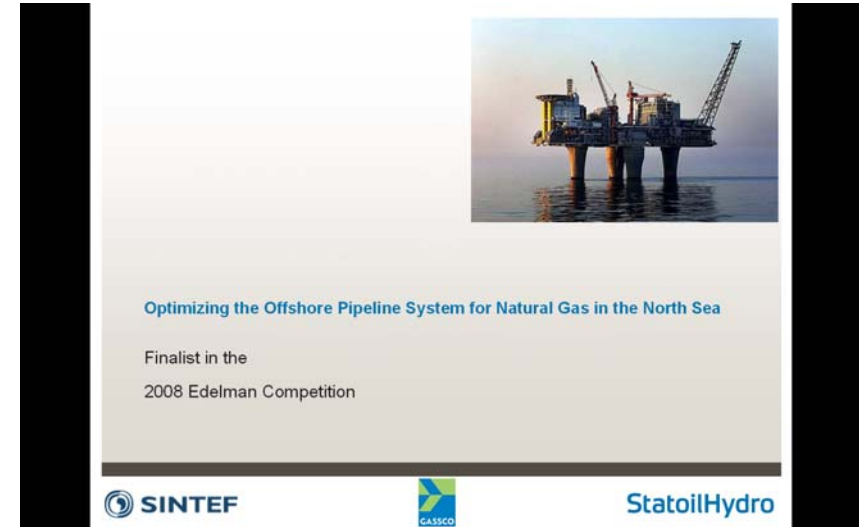


1st Trondheim Gas Technology Conference - 2009 :

# Optimizing the Offshore Pipeline System for Natural Gas in the North Sea

## Recent extensions of the GassOpt model



Vibeke Nørstebø  
Frode Rømo  
Lars Hellemo  
Marte Fodstad

SINTEF Technology and society  
Applied economics and operations research



Technology position for stakeholders in the capacity assessment process:

# A complete Gas Value Chain approach

- StatoilHydro and Gassco are the users of the GassOpt model
- The NCS gas value chain includes
  - 7800 km of large diameter pipelines
  - Riser platforms
  - Processing plants
  - Receiving terminals located in four European countries
  - An integrated system attached to major gas fields and large downstream distribution systems
- Key elements to secure success in operating the NG value chain includes:
  - Portfolio Perspective
  - Gas Quality Management
  - Flexibility and market requirements
  - System robustness and integrity
  - Security of Supply

A well driven gas value chain integrates optimally with oil producing fields where NG is a bi-product

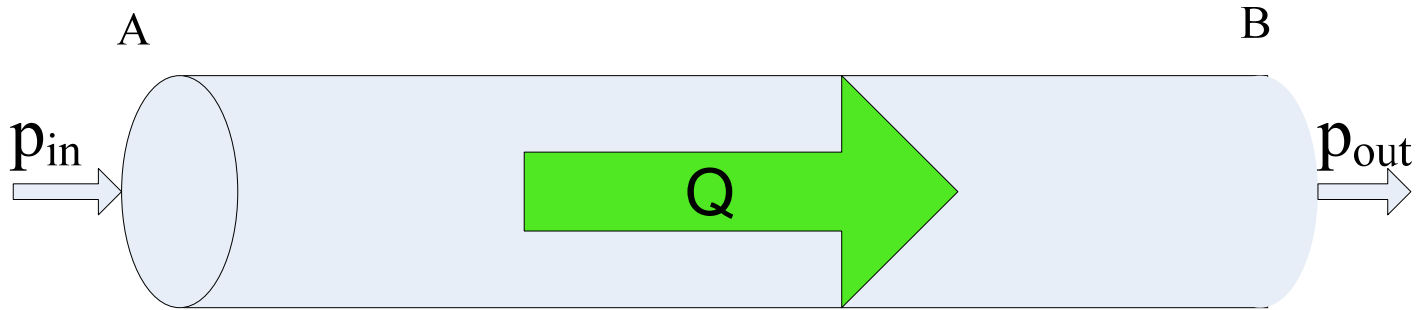


Decision making:

# The basic planning problem

- Network with ~100 Nodes and ~100 Arcs
- Fields with different gas composition
  - Production profiles
  - 12 components
- Exit points with different gas quality requirements
  - Demand profiles
- Physics of flow
- Bottlenecks / processing properties
  - Interrelations between pipelines and different routing options influence the flow capacity
  
- What is the throughput capacity for a given state of the network, and different production scenarios ?

# Flow and pressure



$$Q = k \cdot \left( p_{in}^2 - p_{out}^2 \right)^\alpha$$

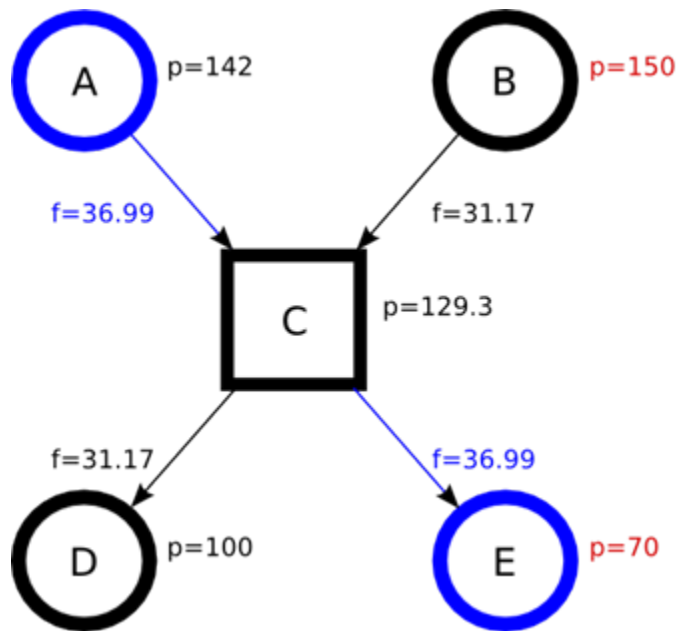
# Gas quality

- Natural gas heterogeneous commodity (12)
  - Hydrocarbons (9)
    - Methane
    - Ethane
    - ...
    - C<sub>7</sub>+ (Aggregated)
  - Nitrogen (1)
  - Restrictions regarding contaminants (2)
    - CO<sub>2</sub>
    - H<sub>2</sub>S
- Exit points are contractually restricted by GCV, WI
  - SI (soot index) and ICF (incomplete combustion factor)

# System effects

- What you do in one part of the network may influence operations in other places
- Caused by pressure/flow relationship and blending/pooling

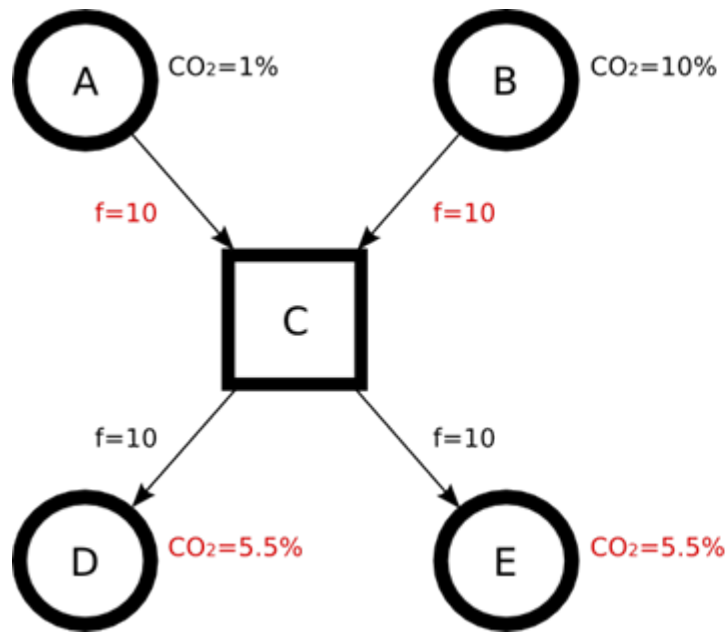
# System effects - pressure



Total flow: 68.16



# System effects - quality

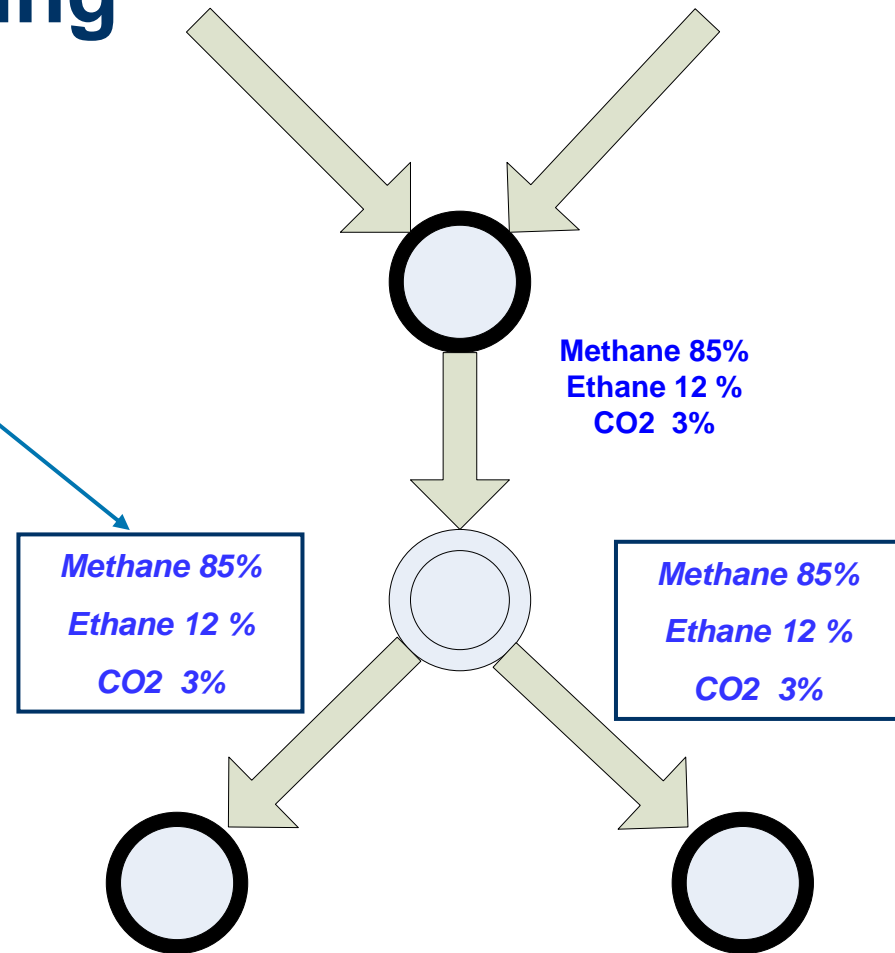


Gas quality – the calculation time challenger:

# Discretization of pooling

Correct gas split in components

- Implemented with S1 sets
- Focus in ongoing research project - parallelization



# Recent extensions in GassOpt

- Increased importance of gas quality impact on capacity
  - Larger variations
  - Higher CO<sub>2</sub> contents
  - Quality demand at exit points (WI)
- Increased focus on energy-efficient operation (and environmental emissions)
  - Compressor stations in the system increases system flexibility,
  - but, they are energy intensive

# Processing plants

- From Rich to Dry gas
  - Quality
  - Mass balance
  - CO<sub>2</sub> removal
  - Heavy hydrocarbons removal (and water)
  - Storage tanks
  - Value of the removed components
  - Varying component offtake



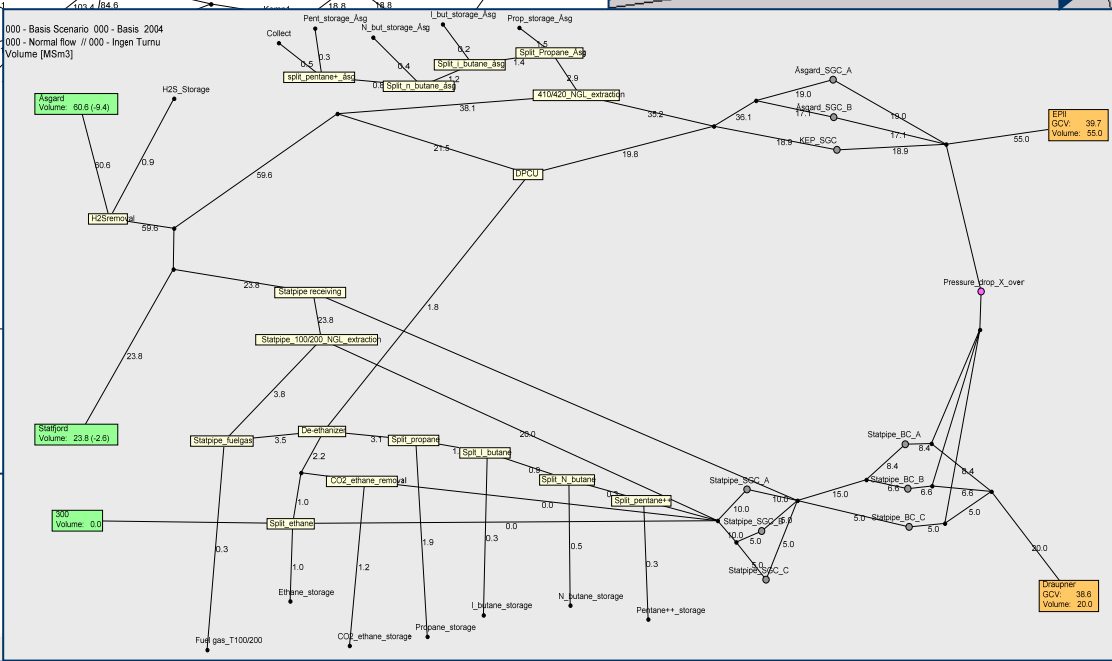
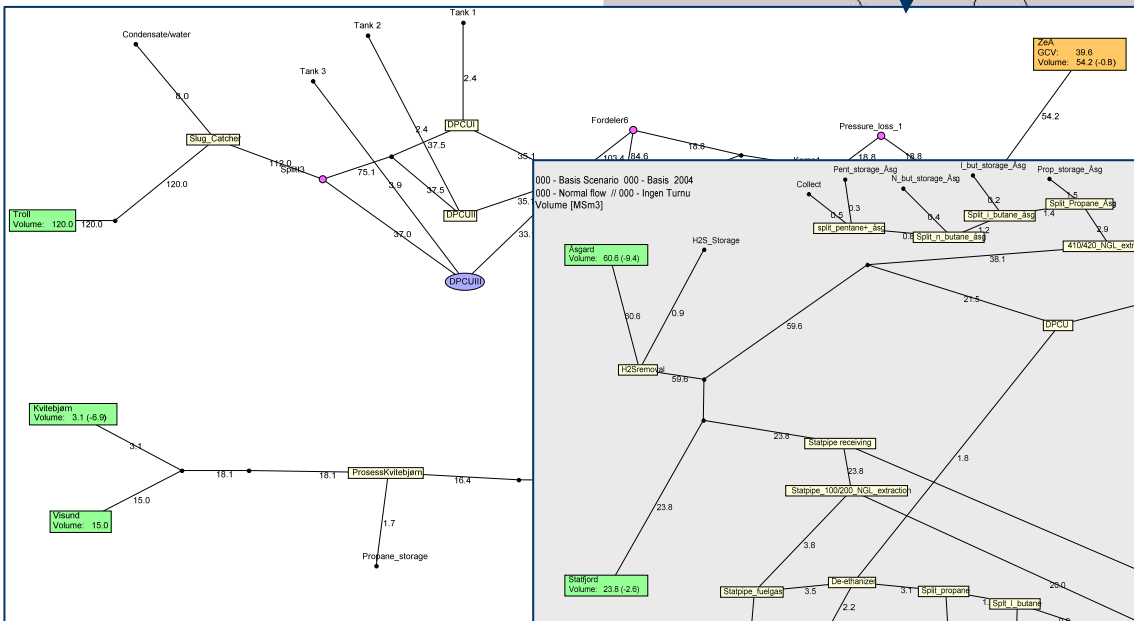
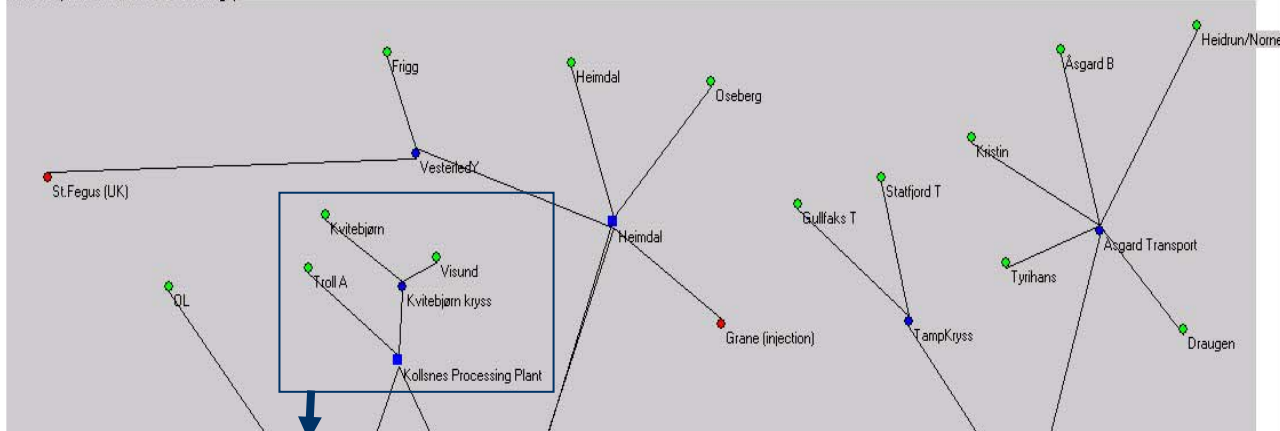
Kårstø Processing Plant, Norway



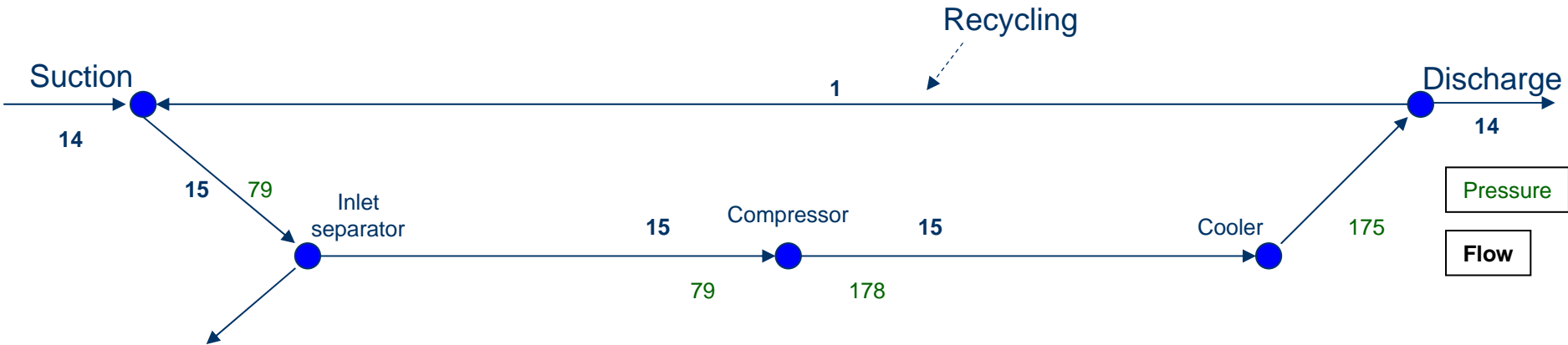
GassOptTKL (WindowsXP/NT/2000)  
Ver.2008-01 Beta  
Compiled: 2008-02-14 18:07

Developed by:  
SINTEF Technology and society  
Applied economics and  
operations research

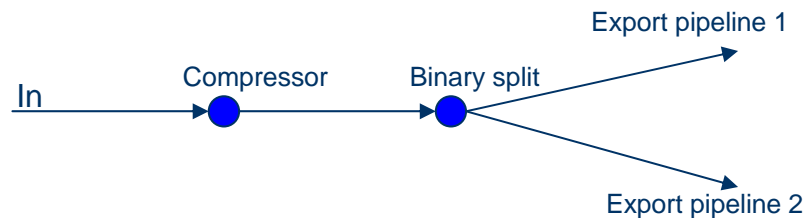
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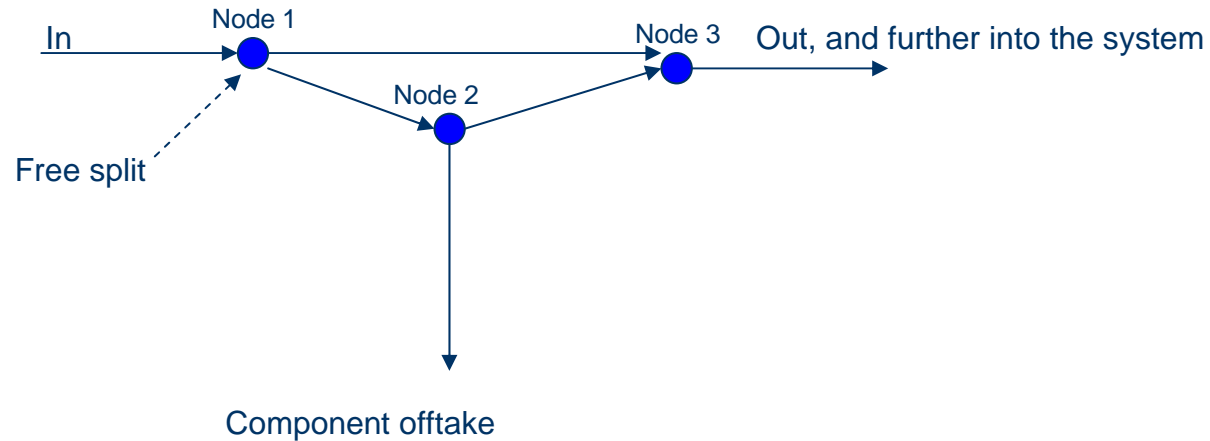
# Compressor with recycle flow



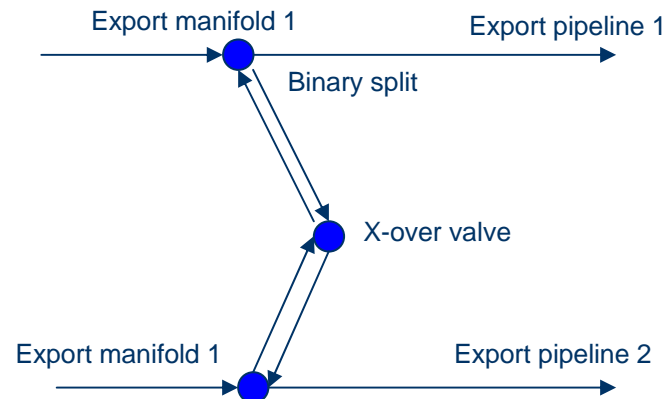
## Binary split



# Varying component offtake/removal



## Cross over leg



# New and improved compressor station modelling

- Throughput limitations
- Power consumption
- Binary split
- Recycling
- Compressor combination alternatives (several compressors in a station)
- Crossover opportunities
- Include thermodynamic properties, such as temperature, compressibility factor, kappa

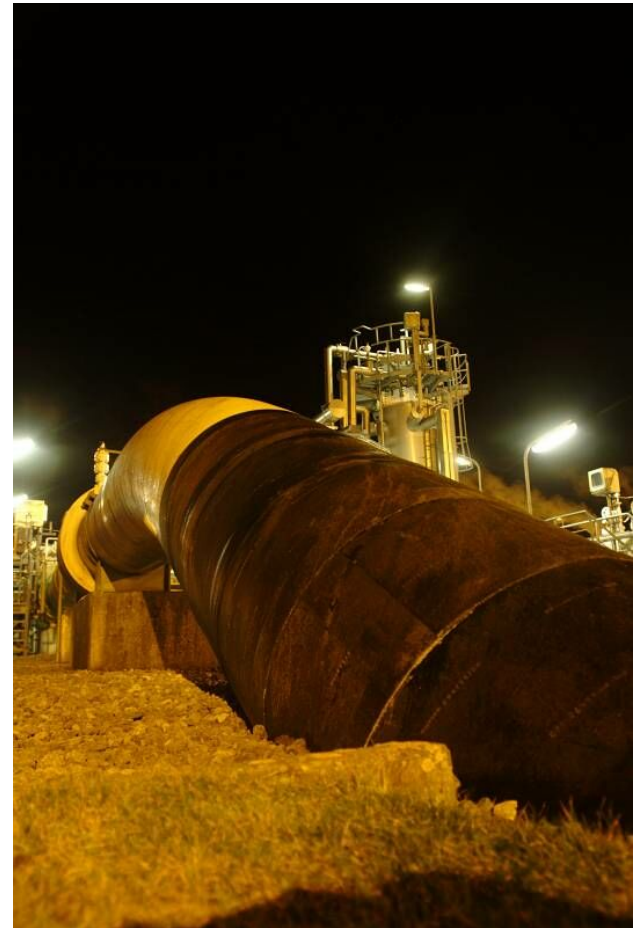
$$\text{Compressor power, } P = \frac{p_{std} Z_{in} T_{in}^{\kappa}}{\eta_{is} \eta_{mec} T_{std} (\kappa - 1)} \times Q \times \left( \frac{p_{out}^{\frac{\kappa-1}{\kappa}}}{p_{in}} - 1 \right) \times \frac{1}{24 \times 3600}$$

- Linearisation, Tom van Hooen (2004)



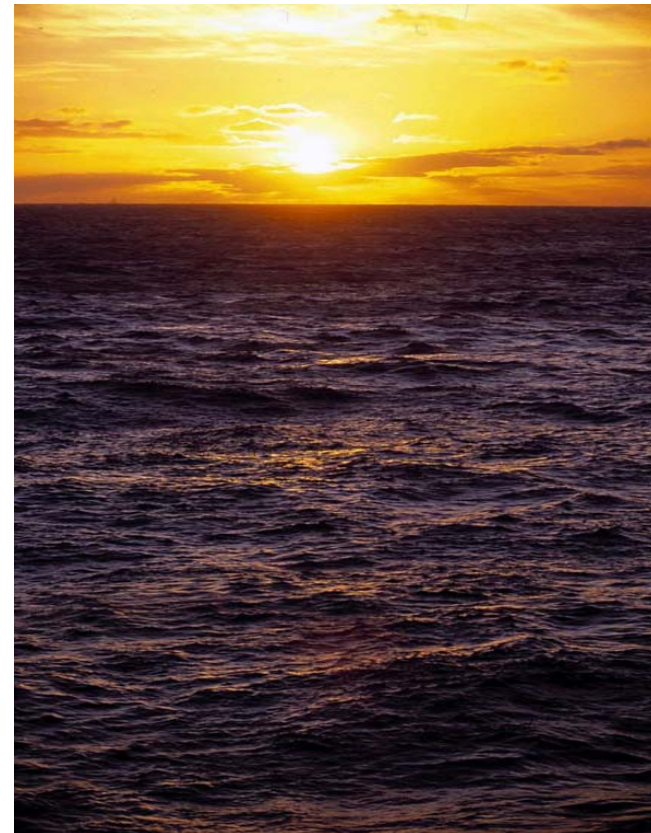
# GassOpt: Benefit and value creation

- GassOpt has helped creating considerable values from 1995 up until today
  - Reduced losses during temporary production shutdowns
  - Prevent investment decisions shown to have a significant negative effect on other promising field development options.
  - Increased precision in transport capacity booking
  - Avoiding decisions which would have reduced oil production
  - Increased precision in field development decisions
  - Increased the ability to deliver Gas with right quality



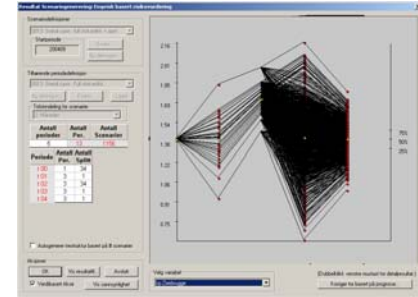
# Concluding Remarks

- GassOpt has been an important factor in utilization and development of NCS pipeline system
- GassOpt has helped StatoilHydro create considerable values in the last decade
- The new properties regarding process and compressor modeling will further increase the ability to
  - Make excellent investments decisions
  - Estimate security of supply and utilize the flexibility in the network



# Additional spin-offs from the GassOpt project

- VENOGA (R&D 2001-2005 - Released 2007)
  - Valuation of flexibility
  - Spot vs. physical deliveries
  - Stochastic optimization – multi-period model
- SING - SUPPLY (release April 2008)
  - Daily lifting decisions – multi-period model
  - Risk aversion
- Ramona (2006-2011)
  - R&D project
  - Refined versions of GassOpt
- LNG Shipping (2008-2011)
  - R&D: Global NG business optimization
  - Link pipeline based NG activity to LNG
- Gassopt Advanced (2008-2010)
  - Short term optimization
  - Parallelization



Arctic Discoverer at Cove Point, MD