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Meeting Environmental Objectives to Reduce Emissions on Offshore Oil and Gas Projects Using Crondall's ZETA Tool.

Tony Hodgkins

Crondall has developed a tool to <u>estimate</u> and <u>benchmark</u> Scope 1, 2 & 3 greenhouse gas emissions for offshore developments - Zero Emissions Tracking and Assessment (ZETA) tool.

Supporting Operators to provide practical solutions to reduce emissions and develop implementation strategies



Supporting Financiers in assessing environmental impact of projects

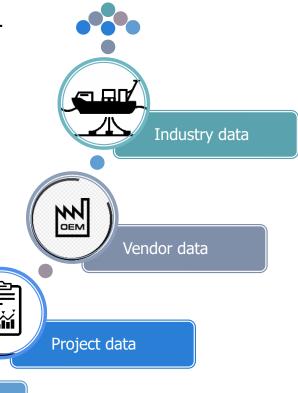


Reported emissions

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Framework:

- IPIECA (International Petroleum Industry Environmental Conservation Association guidelines for reporting greenhouse gas emissions)
- API (American Petroleum Institute)
- Greenhouse gas protocol working group
- Intergovernmental Panel on Climate Change (IPCC) e.g. AR4 (2007) – focus areas for GHG



Data sources:

- Operator recorded data
- Project design data
- Vendor input/specification
- Industry data historic or basin specific, US/UK govt etc.

ZETA tool validation:

- IOGP data validation
- Environmental consultants review on projects
- Client review on NS project
- Lease operate contractor review vs own internal tool

Re-assessing the design of oil & gas facilities through the lens of CO₂ emissions reduction.

Electrification & Electrical Architecture

Energy use optimisation

Process technologies

Flaring

Carbon capture

Generation efficiency

Alternative generation

Alternative distribution

Power import capability

Heat recovery optimisation

Heat pump optimisation

Smarter heating systems Oil-water separation technology

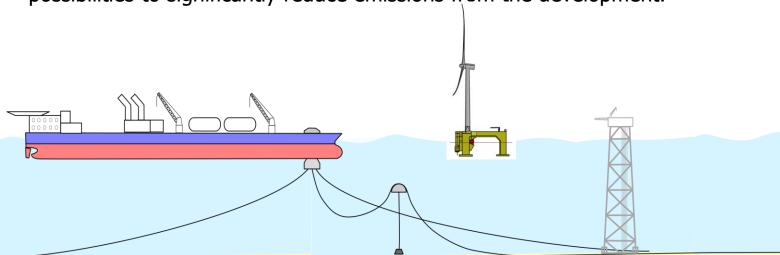
Oil degassing technology

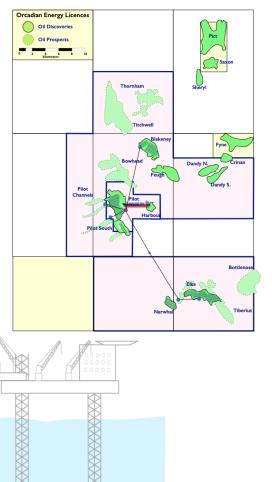
Compressor efficiency Minimising flaring & venting Compact, modularised technology Energy integration management

Project Example – Orcadian Pilot Field

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- The Pilot field, Operated by Orcadian Energy has 2P reserves of 76 MMbbls of Kraken like oil, based upon the low-salinity polymer flood project described in Orcadian's CSR submission.
- The project would facilitate development of another 77 MMbbls of 2C resources in tieback opportunities in the Elke, Narwhal and Blakeney discoveries; (3P plus 3C potential is almost 300 MMbbls) and there are another 195 MMbbls of prospective resources on the licences.
- Orcadian has been working with Crondall and potential wind farm operators on possibilities to significantly reduce emissions from the development.





"Nearer zero" initiatives

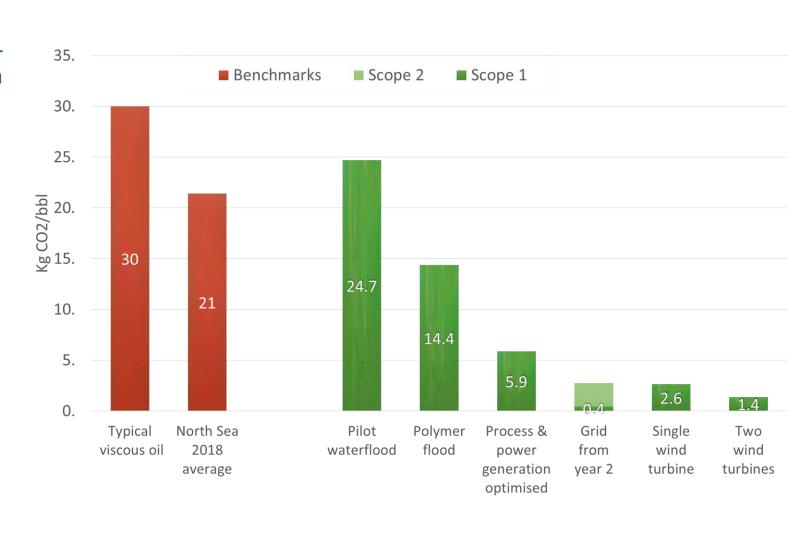
- 1. Reducing process heating demand— looking at ways to separate and stabilise oil with lower levels of process heating (and consequent reduction in CO2).
- 2. Electrical energy efficiency looking at ways to improve the (thermal) efficiency of both power generation, distribution and energy efficiency of users.
- 3. Capture of CO_2 from post combustion flue gases looking at available technologies for removing CO_2 from exhaust gases in order to separately dispose of the CO_2 from combustion. Also pre-combustion CO_2 capture.
- 4. CO₂ disposal as dense phase gas or via injection of carbonated water into aquifers (reservoir dependent).
- 5. Options to reduce flaring/venting of nuisance gas looking at options for the reduction of flaring/venting of nuisance associated gas and or VOCs.

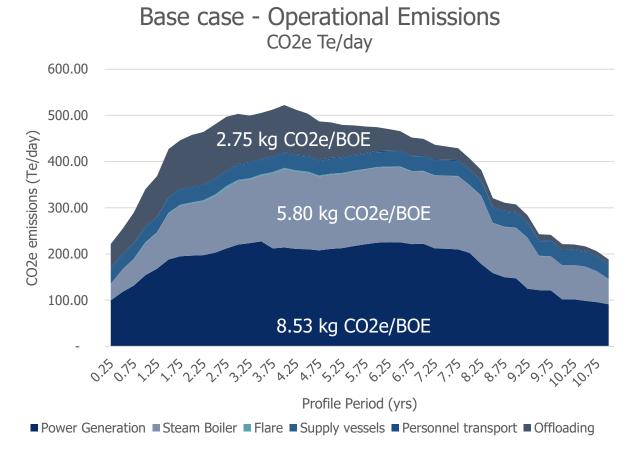
Integration of aggressive process heat management with high efficiency backup power generation and electrification has the potential to drive emissions down by over 80%

Local wind farm power, with highly efficient back-up gas engines, reduces emissions as low as connection to a future grid with half of today's CO₂ intensity

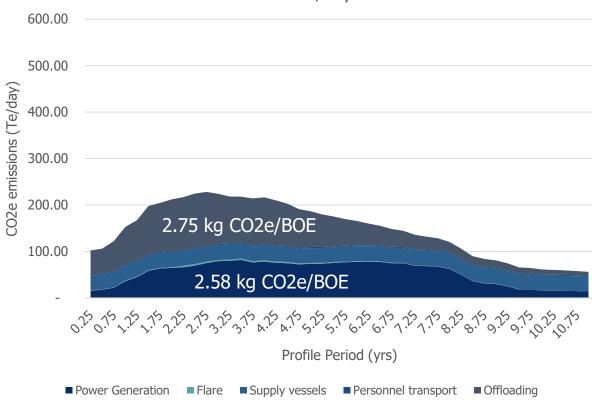
Net cost to project – zero. (Primarily driven by elimination of gas import pipeline originally required for power generation)

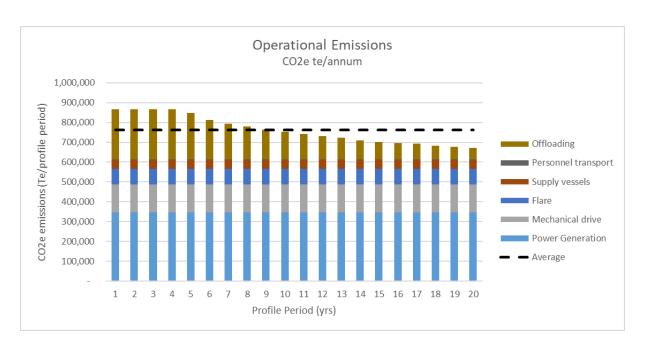
Developed Roadmap & "future-proofing" for future reductions – including CO₂ CCUS.

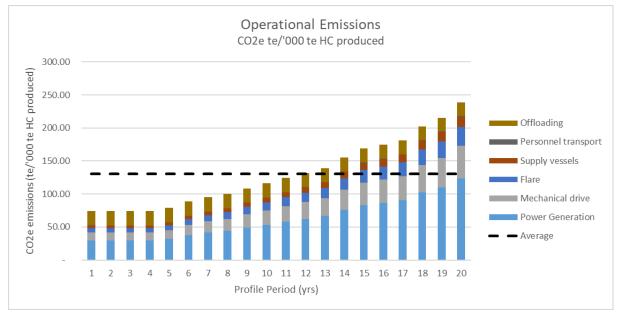


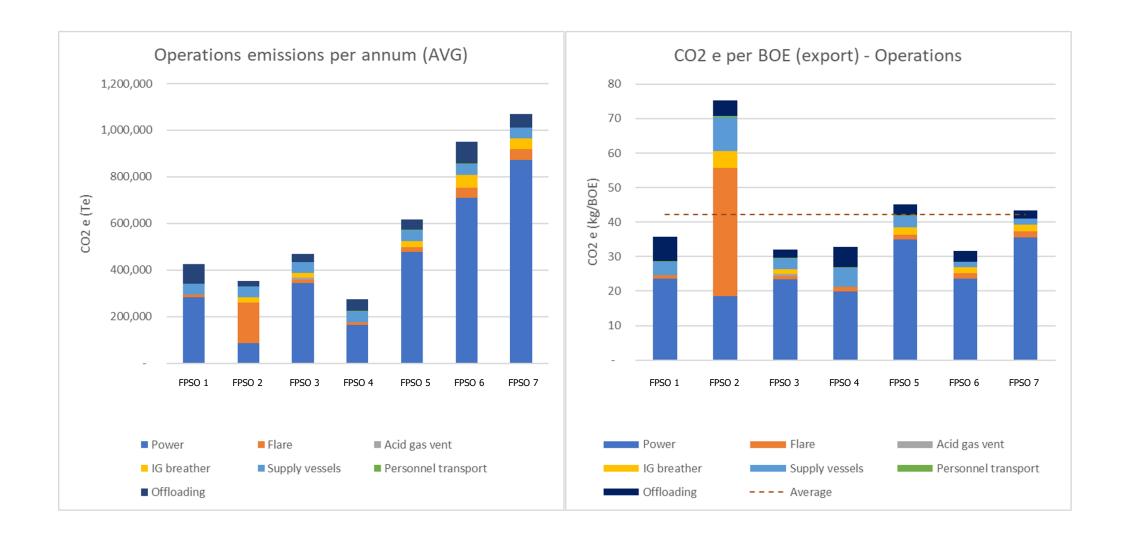


Optimised solution - Operational Emissions CO2e Te/day









For more information go to

www.crondall-energy.com

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