

Agenda, Key Messages & Desired Outcomes



Considerations

- Layers of Redundancy into overall LDS Strategy
- > LDS Changes due to HL IMP Rule
- External, Environmental, & Operating Conditions impacts on LDS Technology / Performance
- Human Factors as it affects LDS Performance
- Pipeline shut-in time improved via valves, meters, and CPM
- False positives/negatives addressed with LDS
- CAPEX/OPEX LDS costs New vs. Old pipelines
- Pilots, Projects, and R & D efforts

Key Messages

- Topic summary/conclusions:
- Non-conventional LDS redundancy is being piloted while conventional is maintained
- To date, over 350 LDCE PAMM projects due to HL IMP Rule
- Technology and performance do not necessarily align during these conditions
- Both SMEs and Controllers can affect of the LDS Performance as there are many Human Factors involved besides fatigue
- Shut-in improvement through Integrated Spill Management
- Process and Protocol for CPM Tuning
- Millions of dollars have been spent on Capital and Expense
- All of the above approach: Pilots, Projects, and R & D efforts

Desired Outcomes

Outline Company Perspectives and address PHMSA's meeting considerations

Briefly About Chevron Pipe Line Company



- ➤ CPL is responsible for operating and maintaining Chevron Corporation's Common Carrier and Proprietary Pipeline Business in the U.S.A.
- Operates 9,673 miles of pipeline in the U.S.A. and the Gulf of Mexico

➤ 100+ Computerized Leak Detection

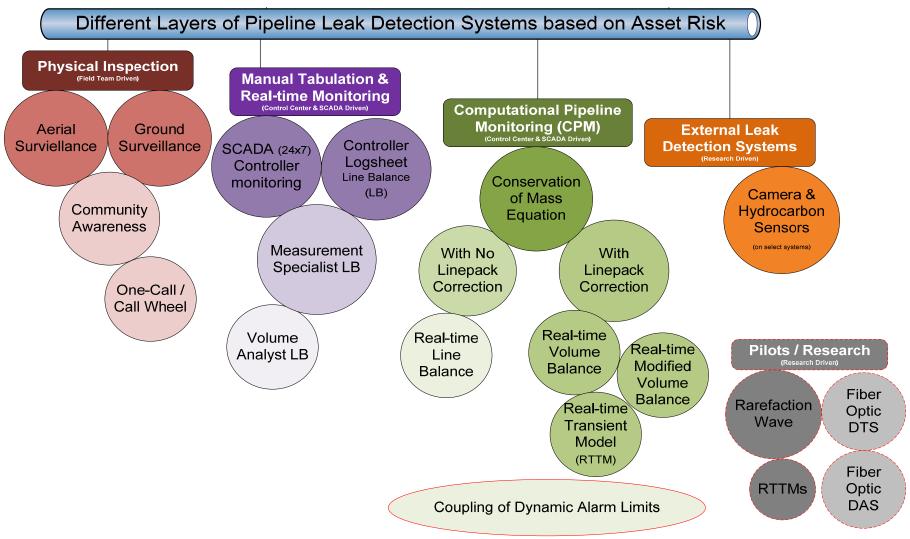
Records

- > Transports:
 - _o Crude
 - Petrochemicals
 - Refined Products
 - Carbon Dioxide
 - Liquefied Petroleum Gas
 - Natural Gas Liquids
 - Natural Gas



CPLs Overall LDS Redundancy Strategy





LDS Changes Due to the HL IMP Rule



- Identified over 350 LDCE PAMM projects, which ranged from:
 - More meter &
 instrumentation
 calibration /
 verification, accuracy
 improvements
 - Capital Investment replace equipment (or add new)

- Improved tuning and alarming parameters
- o Add CPM
- Add linepack compensation
- Add more trending capabilities
- More SME support activities



External, Environmental, & Operating Conditions impacts on LDS Technology / Performance



- There is no one size fits all for every pipeline
 - The reason for different layers of pipeline leak detection systems based on asset risk
- CPL focuses on the factors and considerations outlined by the regulations and PHMSA FAQs as well as other significant factors not outlined
 - We assess the risk and deploy the appropriate tools needed to mitigate that risk
- Factors included in the assessment:
 - o 49 CFR 195.452(i)(3) {8}
 - PHMSA FAQ 9.4 {9}
 - Measurement and instrumentation spacing
 - Meter proving (meter factor) errors

- Online fluid property instrumentation, especially at inlets or intersections of pipe
- Fluid temperature instrumentation or thermal modeling capabilities
- Hours of operation
- Slack line (channel-flow) operations / conditions
- Startup transients
- Communication outages and latency
- Human Factors
 - Data availability and presentation,
 - Understanding of fluid behavior in pipeline operation,
 - Any fixed or manual entries for process variables
- Frequency of pigging
- Use of Drag Reduction Agents (DRA)

Human Factors affecting LDS Performance



- CPL has implemented a CRMP process that encompasses all the factors outlined below that affect a Controller when monitoring the pipeline and leak detection system:
 - o Fatigue mitigation,
 - Providing adequate information,
 - HMI graphics and transparency,
 - Ease of data availability,
 - Alarm management,
 - o Change Management,
 - Operating Experience,
 - o Training,
 - Confidence in systems



Improving Shut-In times through Integrated Spill Management



- > A spill quantification toolset has been developed to:
 - Provide a principled basis for analysis and quantification of pipeline spill impacts
 - Evaluation of the design, operational and spill response alternatives
 - Monitor and understand spill scenario evolution on a transient basis
 - It includes the CPM, valves, meters
- > CPL has seen shut-in improvements by using this toolset
 - For example, shut-in from 2.5 hours to 30 minutes on one of our crude pipeline systems just by using this toolset



Addressing false positives/negatives within LDS



- CPL has developed and implemented a CPM Tuning process
 - All CPM records are evaluated at least once a year
 - Documented per API 1130
 - There is a balance with each pipeline system of number of alarms versus sensitivity per averaging period
- All leak detection alarms are documented in the Controller Logbook, and/or annotations on the Trending
- Deviation monitoring, which includes leak alarms, are:
 - Documented for historical review by the Controller on duty
 - Reviewed daily with Console Operations Representative
 - Weekly with Console Supervisor
 - Monthly with a Control Center Leadership Team

- CPL has advanced analytical team to assist the Controller in addressing and analyzing the false positives/negatives within a LDS, both day and night
- Usual reasons for the false positives / negatives indications:
 - Measurement issue
 - Instrumentation problem
 - Communication issue
 - Operational issue
 - Software / application issue
 - PCN related issue
 - CPM Tuning issue

Industry Collaborations, Research, Testing, New Advances, and Other Focus Areas



- Industry Collaborations
 - o API, PRCI, IPC, PSIG,
 - Vendor User Groups
- > External Research
 - o PRCI: PL-1-1 Detection of Small Leaks
 - o PRCI: PL-1-2 Enhancement to API 1149
 - o PRCI: DP-3-3 Human Factor Impacts
- > Internal Research
 - Fiber Optic DTS and DAS tests
 - Statistical algorithms
- Pilot Testing
 - o Rarefaction Wave
 - Two RTTMs head-to-head comparison

- New Advances
 - JIP: Subsea Leak Detection
- Other Focus Areas
 - Release Elimination Culture
 - Proactive and Repair project via Integrity Maintenance program
 - Equipment Reliability & Integrity Process
 - Control Center Visualization project
 - Alarm Objective Analysis across consoles
 - CRMP Plan improvements
 - SCADA & Communication system upgrade evaluations
 - Withdraw Test Protocol
 - Analytics relative to historical incidents
 - More Organizational Capability

CPL Culture Shift: Release Elimination





- Chevron's priority is spill prevention
- Apply same focus as Safety
 - Zero Is Attainable
 - Zero Tolerance Climate
 - "Always" Manage the Risk
- Coordination of all release elimination activities (Repairs, Proactive, Mitigative)
- Reinforce Leadership Accountability
 - Tone at the top
 - Individual commitment
 - Scorecard metrics
- Share Lessons Learned (CPL & beyond)
 - Common Themes

Thank You.



> Acronyms:

- o CPL—Chevron Pipe Line
- LDCE Leak Detection Capability Evaluation
- CPM Computational Pipeline Monitoring
- PAMM– Preventative and Mitigative Measure
- HL IMP Hazardous Liquid Integrity Management Plan
- LDS- Leak Detection System
- LD—Leak Detection
- LB—Line Balance
- RTTM—Real-time Transient Model
- CAPEX –Capital Expenditure
- o OPEX -Operational Expenditure
- SCADA—Supervisory Control and Data Acquisition
- PHMSA—Pipeline Hazardous Material Safety Administration

- SME—Subject Matter Expert
- R & D—Research and Development
- DTS—Distributed Temperature Sensing
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- o API—American Petroleum Institute
- PRCI—Pipeline Research Council Incorporated
- PSIG—Pipeline Simulation Interest Group
- IPC –International Pipeline Conference
- JIP—Joint Industry Project
- FAQ—Frequently Asked Questions

- CRMP—Control Room Management Plan
- HMI—Human Machine Interface
- o DRA—Drag Reducing Agent
- PCN—Process Control Network