Methane Savings from Compressors

Lessons Learned from the
Natural Gas STAR Program

Producers Technology Transfer Workshop

ConocoPhillips Petroleum Company,
New Mexico Environment Department,
New Mexico Oil & Gas Association

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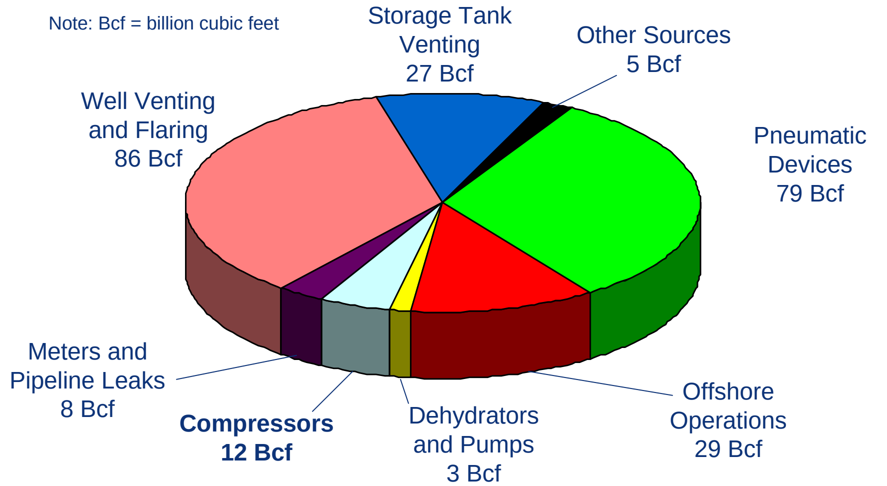
epa.gov/gasstar

U.S. Production Sector Methane Emissions (2007)

Note: Bcf = billion cubic feet



EPA. *Inventory of U.S. Greenhouse Gas Emissions and Sinks 1990 – 2007.* April, 2009. Available on the web at: epa.gov/climatechange/emissions/usinventoryreport.html. Updated with revised emissions estimates for glycol dehydrators, well venting, pneumatic devices, and storage tanks.

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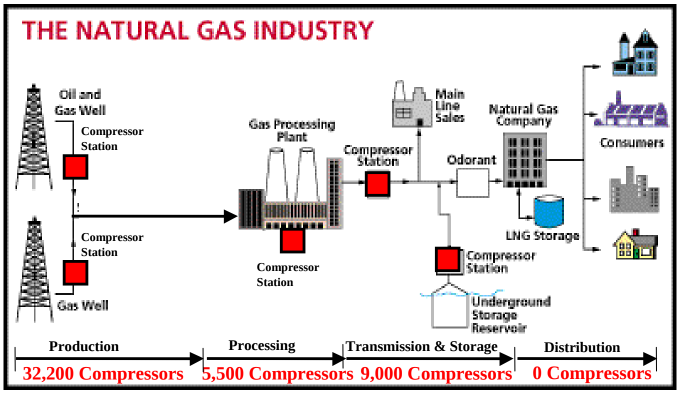
Compressor Methane Emissions What is the problem?

- Methane emissions from the ~46,700 compressors in the natural gas industry account for 121 Bcf/year or about 31% of all methane emissions from the natural gas industry



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Compressors: Agenda

- Reciprocating Compressors
  - Methane Losses
  - Methane Savings
  - Industry Experience
- Discussion

Source: Occidental

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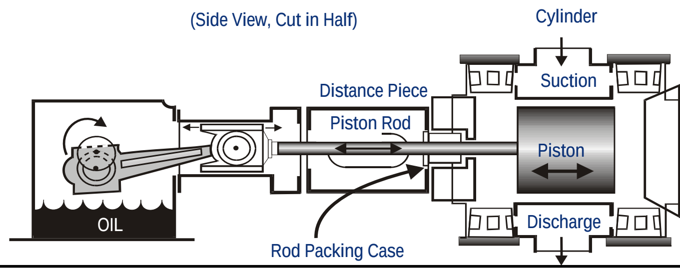
Methane Losses from Reciprocating Compressors

- Reciprocating compressor rod packing leaks some gas by design
  - Newly installed packing may leak 11-12 cubic feet per hour (cf/hour)
    - Where packing rings are properly aligned and fitted
  - Worn packing has been reported to leak up to 900 cf/hour



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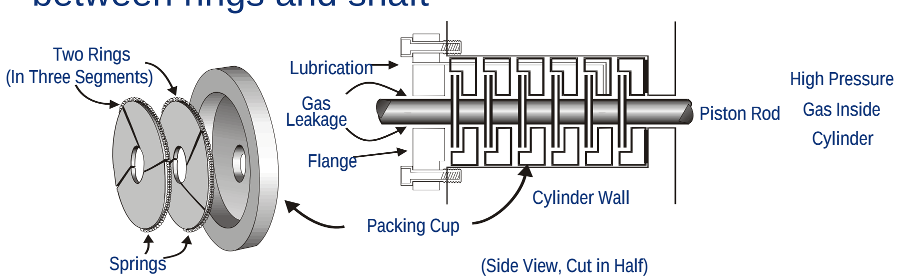
Reciprocating Compressor Rod Packing

- A series of flexible rings fit around the shaft to prevent leakage

- Leakage may still occur through nose gasket, between packing cups, around the rings, and between rings and shaft



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Impediments to Proper Sealing

Ways packing case can leak

- Nose gasket (no crush)
- Packing to rod (surface finish)
- Packing to cup (lapped surface)
- Packing to packing (dirt/lube)
- Cup to cup (out of tolerance)

Source: Newfield

What makes packing leak?

- Dirt or foreign matter (trash)
- Worn rod (.0015"/per inch dia.)
- Insufficient/too much lubrication
- Packing cup out of tolerance (≤ 0.002")
- Improper break-in on startup
- Liquids (dilutes oil)
- Incorrect packing installed (backward or wrong type/style)

Methane Losses from Rod Packing

Emission from Running Compressor	99	cf/hour-packing
Emission from Idle/Pressurized Compressor	145	cf/hour-packing
Leakage from Idle Compressor Packing Cup	79	cf/hour-packing
Leakage from Idle Compressor Distance Piece	34	cf/hour-packing

Leakage from Rod Packing on Running Compressors				
Packing Type	Bronze	Bronze/Steel	Bronze/Teflon	Teflon
Leak Rate (cf/hour)	70	63	150	24

Leakage from Rod Packing on Idle/Pressurized Compressors				
Packing Type	Bronze	Bronze/Steel	Bronze/Teflon	Teflon
Leak Rate (cf/hour)	70	N/A	147	22

PRCI/ GRI/ EPA. *Cost Effective Leak Mitigation at Natural Gas Transmission Compressor Stations*

Steps to Determine Economic Replacement

- Measure rod packing leakage
  - When new packing installed – after worn-in
  - Periodically afterwards
- Determine cost of packing replacement
- Calculate economic leak reduction
- Replace packing when leak reduction expected will pay back cost

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Cost of Rod Packing Replacement

- Assess costs of replacements

A set of rings:	$ 325	to	$530
(with cups and case):	$1,010	to	$1,640
Rods:	$1,200	to	$6,510

  - Special coatings such as ceramic, tungsten carbide, or chromium can increase rod costs

Source: CECO

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Calculate Economic Leak Reduction

- Determine economic replacement threshold
  - Partners can determine economic threshold for all replacements
  - This is a capital recovery economic calculation

Economic Replacement Threshold (cf/hour) = $\frac{CR * DF * 1{,}000}{(H * GP)}$

Where:

CR = Cost of replacement ($)

DF = Discount factor at interest *i*

H = Hours of compressor operation per year

GP = Gas price ($/thousand cubic feet)

$$DF = \frac{i(1+i)^n}{(1+i)^n - 1}$$

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Economic Replacement Threshold

- Example: Payback calculations for new rings and rod replacement

CR = $492 for rings + $1,725 for rod
CR = $2,217
H = 8,000 hours per year
GP = $4/Mcf

DF @ i = 10% and n = 1 year

$$DF = \frac{0.1(1+0.1)^1}{(1+0.1)^1 - 1} = \frac{0.1(1.1)}{1.1-1} = \frac{0.11}{0.1} = 1.1$$

DF @ i = 10% and n = 2 years

$$DF = \frac{0.1(1+0.1)^2}{(1+0.1)^2 - 1} = \frac{0.1(1.21)}{1.21-1} = \frac{0.121}{0.21} = 0.576$$

One year payback

$$ER = \frac{\$2{,}217 \times 1.1 \times 1{,}000}{(8{,}000 \times \$4)} = 76 \text{ scf per hour}$$

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Is Rod Packing Replacement Profitable?

- Replace packing when leak reduction expected will pay back cost
  - "leak reduction expected" is the difference between current leak rate and leak rate with new rings

Rings Only

Rings: $492 (6 cups)
Rod: $0
Gas: $4/Mcf
Operating: 8,000 hours/year

Leak Reduction Expected (scf/hour)	Payback (months)
33	6
17	12
12	18
9	24

Rod and Rings

Rings: $492 (6 cups)
Rod: $1,725
Gas: $4/Mcf
Operating: 8,000 hours/year

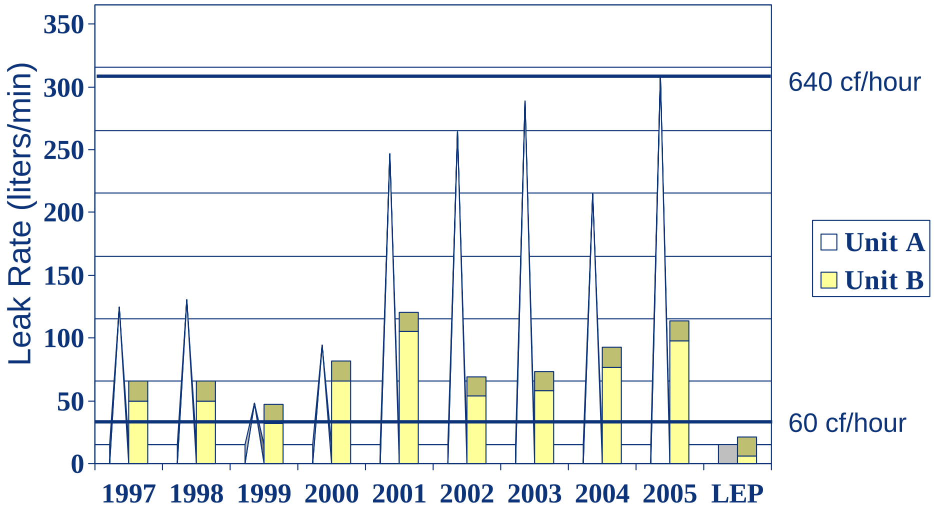
Leak Reduction Expected (scf/hour)	Payback (months)
149	6
76	12
52	18
40	24

Based on 10% interest rate
Mcf = thousand cubic feet

Industry Experience – Northern Natural Gas

- Monitored emission at two locations
  - Unit A leakage as high as 301 liters/min (640 cf/hour)
  - Unit B leakage as high as 105 liters/min (220 cf/hour)
- Installed Low Emission Packing (LEP)
  - Testing is still in progress
  - After 3 months, leak rate shows zero leakage increase

Northern Natural Gas - Leakage Rates



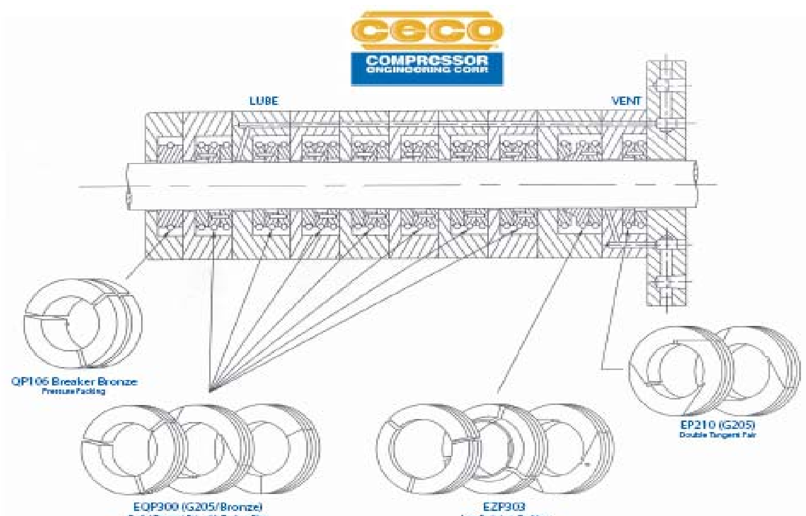
Northern Natural Gas Packing Leakage Economic Replacement Point

- Approximate packing replacement cost is $3,000 per compressor rod (parts/labor)
- Assuming gas at $7/Mcf:
  1 cubic foot/minute = 28.3 liters/minute
  - 50 liters/minute/28.316 = 1.8 scf/minute
  - 1.8 x 60 minutes/hour= 108 scf/hr
  - 108 x 24/1000 = 2.6 Mcf/day
  - 2.6 x 365 days= 950 Mcf/year
  - 950 x $7/Mcf = $6,650 per year leakage
  - This replacement pays back in <6 months

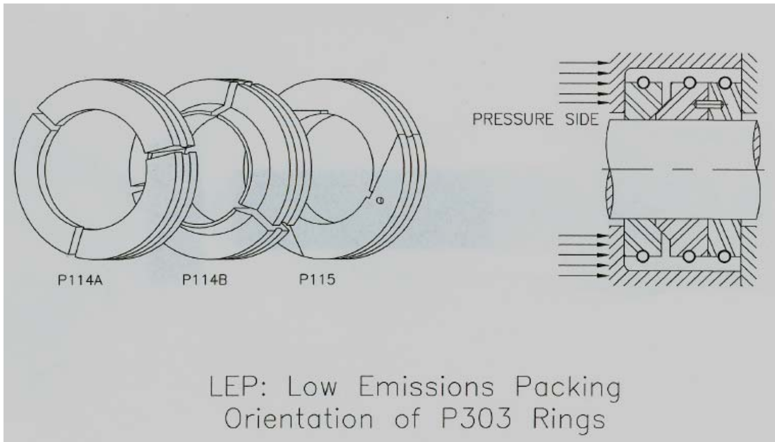
Low Emission Packing

- Low emission packing (LEP) overcomes low pressure to prevent leakage
- The side load eliminates clearance and maintains positive seal on cup face
- LEP is a static seal, not a dynamic seal. No pressure is required to activate the packing
- This design works in existing packing case with limited to no modifications required

LEP Packing Configuration



Orientation in Cup



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Reasons to Use LEP

- Upgrade is inexpensive
- Significant reduction of greenhouse gas are major benefit
- Refining, petrochemical and air separation plants have used this design for many years to minimize fugitive emissions
- With gas at $7/Mcf, packing case leakage should be identified and fixed.

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Discussion

- Industry experience applying these technologies and practices
- Limitations on application of these technologies and practices
- Actual costs and benefits