



# IEAGHG Technical Review 2017-TR5 April 2017

Evaluating the Costs of Retrofitting CO<sub>2</sub> Captured in an Integrated Oil Refinery: Technical Design Basis and Economic Assumptions

IEA GREENHOUSE GAS R&D PROGRAMME

**International Energy Agency** 

The International Energy Agency (IEA) was established in 1974 within the framework of the Organisation for Economic Co-operation and Development (OECD) to implement an international energy programme. The IEA fosters co-operation amongst its 28 member countries and the European Commission, and with the other countries, in order to increase energy security by improved efficiency of energy use, development of alternative energy sources and research, development and demonstration on matters of energy supply and use. This is achieved through a series of collaborative activities, organised under 39 Technology Collaboration Programmes (Implementing Agreements). These agreements cover more than 200 individual items of research, development and demonstration. IEAGHG is one of these Implementing Agreements.

#### **DISCLAIMER**

This report was prepared as an account of the work sponsored by IEAGHG, CLIMIT, Concawe and SINTEF. The views and opinions of the authors expressed herein do not necessarily reflect those of the IEAGHG, its members, the International Energy Agency, the organisations listed below, nor any employee or persons acting on behalf of any of them. In addition, none of these make any warranty, express or implied, assumes any liability or responsibility for the accuracy, completeness or usefulness of any information, apparatus, product of process disclosed or represents that its use would not infringe privately owned rights, including any parties intellectual property rights. Reference herein to any commercial product, process, service or trade name, trade mark or manufacturer does not necessarily constitute or imply any endorsement, recommendation or any favouring of such products.

#### **COPYRIGHT**

Copyright © IEA Environmental Projects Ltd. (IEAGHG) 2017.

All rights reserved.

#### **ACKNOWLEDGEMENTS AND CITATIONS**

This report describes work undertaken for CLIMIT, SINTEF, Concawe and Amec Foster Wheeler by IEAGHG.

To ensure the quality and technical integrity of the research undertaken by IEAGHG each study is managed by an appointed IEAGHG manager.

The IEAGHG manager for this report was:

• John Gale

The report should be cited in literature as follows:

 ${\it 'IEAGHG''Evaluating the Costs of Retrofitting CO}_2 Captured in an Integrated Oil Refinery: Technical Design Basis and Economic Assumptions'' 2017-TR5 April 2017'$ 

Further information or copies of the report can be obtained by contacting IEAGHG at:

IEAGHG, Pure Offices, Cheltenham Office Park Hatherley Lane, Cheltenham, GLOS., GL51 6SH, UK Tel: +44 (0)1242 802911

E-mail: mail@ieaghg.org Internet: www.ieaghg.org



#### INTRODUCTION & BACKGROUND OF THE PROJECT

In the past years, IEA Greenhouse Gas R&D Programme (IEAGHG) has undertaken a series of projects evaluating the performance and cost of deploying CO<sub>2</sub> capture technologies in energy intensive industries such as the cement, iron and steel, hydrogen, pulp and paper, and others.

In line with these activities, IEAGHG has initiated this project in collaboration with CONCAWE, GASSNOVA (via CLIMIT Programme) and SINTEF Energy Research, to evaluate the performance and cost of retrofitting CO<sub>2</sub> capture in an integrated oil refinery.

The project will be managed and implemented by SINTEF Energy Research. The project consortium has selected Amec Foster Wheeler as the engineering contractor to work with SINTEF in performing the basic engineering and cost estimation for the reference cases.

The main purpose of this study is to evaluate the cost of retrofitting CO<sub>2</sub> capture in simple to high complexity refineries covering typical European refinery capacities from 100,000 to 350,000 bbl/d. Specifically, the study will aim to:

- Formulate a reference document providing the different design basis and key assumptions to be used in the study.
- Define 4 different oil refineries as Base Cases. This covers the following:
  - o Simple refinery with a nominal capacity of 100,000 bbl/d.
  - o Medium to highly complex refineries with nominal capacity of 220,000 bbl/d.
  - o Highly complex refinery with a nominal capacity of 350,000 bbl/d.
- Define a list of emission sources for each reference cases and agreed on CO<sub>2</sub> captures priorities.
- Investigate the techno-economics performance of the integrated oil refinery (covering simple to complex refineries, with 100,000 to 350,000 bbl/d capacity) capturing CO<sub>2</sub> emissions from various sources using post-combustion CO<sub>2</sub> capture technology based on standard MEA solvent.
- Investigate the techno-economics performance of a medium to high conversion refineries (220,000 bbl/d capacity) capturing CO<sub>2</sub> emissions using pre-combustion CO<sub>2</sub> capture technology capturing CO<sub>2</sub> emissions from the hydrogen production facilities (as base case). A sub-case will also be evaluated to assess the possibility to increase capture rate based on the principle of expanding the hydrogen production facility and the conversion of fired heaters and utilities boilers using hydrogen enriched fuel.
- Investigate the techno-economics performance of an integrated oil refinery (covering medium to high conversion complex refineries with 220,000 bbl/d) capturing CO<sub>2</sub> emissions using oxyfuel combustion technology applied the Fluid Catalytic Cracker (as base case). A sub-case will also be evaluated to assess the possibility to increase capture rate using oxyfuel combustion application to various fired heaters.
- Develop a case study evaluating the constructability of retrofitting CO<sub>2</sub> capture in a complex oil refinery providing key information on the following (but not limited to):

plant layout, space requirement, safety, pipeline network modification, access route for equipment, modular construction vs. stick-built fabrication, and others.

The project has developed two reference documents that outline the technical basis of the design of the refinery and the capture equipment that are used in the subsequent economic modelling of the capture retrofit to an integrated oil refinery. This report provides the details of these reference assumptions. Reference Documents 1 & 2 that follow provide detailed information about the mass and energy balances, carbon balance, techno-economic assumptions, data and evaluation, and CO<sub>2</sub> avoidance cost; that could be adapted and used for future economic assessment of CCS deployment in the oil refining industry.

This reference document will be publically shared by the project partners for reference and use by third parties. The project partners want the data set used in this study to be fully transparent to allow the methodology of cost assessment in a complex industrial site developed by the project to be openly accessible and thus be used by third parties as a basis for further studies in the future.





# **Evaluating the Cost of Retrofitting CO<sub>2</sub>** Capture in an Integrated Oil Refinery

**Reference Document 1: Technical Design Basis** 

**Responsible Organization:** 

**IEA Greenhouse Gas R&D Programme** Cheltenham, UK

> **Deliverable Date: April 2017**

> **Project Partners:**







**Project Management, Implementation and Delivery:** 









Version:	Issued By:	Date:	Reviewed By:	Notes:
1.0	S. Santos (IEAGHG)	3 December 2014	R. Anantharaman (SINTEF ER)	
2.0	R. Anantharaman (SINTEF ER)	5 December 2014	Concawe, AmecFW	
3.1	S. Santos (IEAGHG)	27 February 2015	Amec FW & SINTEF	To include all relevant comments from CONCAWE and AmecFW
4.0	S. Santos (IEAGHG)	09 March 2015		Issued to Project Partners & GASSNOVA
5.0	S. Santos	27 August 2015	SINTEF ER	
6.0	R. Anantharaman (SINTEF ER)	21st September 2015	IEAGHG	Issued to Gassnova/CLIMIT



# **Evaluating the Cost of Retrofitting CO<sub>2</sub> Capture in an Integrated Oil Refinery**

**Reference Document 1: Technical Design Basis** 

#### INDEX

- 1. REFERENCE DOCUMENT OVERVIEW
- 2. KEY FEATURES OF THE REFINERY
- 3. FEEDSTOCK SPECIFICATIONS
- 4. PRODUCTS AND BY-PRODUCTS SPECIFICATIONS
- 5. CO<sub>2</sub> SPECIFICATIONS
- 6. BASIC ENGINEERING AND DESIGN BASIS
- 7. UNIT AND EQUIPMENT NUMBERING
- 8. GENERAL DESIGN CRITERIA EQUIPMENT
- 9. SOFTWARE TOOLS

#### **ANNEX**

• Annex A: BFD of Integrated Oil Refinery without CO<sub>2</sub> Capture

• Annex B: Specifications – Crude Oil, Other Feedstock and Chemicals

• Annex C: Specifications – Products, By-Products



#### 1 REFERENCE DOCUMENT OVERVIEW

The purpose of this report is to present a reference document that describes the technical basis and key assumptions to be used in evaluating the performance of the integrated oil refinery without and with CO<sub>2</sub> capture.

The engineering and design basis, and various assumptions on feedstock, additives, products and by-products, and the specification of the CO<sub>2</sub> that are outlined in this report will be used as a reference for developing the refinery configurations to be developed in the study which will be published once the project is completed.

Where applicable, information retrieved from IEAGHG document "Criteria for Technical and Economic Assessment of Plants with Low CO<sub>2</sub> Emissions" Version C-6, March 2014, are included.

The refinery configurations to be analyzed as Base Cases include:

- Base Case 1: Simple Hydro-skimming Refinery (Capacity: 100,000 bbl/d)
- Base Case 2: Medium Conversion Refinery (Capacity: 220,000 bbl/d)
- Base Case 3: High Conversion Refinery (Capacity: 220,000 bbl/d)
- Base Case 4: High Conversion Refinery (Capacity: 350,000 bbl/d)

The different block flow diagrams for the different configurations are presented in Annex A. The different feedstock, additives, and supplementary fuel to be used in the study are listed in Section 4 and Annex B. The different products and by-products are enumerated in Section 5 and Annex C.

The primary fuel of the plant are the refinery off-gases and heavy fuel oil. Natural gas will be used as supplementary fuel or feedstock if necessary.

It is expected that the different oil refineries to be evaluated should be self-sufficient to its requirements for:

- electricity
- steam
- hydrogen

Generally, electricity, steam and heat are "exported from" and/or "imported into" the defined battery limit of the refinery. These are very site specific conditions. For simplification to the economic evaluation and accounting of the site's CO<sub>2</sub> emissions, this study would assume that only surplus electricity will be considered. There will no export of steam or heat. Any surplus electricity produced within the site will be sold to the grid.

For this study, all the electricity and steam required by the refinery will be supplied by having a self-sufficient electricity and steam production inside the battery limit from a CHP plant based on either from a steam boiler or gas turbine combined cycle or both. This will be dependent on the requirements of the individual cases and practical considerations.

- 2 -

Regulatory implications to the use of heavy fuel oil as primary fuel relative to the site SOx emissions limits is considered in this study. It has been agreed to follow the requirements stipulated by EU Industrial Emissions Directives (IED) as defined in Section 6.5.1.



#### 2 KEY FEATURES OF THE REFINERY

#### 2.1 Boundary Limit

The definition of the boundary (battery) limit of the integrated oil refinery is essential to formulate a clear account of the overall energy requirements and the direct CO<sub>2</sub> emissions per barrel of crude oil processed.

A schematic representation of the boundary limit, material inputs and outgoing products, by-products and waste are illustrated in the different block flow diagrams as shown in Figures A-1 to A-4 of Annex A.

The different processes and utilities to be included in the battery limit of the refinery without CO<sub>2</sub> capture are summarised in Section 3.2.1. Additional processes to be included in the battery limit of the refinery with CO<sub>2</sub> capture are summarised in Section 3.2.2.

#### 2.2 Key Features of the Oil Refinery without and with CO<sub>2</sub> Capture

#### 2.2.1 Refining Capacities and Unit Processes – Base Cases

The different configurations used for the different Base Case Refineries without CO<sub>2</sub> capture and the unit processes and utilities included in the analysis could be summarised as:

- Base Case 1: Simple Hydro-skimming Refinery
  - o Capacity: 100,000 bbl/d (nominal)
  - o Major Processes:
    - Unit 100: Crude Distillation Unit (CDU)
    - Unit 200: Saturated Gas Plant (SGP)
    - Unit 250: LPG Sweetening (LSW)
    - Unit 280: Kerosene Sweetening (KSW)
    - Unit 300: Naphtha Hydrotreater (NHT)
    - Unit 350: Naphtha Splitter (NSU)
    - Unit 400: Isomerization Unit (ISO)
    - Unit 500: Catalytic Reformer (CRF)
    - Unit 550: Reformate Splitter (RSU)
    - Unit 600: Kerosene Hydrotreater (KHT)
    - Unit 700: Diesel Hydro-desulphurisation Unit (HDS)
    - Unit 1100: Vacuum Distillation Unit (VDU)
    - Unit 1500: Visbreaker Unit (VBU)
    - Unit 2000: Amine Regeneration Unit (ARU)
    - Unit 2100: Sour Water Stripper Unit (SWS)
    - Unit 2200: Sulphur Recovery Unit (SRU)
    - Unit 2300: Waste Water Treatment (WWT)
    - Unit 2500: Power Plant (Electricity and Steam Production)
    - Unit 3000: Utilities
    - Unit 4000: Off-sites
- Base Case 2: Medium Conversion Refinery
  - o Capacity: 220,000 bbl/d



#### o Major Processes:

• Unit 100: Crude Distillation Unit (CDU)

• Unit 200: Saturated Gas Plant (SGP)

■ Unit 250: LPG Sweetening (LSW)

■ Unit 280: Kerosene Sweetening (KSW)

Unit 300: Naphtha Hydrotreater (NHT)

Unit 350: Naphtha Splitter (NSU)

■ Unit 400: Isomerization Unit (ISO)

Unit 500: Catalytic Reformer (CRF)

Unit 550: Reformate Splitter (RSU)

■ Unit 600: Kerosene Hydrotreater (KHT)

Unit 700: Diesel Hydro-desulphurisation Unit (HDS)

• Unit 800: Vacuum Gasoil Hydrotreater Unit (VHT)

Unit 1000: Fluid Catalytic Cracker (FCC)

• Unit 1050: FCC Gasoline Post-Treatment Unit (PTU)

Unit 1100: Vacuum Distillation Unit (VDU)

■ Unit 1200: Steam Methane Reformer (SMR)

• Unit 1500: Visbreaker Unit (VBU)

Unit 2000: Amine Regeneration Unit (ARU)

Unit 2100: Sour Water Stripper Unit (SWS)

Unit 2200: Sulphur Recovery Unit (SRU)

Unit 2300: Waste Water Treatment (WWT)

Unit 2500: Power Plant (Electricity and Steam Production)

■ Unit 3000: Utilities

■ Unit 4000: Off-sites

#### • Base Case 3: High Conversion Refinery

o Capacity: 220,000 bbl/d

#### Major Processes:

Unit 100: Crude Distillation Unit (CDU)

Unit 200: Saturated Gas Plant (SGP)

■ Unit 250: LPG Sweetening (LSW)

■ Unit 280: Kerosene Sweetening (KSW)

Unit 300: Naphtha Hydrotreater (NHT)

Unit 350: Naphtha Splitter (NSU)

• Unit 400: Isomerization Unit (ISO)

■ Unit 500: Catalytic Reformer (CRF)

Unit 550: Reformate Splitter (RSU)

Unit 600: Kerosene Hydrotreater (KHT)

Unit 700: Diesel Hydro-desulphurisation Unit (HDS)

• Unit 800: Vacuum Gasoil Hydrotreater Unit (VHT)

Unit 900: Hydrocracker Unit (HCK)

Unit 1000: Fluid Catalytic Cracker (FCC)

Unit 1050: FCC Gasoline Post-Treatment Unit (PTU)

Unit 1100: Vacuum Distillation Unit (VDU)

Unit 1200: Steam Methane Reformer (SMR)

Unit 1400: Delayed Coker Unit (DCU)

Unit 2000: Amine Regeneration Unit (ARU)

Unit 2100: Sour Water Stripper Unit (SWS)

Unit 2200: Sulphur Recovery Unit (SRU)



Unit 2300: Waste Water Treatment (WWT)

■ Unit 2500: Power Plant (Electricity and Steam Production)

Unit 3000: UtilitiesUnit 4000: Off-sites

#### • Base Case 4: High Conversion Refinery

o Capacity: 350,000 bbl/d

o Major Processes:

Unit 100: Crude Distillation Unit (CDU)Unit 200: Saturated Gas Plant (SGP)

■ Unit 250: LPG Sweetening (LSW)

■ Unit 280: Kerosene Sweetening (KSW)

Unit 300: Naphtha Hydrotreater (NHT)

• Unit 350: Naphtha Splitter (NSU)

• Unit 400: Isomerization Unit (ISO)

Unit 500: Catalytic Reformer (CRF)Unit 550: Reformate Splitter (RSU)

• Unit 600: Kerosene Hydrotreater (KHT)

• Unit 700: Gasoil Hydro-desulphurisation Unit (HDS)

• Unit 800: Vacuum Gasoil Hydrotreater Unit (VHT)

• Unit 900: Hydrocracker Unit (HCK)

• Unit 1000: Fluid Catalytic Cracker (FCC)

• Unit 1050: FCC Gasoline Post-Treatment Unit (PTU)

Unit 1100: Vacuum Distillation Unit (VDU)

• Unit 1200: Steam Methane Reformer (SMR)

Unit 1300: Solvent Deasphalting Unit (SDA)

• Unit 1400: Delayed Coker Unit (DCU)

Unit 2000: Amine Regeneration Unit (ARU)

• Unit 2100: Sour Water Stripper Unit (SWS)

• Unit 2200: Sulphur Recovery Unit (SRU)

Unit 2300: Waste Water Treatment (WWT)

Unit 2500: Power Plant (Electricity and Steam Production)

■ Unit 3000: Utilities

■ Unit 4000: Off-sites



#### 2.2.2 Additional Unit Processes – Oil Refinery with CO<sub>2</sub> Capture Cases

The project has a focus on evaluating the cost of retrofitting  $CO_2$  capture in a refinery. The refinery will be retrofitted for  $CO_2$  capture from the following units:

- 1. Major refinery fired heaters
- 2. Fluid Catalytic Cracker (FCC)
- 3. Steam reformer for H<sub>2</sub> production
- 4. CHP plant

An end-of-pipe CO<sub>2</sub> capture scenario using mono-ethanol amine (MEA) is considered the most mature technology for CO<sub>2</sub> capture. This capture technique will be applied to all the units listed above. Different capture scenarios will be developed to cover a range of CO<sub>2</sub> capture ratios from these different process units. Plot plan and stack layout considerations in addition to the size of the emissions will be taken into account in defining the capture scenarios of each base case refinery.

Another  $CO_2$  capture route that will be considered in this project is  $CO_2$  capture from the syngas for  $H_2$  production in the steam reformer. The main scenario for this capture route is only capture from existing steam methane reformers. Additionally, scenarios will be considered where the fuel for the major fired heaters are switched to a mixture of  $H_2$  and refinery fuel gas as a way to decrease  $CO_2$  emissions from these process units. Additional  $H_2$  production capacity with  $CO_2$  capture will be considered for the latter scenarios.

Oxy-combustion technology, where the oxidising agent is highly pure oxygen rather than air, can also be used to reduce  $CO_2$  emissions in refinery. The capture route will mainly be applied to the FCC unit. Additionally, scenarios will be considered for converting major fired heaters to utilize oxy-combustion.

Details of the different scenarios will be arrived at after performing the base case refinery balances and developing their plot plan and layouts.

The additional unit processes and utilities to be included in the analysis for oil refineries with CO<sub>2</sub> capture could be summarized as:

- Post-Combustion Capture Cases
  - Major Processes:

■ Unit 5000: CO<sub>2</sub> Capture System

■ Unit 7000: CO<sub>2</sub> Compression and Drying Unit

- Pre-Combustion Capture Cases
  - Major Processes:

• Unit 6000: (Reserved for ATR)

■ Unit 7000: CO<sub>2</sub> Compression and Drying Unit

- Oxyfuel Combustion Capture Cases
  - Major Processes:

Unit 8000: Air Separation Unit
 Unit 9000: CO<sub>2</sub> Processing Unit



#### 2.2.3 Utility and Off-site Units

The different utility and offsite units considered in the study include the following:

- Cooling Water System
- Steam System
- Demineralized, Condensate Recovery Water Systems
- Plant/Instrument Air Systems
- Inert Gas System
- Fuel gas System
- Fuel Oil System
- Fire Fighting System
- Flare system
- Interconnecting (ducting/piping/cables, etc...)
- Tank Farms
  - o Feedstock Storage
  - o Intermediate Storage
  - Product Storage
- Additives Handling and Storage
  - o Bio-ethanol
  - o Bio-diesel
  - o MTBE
- Sulfur Handling and Storage
- Coke Handling and Storage
- Chemicals

#### 2.3 Seasonal Variations

Typical oil refineries operate with seasonal variations to meet varying demand of products during certain period of the year.

However, this study will only evaluate annual production average and will not include any seasonal variations into considerations for its production.

#### 2.4 Capacity Factor

This study assumed that the oil refinery will achieved 350 days of full operation per year.

During the construction and retrofit of the CO<sub>2</sub> capture plant, it is desired to have minimum impact to the normal operation of the refinery in order to reduce the economic loss due to reduced or lost production period.

Thus, this study assumed that the construction and commissioning of the CO<sub>2</sub> capture plant should be implemented during pre-turnaround schedule. All modifications and connection work required should be undertaken during the general turnaround schedule.

However, in cases where completion of the retrofit work will require longer general turnaround period, then the capacity factor of the refinery will be adjusted accordingly based on the analysis and recommendations provided by Amec Foster Wheeler.



#### 3 FEEDSTOCK AND ADDITIVES SPECIFICATIONS

#### 3.1 Crude Oil

The following crude oil selected for this project is enumerated below.

- Ekofisk
- Bonny Light
- Arabian Light
- Urals Medium
- Arabian Heavy
- Maya Blend (50% wt. Maya Oil with 50% wt. Arabian Light).

This represents a suite of very light to heavy crude and sweet to sour crude typically used in European refineries.

Figure 1 below presents the distillation curve of the different crude oil selected. Table 4 presented next page summarized the main crude oil properties.

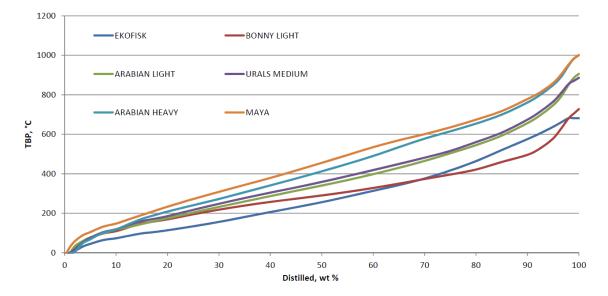


Figure 1: Distillation curves of the different crude oil selected for this project



## Table 4: Summary of Crude Oil Properties (Data from Amec FW)

EKOFISK Percent TBP [C] ASTM D86 Density Sulphur  0 -5.8 32.8 268.3 0.000 1 0.2 36.2 582.2 0.000 2 8.9 41.5 589.8 0.000 3.5 30.9 55.9 711.0 0.000 5 45.1 66.3 715.4 0.000 7.5 64.2 81.0 722.6 0.000 10 73.4 88.4 729.5 0.000 11.5 86.0 99.1 736.3 0.000 15 97.9 109.1 742.8 0.001 17.5 105.0 115.5 749.2 0.001 17.5 105.0 115.5 749.2 0.001 20 113.8 123.2 755.2 0.002 25 133.9 141.4 766.9 0.003 30 156.1 161.5 778.8 0.005 315 180.9 184.1 789.9 0.005 35 180.9 184.1 789.9 0.006 40 206.0 207.0 798.3 0.008 45 230.5 229.4 807.1 0.021 50 256.0 252.5 820.3 0.045 55 284.2 277.7 839.6 0.069 60 313.5 303.8 854.3 0.092 65 342.6 329.9 866.3 0.166 70 375.9 361.4 879.9 0.249 65 342.6 329.9 866.3 0.166 70 375.9 361.4 879.9 0.249 75 416.7 401.3 892.7 0.296 80 464.1 447.1 901.5 0.331 85 520.1 497.6 912.8 0.440 90 575.6 542.0 924.5 0.525 92.5 605.3 562.4 929.8 0.596 95 638.0 581.6 937.2 0.676 96.5 659.8 592.2 942.4 0.728 98 681.5 601.2 947.9 0.783 99 681.5 601.2 955.1 0.855	BONNY LIGHT   Percent   TSP   CJ   ASTM   D86 Density   Sulphur   0	ARABIAN LIGHT Percent TBP [C] ASTM D86 Density Sulphur  0 -29.5 21.7 291.3 0.000 1 -4.0 37.9 657.0 0.077 2 33.8 64.4 667.9 0.070 3.5 58.9 83.6 683.5 0.060 5 77.6 98.5 698.1 0.051 7.5 98.5 115.7 720.5 0.039 10 117.5 131.9 740.5 0.032 12.5 130.4 143.1 757.9 0.030 15 145.4 156.3 772.1 0.031 17.5 160.1 169.4 782.7 0.038 20 174.5 182.4 790.8 0.048 25 203.5 208.6 804.0 0.070 30 232.0 234.2 821.5 0.112 35 259.6 259.0 835.4 0.223 40 286.9 283.6 840.5 0.676 45 314.0 308.0 854.1 1.061 50 340.3 331.4 877.9 1.479 55 368.0 356.0 894.4 2.119 60 398.0 382.5 906.6 2.525 65 430.2 411.3 916.8 2.608 70 465.2 444.0 928.1 2.714 75 503.9 481.0 940.3 2.849 80 545.1 521.0 953.1 3.165 85 593.4 566.5 966.4 3.625 90 656.6 614.6 980.3 4.234 92.5 697.0 635.8 987.5 4.992 95 747.5 669.7 994.7 4.985 96.5 790.0 702.8 999.2 5.237 98 850.7 738.1 1004.5 5.503 99 885.5 746.1 1012.5 5.687	URAL8 MEDIUM           Percent         TBP [C]         ASTM D86 Density         Sulphur           0         -33.1         21.2         344.6         0.000           1         -1.6         41.5         580.9         0.000           2         18.0         55.2         690.1         0.000           3.5         51.7         80.3         700.6         0.000           5         75.8         99.2         710.8         0.000           7.5         104.4         122.7         725.9         0.000           10         119.0         135.0         742.1         0.009           12.5         140.6         153.6         756.4         0.023           15         160.1         170.7         769.8         0.044           17.5         172.0         181.3         782.2         0.064           20         185.4         193.3         793.6         0.091           25         217.1         221.9         813.3         0.236           30         248.0         249.5         830.4         0.422           35         277.1         275.5         845.9         0.692           40	ARABIAN HEAVY Percent TBP [C] ASTM D86 Density Sulphur  0	MAYA         Percent         TBP [C]         ASTM D86 Density         Sulphur           0         -19.4         46.4         334.3         0.000           1         27.2         74.8         605.2         0.039           2         58.9         96.4         694.7         0.040           3.5         88.2         117.8         707.0         0.053           5         104.7         130.3         716.2         0.080           7.5         132.2         152.0         734.4         0.119           10         147.8         164.7         752.9         0.194           12.5         169.5         182.7         775.5         0.297           15         190.8         200.8         792.1         0.383           17.5         212.2         219.4         804.5         0.556           20         233.2         237.9         816.7         0.827           25         272.0         272.4         840.6         1.465           30         308.5         304.4         868.1         2.042           35         343.7         335.6         899.9         2.458           40         378.9
Name Begin T [C]End T [C] Fraction Off Gas	Name         Begin T [C]End T [C] Fraction           Off Gas         -30         10         1.4%           Lt 8t Run         10         80         4.2%           Naphtha         80         150         9.9%           Kerosene         150         240         19.8%           LGO         240         360         31.8%           HGO         360         380         4.3%           LVGO         380         420         8.3%           HVGO         420         530         12.8%           Residue         530         728         7.5%	Name         Begin T [C]End T [C] Fraction           Off Gas         -29         10         1.3%           Lt St Run         10         80         3.9%           Naphtha         80         150         10.5%           Kerosene         150         240         15.7%           LGO         240         360         22.1%           HGO         360         380         3.5%           LVGO         380         420         6.4%           HVGO         420         530         14.8%           Residue         530         906         21.8%	Name         Begin T [C]End T [C] Fraction           Off Gas         -33         10         1.5%           Lt 8t Run         10         80         3.8%           Naphtha         80         150         8.2%           Kerosene         150         240         15.1%           LGO         240         360         21.5%           HGO         360         380         3.4%           LVGO         380         420         6.6%           HVGO         420         530         16.5%           Residue         530         886         23.3%	Name         Begin T [C]End T [C] Fraction           Off Gas         -54         10         2.2%           Lt St Run         10         80         3.7%           Naphtha         80         150         7.1%           Kerosene         150         240         12.0%           LGO         240         360         17.9%           HGO         360         380         2.8%           LVGO         380         420         5.4%           HVGO         420         530         13.5%           Residue         530         1001         35.5%	Name         Begin T [C]End T [C] Fraction           Off Gas         -19         10         0.5%           Lt St Run         10         80         2.4%           Naphtha         80         150         7.3%           Kerosene         150         240         10.5%           LGO         240         340         13.6%           HGO         340         380         5.7%           LVGO         380         420         5.3%           HVGO         420         530         13.9%           Residue         530         1001         40.6%
TBP Distillation = Electisk  TBP Distillation = Electisk  Machine to the size of the size	TBP Distillation - Bonny Light	TBP Distillation - Arab light	TBP Distillation = Ural Medium	TBP Distillation - Arab Heavy	TBP Distillation - Maya



As specified below, the complete crude oil properties the key properties of the main crude fractions are reported in Annex B.

- Crude Oil Data Assay
  - Specific gravity
  - o Reid Vapor Pressure (RVP)
  - o Viscosity at 20°C, 40°C
  - o Pour Point
  - o Ultimate Analysis (C, H, O, N, Ash, S)
  - o H<sub>2</sub>S content
  - o Salt, sediment and water content
  - o Total N content
  - o Acidity
  - o Wax and Asphaltene contet
  - o CCR
  - o Ni, V, other metals content
  - o Analysis of light HC content
- Distribution Curves of the Crude Oil
  - True Boiling Point curve (by volume and weight)
  - Specific gravity
  - o Sulfur
  - o Molecular Weight
  - o Viscosity @ 50, 100 °C



#### 3.2 Natural Gas

Natural gas will be used as supplementary fuel or feedstock to the oil refinery to be evaluated. Table herewith presents its properties.

**Table 6 Natural Gas Properties** 

Natural Gas Analysis (vol.%)	
Methane	89.0
Ethane	7.0
Propane	1.0
Butane	0.1
Pentane	0.01
$CO_2$	2.0
Nitrogen	0.89
Sulfur (as H <sub>2</sub> S)	5 ppmv*
Total	100.00

HHV, MJ/kg	51.473
LHV, MJ/kg	46.502

Conditions at plant B.L.	
Pressure, Bar	70.0

<sup>\*5</sup> ppm<sub>v</sub> of H<sub>2</sub>S are assumed to be present in the Natural gas for design purposes

#### 3.3 Imported Intermediate Products

#### 3.3.1 Vacuum Gasoil

Vacuum gasoil could be imported if needed to saturate the heavy gasoil conversion units (e.g. Fluid Catalytic Cracking). The properties of the imported VGO are considered to be similar to the VGO properties obtained from Urals Crude. See Annex B for details.

#### 3.4 Additives and Process Chemicals

The following additives and process chemical used in the refineries are:

- Bio-ethanol
- Bio-diesel
- Sulphuric Acid
- Caustic Soda



#### 4 PRODUCTS AND BY-PRODUCTS SPECIFICATIONS

#### 4.1 Refinery Products

The refinery products to be considered in this study are enumerated below:

- LPG
- Propylene
- Gasoline U95 Europe
- Gasoline U92 USA Export
- Jet fuel
- Road Diesel
- Marine Diesel
- Heating Oil
- Low Sulphur Fuel Oil
- Medium Sulphur Fuel Oil
- High Sulphur Fuel Oil
- Coke Fuel Grade
- Sulphur

These products are typically produced by European refineries. Annex C presents the different specifications of the refinery products to be sold to the market.

Low Sulfur Fuel Oil is assumed to be used as the only liquid fuel burnt within the refinery. Composition and fuel properties of the low sulfur oil is presented in Table 7.

**Table 7: Properties of Fuel Oil** 

Low Sulfur Fuel Oil Analysis (wt. %)	
C/H Ratio	7.671
Sulfur	0.50
Ash	0.80
Total	100.00

HHV, MJ/kg	43.39
LHV, MJ/kg	40.96
API Gravity	17.40



#### 4.2 Refinery Off-Gases

Various off-gases is expected to be produced by various processes. Generally, all off-gases are used as primary fuel of the refinery. Any off-gases that are not used are flared. However, minimum flaring is expected and assumed in this study.

Table 8 below presents the typical range of properties of the refinery off-gas. It should be noted that the composition of the off-gases are very specific to the process units where they are derived.

<u>Table 8: Properties of Refinery Off-Gases (Typical Range)</u>

Refinery Off-Gas Analysis	Range (wt.%)	Average (1) (wt.%)	Average (1) (vol.%)
Hydrogen (H <sub>2</sub> )	2 – 12	8.0	60.9
Methane (CH <sub>4</sub> )	4 - 20	12.0	11.5
Ethane (C <sub>2</sub> H <sub>6</sub> )	12 - 24	18.0	9.2
Propane $(C_3H_8)$	22 - 26	24.0	8.4
Butane (C <sub>4</sub> H <sub>10</sub> )	17 – 59	38.0	10.0
Molecular Weight	10 – 30		

Molecular Weight	10 - 30	15.35
Dew Point at 5 Barg (°C)	-34 / 16	-15

LHV (MJ/kg)	48.116 – 56.484	52.634
H <sub>2</sub> S (ppmv)	50 (max.)	50 (max.)

Conditions at Unit B.L.	(See Note 2)	
Pressure (Barg)	Min.	3.0
	Norm.	4.0
	Max.	5.0
	Design	7.0
Temperature (°C)	Min.	-
	Norm.	30
	Max.	45
	Design	130

 $<sup>{\</sup>it (1.)}\, Average \ data \ shall \ be \ used for \ combustion \ calculation.$ 

<sup>(2.)</sup> Pressure and temperature at process unit battery limit.



#### 4.3 Hydrogen

It is expected that oil refinery to be evaluated should be self-sufficient with regard to their onsite hydrogen requirement.

Hydrogen produced from the SMR or other units will have the following properties.

H<sub>2</sub> 99.99+% vol. (min)

 $CO + CO_2$  10 ppm max CO 10 ppm max

 $H_2S$ , HCl, COS, HCN,  $NH_3$  free  $N_2 + Ar$  balance

Pressure at B.L. about 2.5 MPa

Temperature 40 °C

#### 4.4 Electricity

The site is expected to have access to the grid. Any surplus electricity produced on-site will be sold. Table herewith represents the grid connection to the oil refinery.

High voltage grid connection: 380 kV Frequency: 50 Hz



#### 5 CO<sub>2</sub> SPECIFICATION

CO<sub>2</sub> is delivered from the plant site to the pipeline at the following conditions and characteristics. The CO<sub>2</sub> product purity should be greater than 95%.

**Table 9: Properties of CO2** 

CO <sub>2</sub> conditions at plant B.L.		
Pressure, MPa	11	
Maximum Temperature, °C	30	

CO <sub>2</sub> maximum impurities, vol. B	easis (0)
$H_2$	4% (1,3)
N <sub>2</sub> / Ar	4% (2,3)
СО	0.2% (5)
$H_2O$	10 ppm <sup>(4)</sup>
$O_2$	Case Specific No. (6)
$H_2S$	20 ppm <sup>(4, 7)</sup>
$SO_X$	10 ppm <sup>(7)</sup>
$NO_X$	10 ppm <sup>(7)</sup>

- <sup>(0)</sup> Based on information available in 2012 on the requirements for CO<sub>2</sub> transportation and storage in saline aquifers
- Hydrogen concentration to be normally lower to limit loss of energy and economic value. Further investigation is required to understand hydrogen impact on supercritical CO<sub>2</sub> behaviour.
- The limits on concentrations of inert are to reduce the volume for compression, transport and storage and limit the increase in Minimum Miscibility Pressure (MMP) in Enhanced Oil Recovery (EOR).
- Total non-condensable content  $(N_2 + O_2 + H_2 + CH_4 + Ar)$ : maximum 4% vol. Basis.
- Water specification is to ensure there is no free water and hydrate formation. Likewise to prevent any possibility for corrosion in the presence of corrosive gases such NOx, SOx and H<sub>2</sub>S.
- (5) H<sub>2</sub>S and CO limits are set from a health and safety perspective.
- (6) O<sub>2</sub> limit is tentative in view of the lack of practical experience on effects of O<sub>2</sub> in underground reservoirs. EOR may require tighter specification. A discussion on O<sub>2</sub> concentration in the CO<sub>2</sub> product stream will be provided for the different capture scenarios.
- SOx, and NOx specification is for a corrosion and pipeline integrity perspective.



#### **6 BASIC ENGINEERING AND DESIGN BASIS**

#### **6.1** Plant Location

The site of the plant is assumed to be located at the coast of The Netherlands, with no major site preparation required and no special civil works or constraints on delivery of equipment are assumed.

Plant area is expected to have some restrictions according to typical European refinery setting. This is defined in Task 6.

The site is assumed to have good access to harbor and roads for delivery of raw materials and export of products, by-products and solid waste.

Fresh water supply and high voltage electricity transmission lines, high pressure natural gas pipeline are considered available at plant battery limits.

For cases of oil refineries with CO<sub>2</sub> capture, it is assumed that access to CO<sub>2</sub> pipeline are available at the plant battery limit. Any equipment pertinent to the operation of the pipeline are excluded in the battery limit.

#### **6.2** Site Conditions

• Site Elevation: 6m above mean sea level

• Atmosphere Type: Coastal area with salt pollution.

#### 6.3 Climatic and Meteorological Data

Main climatic and meteorological data are listed in the following. Conditions marked (\*) are considered reference conditions for plant performance evaluation.

•	Atmospheric pressure	101.3 kPa	(*)
•	Relative humidity		
	Average	80%	(*)
	Maximum	95%	
	Minimum	40%	
•	Ambient temperatures		
	Average air temperature	9°C	(*)
	Maximum air temperature	30°C	
	Minimum air temperature	-10°C	
	Dry bulb design temperature for air		
	cooled heat exchangers:	25°C	



• Wind data: (See Table 10 and Figure 2)
Wind (Design - Maximum Speed):

35 km/h

**Table 10: Wind Profile of the Site** 

Wind Speed (m/s)	Occurrence (h/y)	Frequency (%)	<b>Cumulative (%)</b>
0-1	224	2.57	100.00
1-2	662	7.59	97.43
2-3	1000	11.47	89.84
3-4	1135	13.01	78.38
4-5	1162	13.32	65.36
5-6	1083	12.42	52.04
6-7	898	10.30	39.62
7-8	743	8.52	29.33
8-9	554	6.35	20.81
9-10	391	4.48	14.46
10-11	286	3.28	9.97
11-12	203	2.33	6.69
12-13	139	1.59	4.37
13-14	94	1.08	2.77
14-15	57	0.65	1.69
15-16	38	0.44	1.04
16-17	22	0.25	0.61
17-18	14	0.16	0.35
18-19	8	0.09	0.19
19-20	4	0.05	0.10
20-21	2	0.02	0.06
21-22	1.4	0.02	0.03
22-23	0.7	0.01	0.02
>23	0.7	0.01	0.01

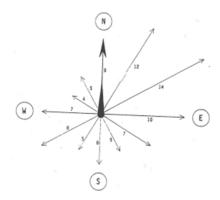


Figure 2: Average Wind Direction (% of Time)



• Other data:

Rainfall (Design): 25 mm/h

50 mm/day

Snow (Design):  $50 \text{ kg/m}^2$ 

Winterization: winterization is required

Earthquake: not applicable

#### 6.4 Utilities and Service Fluids Characteristics/Conditions

Following sections list main utilities and service fluids used within the Oil Refinery.

#### 6.4.1 Water Supply

#### Potable Water

Source: from grid
Type: Potable water
Operating pressure at grade: 0.80 barg (min)

Operating temperature: Ambient
Design pressure: 5.0 barg
Design temperature: 38 °C

#### Raw Water

Source: from grid
Type: Potable water
Operating pressure at grade: 0.80 barg (min)

Operating temperature: Ambient
Design pressure: 5.0 barg
Design temperature: Ambient

#### Plant water

• Source: from storage tank of raw water

Type: Raw water
Operating pressure at grade: 3.5 barg
Operating temperature: Ambient
Design pressure: 9.0 barg
Design temperature: 38°C

#### **Demineralised Water**

• Type: Treated raw water

Operating pressure at grade (min): 5.0 Barg
 Design pressure: 9.5 Barg
 Operating temperature: Ambient
 Design temperature: 38°C

• Characteristics:

o pH 6.5 - 7.0

Total Dissolved Solids
 Conductance at 25°C
 0.1 mg/kg (max)
 0.15μS (max)



0	Iron	0.01 mg/kg as Fe (max)
0	Free CO <sub>2</sub>	0.01 mg/kg as CO <sub>2</sub> (max)
0	Silica	$0.015 \text{ mg/kg as SiO}_2 \text{ (max)}$

#### 6.4.2 Cooling Water

The study assumed that once –through seawater cooling circulation is used in the older part of the refinery (with maximum capacity of 5000 m³/h). Units using the seawater cooling system are identified in Base Case report.

For the (more modern) conversion and treatment units, as well as for the additional  $CO_2$  capture facilities, cooling water from a closed loop system with cooling towers will be used. This is to reflect that the refineries are built and expanded in various phases. As the refinery, they are required to meet more stringent environmental regulations to their recent upgrading/revamping projects. Units using the closed loop cooling system are identified in the Base Case Report.

Furthermore, maximum use of air coolers, where applicable, shall be considered as an alternative to the water cooling system.

#### Primary System: Seawater Cooling

	~				. 1 1	
•	Colleca	CAO	Water in	Once	through	crietam
•	Source:	Sea	water ii	i Once	นแบนยน	2 6 2 1 1 1 1
						~ _ ~

• Type: clear filtered & chlorinated, without suspended solids and organic matter.

• Salinity:	22 g/l
• Supply temperature:	
<ul><li>average supply temperature (on yearly basis):</li></ul>	12°C
<ul><li>max supply temperature (average summer):</li></ul>	14°C
<ul><li>o min supply temperature (average winter):</li></ul>	9°C
<ul> <li>max allowed sea water temperature increase:</li> </ul>	7°C
Return temperature:	
<ul><li>average return temperature:</li></ul>	19°C
<ul><li>max return temperature:</li></ul>	21°C
• Design temperature:	50°C
<ul> <li>Operating pressure at Users inlet:</li> </ul>	0.9 Barg
$\circ$ Max allowable $\Delta P$ for Users:	0.5 Barg
<ul> <li>Design pressure for Users:</li> </ul>	4.0 Barg
<ul> <li>Design pressure for sea water line:</li> </ul>	4.0 Barg
• Cleanliness Factor (for steam condenser):	0.9
• Fouling Factor:	$0.0002 \text{ h} ^{\circ}\text{C m}^2/\text{kcal}$

#### Secondary System: Closed Loop Cooling Water (with Cooling Towers)

Closed loop cooling water system is based mechanical draft cooling system. The operating parameters are as follows:

#### Temperature

0	Supply Temperature:	30°C
0	Return Temperature:	40°C
0	Design Temperature:	70°C



• Operating Pressure:

Supply Pressure (See Note 1)
 Return Pressure (See Note 1)
 Design Pressure
 12.0 Barg

• Fouling Factor(See Note 2):

 $0.0004 \text{ h} ^{\circ}\text{C m}^{2}/\text{kcal}$ 

#### Notes:

- (1.) Pressure and temperature at unit battery limit measured at grade.
- (2.) For shell and tube exchangers only.

#### 6.4.3 Air Cooling System

Inlet temperature of the air to be considered for the design of any air cooling system is based on 25°C.

#### 6.4.4 Instrument and Plant Air and Nitrogen

#### Instrument Air

• Operating pressure (See Note 1)

	o normal:	7 Barg
	o minimum:	5 Barg
•	Design pressure:	10 Barg
•	Operating temperature (max):	40°C
•	Design temperature:	70°C
•	Dew point @ 7 barg:	-30°C

#### Plant Air

•	Operating pressure (See Note 1):	7.5 Barg
•	Design pressure:	10 Barg
•	Operating temperature (max):	40°C
•	Design temperature:	70°C

#### Nitrogen (Low Pressure)

•	Supply pressure (See Note 1):	7 Barg
•	Design pressure:	11.5 Barg
•	Supply temperature (min):	15°C
•	Design temperature:	70°C
•	Min Nitrogen content:	99.9 % vol.
•	Max. oxygen content:	10 ppm vol.

(1) Supply pressure at process units battery limits



#### 6.4.5 Refinery Process Steam and Condensate – Conditions and Characteristics

#### Process Steam

Conditions at Steam Generators/Producers								
Service		Pressure, barg (1)				Temperature, °C (1)		
	Max	Norm	Min	Design	Max	Norm	Min	Design
High Pressure	44.5	44.0	42.0	49.5	400	380	350	425
Medium Press.	13.0	13.0	10.5	15.0	320	310	300	350
Low Pressure	5.5	5.0	4.0	7.3	240	220	220	270

Conditions at Process Units Battery Limit								
Service		Pressure, barg (1)				Temperature, °C (1)		
	Max	Norm	Min	Design	Max	Norm	Min	Design
High Pressure	44.5	42.0	40.0	49.5	400	370	340	425
Medium Press.	13.0	12.0	9.5	15.0	320	260	240	350
Low Pressure	5.5	4.5	3.5	7.3	240	190	170	270

<sup>(1)</sup> Pressure and temperature at unit battery limit.

Fouling factor: 0.0001 m<sup>2</sup> °C h/kcal

The steam conditions listed above shall be used as battery limit supply and exhaust conditions for steam turbines. An allowance of 0.5 bar pressure drop from each supply/exhaust header to the supplied equipment flange shall be assumed.

#### Process Condensate

Steam condensate will be flashed within the process units whenever possible to recover steam and piped back to the condensate collection header.

The condensate collection header shall have the following characteristics:

Operating pressure for other Units B.L.:

 Operating temperature:
 Design pressure:

 1 Barg
 94 °C
 15 Barg

• Design temperature: 250 °C



#### 6.5 Chemicals

Typical chemicals used within the plant include the following:

- Chemical Packages Used for Treating Boiler Feed Water
  - o Oxygen scavenger (Nalco Elimin-OX 100%, or equivalent),
  - o Phosphate injection (50% Na<sub>2</sub>HPO<sub>4</sub> in water solution), and
  - o pH control injection (Morpholine 100%, or equivalent)

Design Pressure: atmospheric pressure plus full tank of liquid solution

Design Temperature: 80°C

- Chemical Packages Used within the Plant
  - o Caustic Soda

Concentrated NaOH (50% by wt.) will be supplied and diluted with demineralized water before distribution to users.

#### **Design Parameters**

•	Supply temperature	Ambient
•	Design temperature	$80^{\circ}$ C
•	Supply pressure (at grade) at unit BL	3.5 Barg
•	Design pressure	9.0 Barg
•	NaOH concentration	20% wt.

#### Hydrochloric Acid

Concentrated HCl (20% by wt.) will be supplied and diluted with demineralized water to users if necessary.

#### **Design Parameters**

•	Supply temperature	Ambient
•	Design temperature	$80^{\circ}\mathrm{C}$
•	Supply pressure (at grade) at unit BL	2.5 Barg
•	Design pressure	5.0 Barg
•	HCl concentration	20% wt.



#### **6.6** Environment Limits

The environmental limits set for the different cases are outlined in this section of the report.

#### 6.6.1 Gaseous emissions

This study assumed that the EU Industrial Emissions Directive (IED) 2010/75/EU will be enforced.

The emissions limits to be employed to the specific unit processes are based on the specification presented in this section of the report. Additionally, any large combustion plants must meet the specific requirements for existing plants set out in the BREF BAT Document for the Refining of Mineral Oil and Gas and Chapter III and Annex V of IED.

The overall gaseous emissions from the plant do not exceed the following limits:

1. Any large combustion plants firing any commercial solid or liquid fuels with greater than 50MWth (covering all COGEN, boilers, fired heaters, and others; but excluding gas turbine, gas engine, combustion plants using distillation or conversion residues as fuel or part of the multi-fuel, catalyst regeneration from catalytic crackers and emissions from conversion of H<sub>2</sub>S to sulfur).

a. SOx (as  $SO_2$ ) -  $mg/Nm^3$ 

Thermal Plant	Solid Fuel	Liquid Fuel
50-100	400	350
100-300	200	200
>300	150	150

b. NOx (as  $NO_2$ ) -  $mg/Nm^3$ 

Thermal Plant	Solid Fuel	Liquid Fuel
50-100	300	450
100-300	200	150
>300	150	100

c. CO - mg/Nm<sup>3</sup>

Thermal Plant	Solid Fuel	Liquid Fuel
50-100	100	100
100-300	100	100
>300	100	100

d. Particulate Matters (as dust) - mg/Nm<sup>3</sup>

Thermal Plant	Solid Fuel	Liquid Fuel
50-100	20	20
100-300	20	20
>300	10	10



2. Any large combustion plant firing gaseous fuels with greater than 50MWth (except for gas turbine and gas engine)

a.	SOx (as SO2) - mg/Nm3	
	<ul> <li>General cases (typical values for NG)</li> </ul>	$35 \text{ mg/Nm}^3$
	<ul> <li>For liquefied gas</li> </ul>	$5 \text{ mg/Nm}^3$
	<ul> <li>For syngas from gasification of refinery residues</li> </ul>	$800 \text{ mg/Nm}^3$
b.	NOx (as NO <sub>2</sub> ) - mg/Nm <sup>3</sup>	
	<ul> <li>General cases (typical values for NG)</li> </ul>	$200 \text{ mg/Nm}^3$
	<ul> <li>For commercial NG</li> </ul>	$100 \text{ mg/Nm}^3$
	<ul> <li>For refinery off-gases</li> </ul>	$300 \text{ mg/Nm}^3$
	<ul> <li>For syngas from gasification of refinery residues</li> </ul>	$200 \text{ mg/Nm}^3$
c.	CO - mg/Nm <sup>3</sup>	
	o General cases (typical values for NG)	$100 \text{ mg/Nm}^3$
	<ul> <li>For liquefied gas</li> </ul>	$5 \text{ mg/Nm}^3$
d.	Particulate Matters - mg/Nm <sup>3</sup>	
	<ul> <li>General cases</li> </ul>	$5 \text{ mg/Nm}^3$

3. Any combustion plant firing gaseous or liquid fuels in gas turbine and gas engine.

a. NOx (as NO<sub>2</sub>) - mg/Nm<sup>3</sup>

0	Gas turbine (including CCGT) using liquid fuels	$90 \text{ mg/Nm}^3$
0	Gas turbine (including CCGT) using commercial NG	$50 \text{ mg/Nm}^3$
0	Gas turbine (including CCGT) using refinery off-gases	$120 \text{ mg/Nm}^3$
0	Gas engine	$100 \text{ mg/Nm}^3$

b. CO - mg/Nm<sup>3</sup>

0	Gas turbine (including CCGT)	$100 \text{ mg/Nm}^3$
0	Gas engine	$100 \text{ mg/Nm}^3$

- 4. Average emissions limit values specific to any combustion plants firing multi fuels produced or used within the refineries and FCC.
  - a. Fired Heaters, boiler, and others specifically using distillation or conversion residues alone or together with other fuels (i.e. multi-fuel combustion plants within refineries).

0	$SOx$ (as $SO_2$ ):	1000 mg/Nm <sup>3</sup> as
	average emission limit values across combustion units	
0	$NOx$ (as $NO_2$ ):	$450 \text{ mg/Nm}^3$
0	CO:	$100 \text{ mg/Nm}^3$
0	Particulate Matter (as dust):	$50 \text{ mg/Nm}^3$

b. Fluid Catalytic Cracker (FCC) Regeneration Units (at full burn conditions)

0	SOx (as SO <sub>2</sub> ): for full combustion mode	$800 \text{ mg/Nm}^3$
0	SOx (as SO <sub>2</sub> ): for partial combustion mode	$1200 \text{ mg/Nm}^3$
0	NOx (as NO <sub>2</sub> ): for full combustion mode	$300 \text{ mg/Nm}^3$
0	NOx (as NO <sub>2</sub> ): for partial combustion mode	$400 \text{ mg/Nm}^3$



CO: 100 mg/Nm<sup>3</sup>
 Particulate Matter: 50 mg/Nm<sup>3</sup>

Notes:

- Unless specified, all emission expressed in mg/Nm³ are @ 3% O<sub>2</sub>, dry basis for liquid and gaseous fuel (except for gas turbine and gas engine); @ 6% O<sub>2</sub> dry basis for solid fuels; and @15% O<sub>2</sub> dry basis for gas turbine and gas engine.
- Article 29 of IED covers any emissions from two or more combustion plants that are discharged in a common stacks.
- Article 40 and Part 1 and 7 of Annex V of IED covers any emissions from multi-fuel combustion plant.

#### 6.6.2 Liquid Effluent

The liquid effluent of the oil refinery and the additional effluent from the CO2 capture facilities are sent to the waste water treatment plant.

Characteristics of waste water discharged from the plant comply with the standard limits included in the EU directives currently in force (including the IED).

Waste solvents and other chemicals used by the CO2 capture facilities are to be processed by specialize companies outside the B.L..

#### 6.6.3 Solid Wastes

Spent catalysts will be in their oxidized/inert state and, as such, non-hazardous. They should be handled in accordance with the catalyst vendor's instructions and the owner's established procedure. Reformer catalyst contains nickel, which can often be recovered. The other spent catalyst would normally be disposed in a landfill.

#### 6.6.4 Noise

All the equipment of the plant are designed to obtain a sound pressure level of 85 dB(A) at 1 meter from the equipment.



#### **6.7** Units of Measurement

The units of measurement are in SI or Metric units.

**Table 11: Preferred units of measurement** 

Quantity	Units for general application	
BASE UNITS		
Length	<b>m</b> mm (1) (2)	
Mass	kg t	
Mole	kmol mol	
Temperature	°C K	
Area	m² mm²	
Volume	m³ 1 (litre)	
Time	s h d y	
Velocity	m/s	
Molecular Weight	kg/kmol	
Frequency	<b>Hz</b> kHz MHz	
Concentration	Vol%, wt%, ppmw	
Pipe Size	Inches (1)	
FLOW (MASS OR VOLUME PER UNIT	TIME)	
Mass Flow	kg/h kg/s t/d kt/y	
Molar Flow	kmol/h kmol/s	
Volumetric Flow	<b>m³/h</b> 1/s	
Normal Volumetric Gas Flow	Nm³/h (4)	
Standard Volumetric Liquid Flow	Sm³/h (3) BPSD	
MASS PER UNIT VOLUME (DENSITY)		
Density / Flowing Density	ensity / Flowing Density kg/m³ / kg/m³ at flowing conditions	
Liquid Specific Gravity	Density @15.5°C/Density of Water @ 4.4°C	
MECHANIC	<u> </u>	
Pressure (Absolute)	bara	
Pressure (Vacuum)	mmHg	
Pressure (Heaters Draft)	mmH <sub>2</sub> O	
Pressure (Gauge)	barg	
Pressure Drop	bar mbar	
Energy, Work	MJ kJ	
Rotational Frequency	rpm	
Dynamic Viscosity	cP (centipoise) Pa s	
Kinematic Viscosity	<b>cSt</b> (centistokes) m <sup>2</sup> /s	
Surface Tension	dynes/cm mN/m	



Quantity	Units for general application
HEAT	
Heat Quantity	kcal kJ
Heat Flow Rate	kcal/h kW MW kJ/h
Heat Flux	<b>kcal/m<sup>2</sup> h</b> $kW/m^2$ $kJ/m^2$ h
Thermal Conductivity	kcal/h m °C W/m °C
Coefficient of Heat Transfer	kcal/h m² °C W/m² °C
Thermal Resistivity / Fouling factor	m <sup>2</sup> °C h/kcal m <sup>2</sup> °C/W
Specific Heat Capacity	kcal/kg °C kJ/kg °C
Specific Energy / Enthalpy, Latent Heat	kcal/kg kJ/kg
Calorific Value (mass basis)	kcal/kg kJ/kg
Calorific Value (volume basis)	kcal/m³ kcal/Nm³ kJ/m³ kJ/Nm³
ELECTRICITY AND MAGNETISM	
Electric Current	kA A mA
Electric Potential	kV V mV μV
Electrical conductivity	μS/cm S/m
Power (Active)	MW kW W
Electrical Energy	<b>kWh</b> MWh kJ J
Frequency	Hz kHz MHz

#### Notes:

- 1. Use mm for equipment dimensions and corrosion allowance.
- 2. The inch-pound units shall be used for all piping system sizing & rating.
- 3. Standard conditions are at 15.5°C and 1.01325 Bara.
- 4. Normal conditions are at 0°C and 1.01325 Bara.
- 5. Preferred units are in bold.

#### 6.8 Codes and standards

The design of the process and utility units are in general accordance with the main International and EU Standard Codes (such as API, ASME, ANSI, IEC, ISA, NFPA, PED and other Euro Norms).



# 7 UNIT AND EQUIPMENT NUMBERING

## 7.1 Unit Numbering

The assigned numbers of each Unit Process are presented in Table 12.

Table 12: Process, Utility, and Offsite Units Number

	Process Units		
Unit No.	Abbreviation name	Extended Name	
0100	CDU	Crude Distillation Unit	
0200	SGP	Saturated Gas Plant	
0250	LSW	LPG Sweetening	
0280	KSW	Kerosene Sweetening	
0300	NHT	Naphtha Hydrotreater	
0350	NSU	Naphtha Splitter Unit	
0400	ISO	Isomerization	
0500	CRF	Catalytic Reforming	
0550	RSU	Reformate Splitter Unit	
0600	KHT	Kero HDS	
0700	HDS	Gasoil HDS	
0800	VHT	Vacuum Gasoil Hydrotreating	
0900	HCK	Vacuum Gasoil Hydrocracking	
1000	FCC	Fluid Catalytic Cracking	
1050	PTU	FCC Gasoline Post-Treatment Unit	
1100	VDU	Vacuum Distillation	
1200	SMR	Steam Reforming	
1300	SDA	Solvent Deasphalting	
1400	DCU	Delayed Coking	
1500	VBU	Visbreaking Unit	
1700	PSA	Pressure Swing Adsorption	
		Auxiliary Units	
2000	ARU	Amine Washing and Regeneration	
2100	SWS	Sour Water Stripper	
2200	SRU	Sulphur Recovery & Tail Gas Treatment	
2300	WWT	Waste Water Treatment / API Separator	
		Power Units	
2500	CPP	Power Plant	
		Utility Units	
3100	CWS	Cooling Water System	
3200	SRW	Service & Potable Water Systems	
3300	DEW	Demineralized Water System	
3400	BFW	Boiler Feed Water System	
3500	FFW	Fire Water and Fire Fighting System	
3600	STS	Steam System	
3700	CON	Condensate Recovery System	
3800	AIR	Plant and Instrument Air System	
3900	FGS	Fuel Gas System	



Process Units		
4000	FOS	Fuel Oil System
4100	NGU	Nitrogen System
4200	CHE	Chemical Systems
Off-Sites Units		
4600	FLA	Flare System
4700	TAN	Tankage and Pumping System
4800	INT	Interconnecting System
5000	SWI	Sea Water Intake
5100	СОН	Coke Handling System
5200	SEW	Sewer Systems
5300	TLA	Trucks Loading Area
	BUI	Buildings, DCS, S/S

#### 7.2 Equipment Numbering

Equipment are numbered in accordance to the following system:

Basic format: AA-UUXX

where:

1. AA: No. 2 max. uppercase letters, in accordance with table 5.2.1, identifying

the type of equipment,

2. UU: Unit Number (two digits, in accordance with table 5.1.1)

3. XX: Sequential number (starting from 01)

Parallel or series equipment will have the same number but with the "A" or "B" added at the end as a suffix, e.g. P-3010~A.

The assigned numbers of each major equipment are presented in Table 13.

**Table 13: Equipment Type List** 

Equipmen	<b>Equipment Code and Description</b>		
Primary Equipment (1)			
A	Miscellaneous		
С	Compressors, Blowers		
CO	Concrete Basin, Pits, Sumps		
CT	Cooling Towers		
D	Pressure vessels		
DR	Dryers		
DS	Desuperheaters		
Е	Heat Exchangers (S&T, Double Pipe, Kettles)		
EA	Air Coolers		
F	Filters		
FL	Flares		
GT	Gas Turbines		



<b>Equipment Code and Description</b>	
Н	Furnaces
J	Ejectors and Eductors
LA	Loading Arms
M	Mixers, Agitators
P	Pumps
PK	Packages
R	Reactors
SG	Boilers (Fired Equipment)
ST	Steam Turbines
T	Towers
TK	Tanks
TU	Underground tanks (LPG bullets)

<b>Equipment Code and Description</b>		
Ancillary	Ancillary Equipment	
EG	Electrical Generators	
FA	Flame Arrestors	
ME	Air Coolers Motor	
MF	Fan's Electric Motor	
MK	Compressor's Electric Motor	
MM	Mixer's or Agitator's Electric Motor	
MP	Pump's Electric Motor	
SC	Sample Connections	
SL	Silencers	
TB	Fan's/Blower's Turbine Driven	
TC	Compressor's Turbine Driven	
TP	Pump's Turbine Driven	
TR	Steam Traps	

1. Only Primary Equipment will be shown on PFDs.



#### 8 GENERAL DESIGN CRITERIA - EQUIPMENT

The following design criteria are intended to be used for the design of new equipment and systems in the CO<sub>2</sub> capture units.

They reflect the state-of-the-art, general criteria normally adopted for the design of refinery process plants.

Exceptions are possible, but they shall be minimized and justified.

#### 8.1 Design Pressure

The design pressure is the max. and/or min. pressure for which the mechanical calculations are performed.

The design criteria presented below covers the following range of operating pressures:

•	0 to 12.0 Barg	max. norm. operating pressure + 1.8 bar (*)
•	12.0 to 21.1 Barg	max. norm. operating pressure $\times$ 1.15
•	21.1 to 31.6 Barg	max. norm. operating pressure + 3.2 bar
•	31.6 to 70.0 Barg	max. norm. operating pressure × 1.10
•	> 70 barg	special design case

<sup>(\*)</sup> Minimum design pressure for equipment protected by a pressure relief valves discharging to flare shall not be lower than 7.0 Barg.

Below summarises the criteria to be followed:

- Design pressure defined in accordance with the above criteria does not include liquid static head, which will be added by the Vessel Design Group, based on high liquid level.
- Maximum normal operating pressure used for calculation of design pressure shall not be lower than maximum cold liquid vapour pressure at ambient temperature.
- Design pressure for storage vessels for LPG and liquids with boiling point lower than 45°C shall not be less than vapour pressure at 50°C.
- Full vacuum design conditions shall be specified for equipment normally operating under vacuum conditions or those that are subject to evacuation during start up, shut down, and/or regeneration.
- Full vacuum shall also be specified for:
  - Vessels and heat exchangers which handle fluids having a vapour pressure lower than atmospheric pressure at minimum ambient temperature, normally operate liquid full and that can be blocked in and cooled down
  - o Fractionating columns and associated equipment that can undergo a vacuum condition through loss of heat input.



#### Steam turbine condenser

All vessels not in vacuum service but subject to steam shall be designed for half-vacuum at maximum operating steam temperature.

- Equipment in pumped (centrifugal pumps) circuits:
  - o If a control valve or block valve is installed downstream of the equipment, the design pressure shall be calculated as the design pressure of equipment where pump is taking suction + maximum suction static head + an estimated pump shut off head equal to 120% of the centrifugal pump rated head, in case of electric motor driver.
  - o In case of a steam turbine driven centrifugal pump, the design pressure shall be calculated as:
    - maximum suction pressure + an estimated pump shut-off head equal to 135% of the centrifugal pump rated head in case of governor NEMA Class A
    - maximum suction pressure + an estimated pump shut-off head equal to 121% of the centrifugal pump rated head in case of governor NEMA Class C or D
  - For equipment protected by a downstream installed safety valve the design pressure shall be calculated as the design pressure of the equipment where the safety valve is installed + 120% the estimated pressure drop from the affected equipment and the equipment where the safety valve is installed + static head (if any).
  - o In general, the suction side of pumps including the suction isolation valves shall be designed for the discharge design conditions.
- Heat exchangers shall be designed by following the "10/13 rule" in accordance with the latest edition of ASME VIII Div.1. This means to set a design pressure of the lower pressure side of a heat exchanger not lower than 77% of the design pressure of the higher pressure side. This design rule allows to protect the equipment against tube rupture without installing a PSV. The design pressure set following the "10/13 rule" will be extended also to inlet and outlet piping connected to the lower pressure side of the heat exchanger including the isolation valves.

#### 8.2 Design Temperature

The design temperature is the maximum and/or minimum temperature value for which the mechanical calculation of the equipment shall be performed.

The following summarizes the criteria to be followed to set the minimum design temperature:

- Maximum normal operating temperature + 28°C.
- When increased operating flexibility is required or future operating conditions are expected, the above design margin can be higher.



- Maximum temperature during start up, shut down, drying, purging, catalyst regeneration or during upset conditions excluding fire (e.g. Reactor runaway, loss of cooling, etc.)
- Flare blow down vessels shall be designed for -29°C/343°C.
- Minimum Design Metal Temperature (MDMT) shall be specified. It shall be the lowest among the following values:
  - o The minimum ambient temperature,
  - o The lowest temperature expected in service,
  - o The minimum temperature, which can be achieved during upset operating conditions.

#### 8.3 Equipment Design Life and Corrosion Allowance

Unless otherwise dictated by process reasons, the corrosion allowance and design life will be specified in accordance with the following guidelines:

- <u>Thick-walled Reactors and Vessel</u>
   Corrosion allowance for 20 yrs design life.
- <u>Column & Vessel Carbon Steel and Alloy Construction (including non-removable internal)</u>

Corrosion allowance for 20 yrs design life.

#### Heat Exchanger

Shell of Carbon Steel and Alloy Construction (including non-removable internal)

Corrosion allowance for 20 yrs design life.

#### **Bundle of Stainless Steel Construction**

Corrosion allowance for 10 yrs design life.

#### **Bundle of Carbon Steel and Alloy Steel Construction**

Corrosion allowance for 5 yrs design life.

#### • <u>Furnace Tubes</u>

Corrosion allowance for 10 yrs design life.

#### Process Piping

#### **Carbon Steel Construction**

Corrosion allowance for 10 yrs design life.

#### **Alloy Steel Construction**

Corrosion allowance for 15 yrs design life.



#### **Stainless Steel Construction**

Corrosion allowance for 15 yrs design life.

#### • Other Equipment and Removable Vessel Internals

#### **Carbon Steel Construction**

Corrosion allowance for 10 yrs design life.

#### **Alloy Steel Construction**

Corrosion allowance for 15 yrs design life.

#### **Stainless Steel Construction**

Corrosion allowance for 15 yrs design life.

#### 8.4 Design Oversizing Factors

The criteria of design oversizing factors to be used to determine the dimensions and/or rating capacity of equipment and machinery are listed herein below.

#### 8.4.1 Fired Heaters

Unless otherwise dictated for process reasons, 10% overdesign margin shall be considered on duty (the inlet temperature shall be adjusted and specified accordingly).

#### 8.4.2 Drums

No oversizing is considered. Suitable hold-up times are considered according to the services the drums are specified for.

The following minimum liquid surge time shall be provided between low and high liquid level in new drums, unless otherwise dictated by process reason:

Service	Surge Time, min
Drums feeding other equipment for further processing	15
Feedstock surge drum	20
Overhead receivers	Note 1
Reboiling by heater	Note 2
Reboiling by thermosyphon	Note 3
Product to storage	2
Flow to sewer or drain	1
Water pot	2

Note 1: 5 min. hold up shall be considered with respect to the reflux flow rate or 2 min. with respect to the net product flow rate whichever is the greater.

Note 2: 15 min. on feed to fired heater.

Note 3: 10 to 30 seconds on feed to thermosyphon reboiler.

The same sizing rules shall be applied also to hold-up capacity of columns.



#### 8.4.3 Columns

Unless otherwise dictated for process reason, new columns shall be sized in order to obtain a percent flooding not higher than 75% based on the maximum normal loading rate.

The above should not apply to pump-around sections, where higher flooding is acceptable.

#### 8.4.4 Pumps

Unless otherwise dictated for process reasons, the rated pump capacity, for new pumps, shall be the maximum normal flow-rate multiplied by the following factors:

Capacity/Control	Factor
Pumps capacity under flow control	1.10
Pumps capacity under level control or heat removal	1.20

#### 8.4.5 Compressors

Unless otherwise dictated for process reasons, design margins, for new compressors, shall be 1.10.

#### 8.4.6 Drivers

Motors shall have power ratings, including the service factor (if any), at least equal to the percentages of power at pump rated conditions given in the table below:

Motor Nameplate Rating	Percentage
< 22 kW	125
≥ 22 but < 55 kW	115
> 55 kW	110

Steam turbine drivers shall be sized to deliver continuously 110% of the maximum power required for the purchaser's specified conditions, while operating at corresponding speed with specified steam conditions.

#### 8.4.7 Heat Exchangers

Unless otherwise dictated for process reasons, a design margin of 10% shall be specified on required surface for new coolers/condensers (including air), and reboilers.

The overdesign on pump-around exchangers will be evaluated on a case by case basis, considering the specific service and temperature approach.

In addition to the above requirements, for heat recovery systems (i.e. feed/effluent and feed/bottom) the following overdesign criteria shall also be verified:

- Effluent cooler and feed heater: 10% of cooler or heater duty or 5% of feed/effluent duty, whichever is greater;
- Reboiler: 5% of feed/bottom duty or 10% of reboiler duty, whichever is greater;



• Bottom cooler: 10% of cooler duty or 5% of feed/bottom duty, whichever is greater.

#### 8.4.8 Control Valves

Unless otherwise dictated for process reasons, the pressure drop of control valves, not in gravity flow, shall be the greater of:

- 0.7 bar at maximum flow, or
- 20% of circuit frictional pressure drop at normal operating flow or
- 10% of operating pressure (Op. Press.  $\leq$  15.0 barg) or
- 1.5 bar (15.0 barg < Op. Press.  $\le$  30.0 barg), or
- 5% of operating pressure (Op. Press. > 30.0 barg).

For control valves in systems such as reflux or recirculation loops, pressure drop shall be the greater of:

- 10% of pumps differential pressure, or
- 30% of circuit friction loss, or
- 0.5 bar.

The flow rate considered in control valve sizing is the max. normal operating flow rate.

#### 9 SOFTWARE TOOLS

For the design of the plant for the different study cases, four software tools have been mainly used, as applicable:

- Aspen Plus v8.2/ Aspen HYSYS v8.6: amine sweetening process (MEA, MDEA) for CO<sub>2</sub> removal.
- Aspen HYSYS v8.6 (by AspenTech): Process Simulator used for H<sub>2</sub> Plant modelling and CO<sub>2</sub> compression and drying, as well as for modelling of other process units (e.g. Crude Distillation and Vacuum Distillation).
- Aspen Economic Analyzer: cost estimation
- Haverly GRTMPS v5.0: Linear Programming software, used to produce the refinery balances.





## **Evaluating the Cost of Retrofitting CO<sub>2</sub>** Capture in an Integrated Oil Refinery

**Reference Document 2: Economic Assumptions** 

**Responsible Organization: IEA Greenhouse Gas R&D Programme** Cheltenham, UK

> **Deliverable Date: April 2017**

> **Project Partners:**







Project Management, Implementation and Delivery:









Version:	Issued By:	Date:	Reviewed By:	Notes:
1.0	S. Santos (IEAGHG)			
2.0	John Gale	21/12/2016	Kristen Jordal	Amended comments attached
3.0	John Gale	01/02/2017	Concawe	
4.0	Simon Roussanaly	29/03/2017	Concawe	
5.0	Simon Roussanaly	19/04/2017	Concawe	



## **Evaluating the Cost of Retrofitting CO<sub>2</sub> Capture in an Integrated Oil Refinery**

**Reference Document 2: Economic Assumptions** 

1. Introduction

# This report presents the key criteria and assumptions used in the assessment of the cost of the oil refining without CCS and of the additional cost of implementing CO<sub>2</sub> capture and compression. This includes the key assumptions for calculation of the total plant cost (TPC) and total capital requirement (TCR), as well as operating costs and Key Performance Indicators

(KPIs).

## 2. Evaluation of the costs of refinery without capture and implementation of $CO_2$ capture

In the power generation industry, the CO<sub>2</sub> avoided cost is defined as the difference between the levelised cost of electricity (LCOE) with and without CCS divided by the difference in nominal climate impact of electricity without and with CCS as shown below. In this case, the CO<sub>2</sub> avoided needs to be calculated based on both the power plant with and without CCS as the plant net power output or the plant fuel in-take is modified when CCS is included.

$$CO_2 \text{ avoided cost} = \frac{(LCOE)_{CCS} - (LCOE)_{ref}}{(t_{CO2}/MWh)_{ref} - (t_{CO2}/MWh)_{CCS}}$$

where

- (LCOE)<sub>CCS</sub> is the levelised cost of electricity of produced by the plant with CCS [€/MWh]
- (LCOE)<sub>ref</sub> is the levelised cost of electricity of the reference plant without CCS [€/MWh]
- $(t_{CO2}/MWh)_{CCS}$  is the CO<sub>2</sub> emission rate to the atmosphere of the plant with CCS  $[t_{CO2}/MWh]$
- $(t_{CO2}/MWh)_{ref}$  is the CO<sub>2</sub> emission rate to the atmosphere of the reference plant without CCS  $[t_{CO2}/MWh]$

However in the case of CCS from industry (refinery, cement, steel, etc.), if the implementation of CCS does not modify the product outputs of the plant and the additional cost linked to CCS implementation can reported separately from the main plant, the above equation can be simplified as follow:

$$CO_2 \ avoided \ cost = \frac{Annualized \ CCS \ CAPEX + Annualized \ CCS \ OPEX}{Annual \ amount \ of \ CO_2 \ avoided}$$

In the ReCap project, the refinery input (number of barrels of crude and crude mix) and output (product quantity and mix) are assumed to remain identical when CO<sub>2</sub> capture is added. The cost of the refinery is reported without CCS and the cost of CO<sub>2</sub> capture and conditioning is calculated solely based on the additional cost generated by the implementation of the CO<sub>2</sub> capture and conditioning.



#### 2.1 Cost of the refinery without CCS

The cost of the refinery without CCS is reported in absolute CAPEX and OPEX values (M\$) as well as in a normalised refinery processing cost. Although crude and product prices are necessary to establish the optimum product yield of the four refinery Base Cases, it is worth noting that the prices of crudes and others refinery feedstocks are not necessary to calculate the refinery processing cost.

Refinery processing cost (
$$\$/bbl_{crude}$$
)=  $\frac{Annualized refinery CAPEX + Annual refinery OPEX}{Annual amount of crude processed}$ 

where the annualized CAPEX is calculated based in order to ensure a constant repayment of the investment over the project duration. Based on the discount rate (8%) and the project economic duration (25 years), the annualized CAPEX is defined as 8.67% of the total capital requirement.

#### 2.2 Cost of implementing the CO<sub>2</sub> capture and conditioning

The cost of CO<sub>2</sub> capture and conditioning is calculated based on the *additional* cost for a given refinery with unchanged production. This additional cost is connected to the implementation of CO<sub>2</sub> capture (i.e. the costs of CO<sub>2</sub> capture, conditioning, compression and additional CHP), as well as refinery modifications (e.g. moving of tanks) and interconnections.

While investment and operating cost are reported, the cost of CO<sub>2</sub> capture and conditioning is defined as the sum of the annualized investment and the annual operating cost divided by the annual amount of CO<sub>2</sub> avoided.

$$Cost \ of \ CO_2 \ capture \ and \ conditioning = \frac{Annualized \ CAPEX + Annual \ OPEX}{Annual \ amount \ of \ CO_2 \ avoided}$$

where the annualized CAPEX is calculated based in order to ensure a constant repayment of the investment over the project duration. Based on the discount rate (8%) and the project economic duration (25 years), the annualized CAPEX is defined as 8.67% of the total capital requirement.

#### 3. Financial assumptions

- The "Reference" Integrated Oil Refinery is assumed to be located along the Coastal Region of The Netherlands.
- All cost are reported in US\$ (2015Q4 basis). When necessary, updates of cost are performed using indexes such as the CEPCI and currency are converted based on a 1.1078 \$/€ exchange rate.
- Project evaluations are performed based on an economic lifetime of 25 years.
- The discount rate and cost of capital assumed to be both equal to 8%.
- There is no major recurring capital expenditure expected for the refinery. It is assumed that major CAPEX items needed are included in the annual maintenance cost.
- Decommissioning and remediation of the land at the end of the project is excluded. It is assumed that the residual value of the plant and the selling of the land should cover any cost related to the decommissioning of the plant.
- Inflation assumptions are not included. No allowance for escalation of fuel, raw materials, labour and other cost relative to each other is taken into account.



• Depreciation is not included. The calculation of cost Key Performance Indicators are calculated based on an EBITDA basis (Earnings Before Interest, Taxes, Depreciation and Amortisation).

#### 4. Total Capital Requirements

The Total Capital Requirement (TCR) includes:

- Total Plant Cost (TPC)
- Spare parts cost
- Start-up costs
- Owner's costs.
- Interest during construction
- Working capital

The estimate accuracy is in the range of +35% / -15% (AACE Class IV).

#### **4.1 Total Plant Cost (TPC)**

The TPC (also reported as total investment cost) of the main refinery processes, the hydrogen production unit and the power and steam generation plant are based on the estimates reported for a typical Turnkey Plant.

The TPC of the CO<sub>2</sub> capture plant and associated modification to the refinery is estimated in more detail. This consists of the total installed cost of the plant including contingencies. The TPC is broken down into the main process units, and for each unit, the cost is reported according to the following items:

- Direct materials cost.
- Construction cost
- Other costs
- EPC services
- Contingency

Meanwhile, the direct material costs for the CO<sub>2</sub> capture plant and refinery modifications are evaluated based on a Bottom Up approach relying on detail equipment sizing. In this approach, all material costs are assessed based on cost estimation software, AMEC Foster Wheeler and SINTEF Energy Research internal database, vendors' quotation, etc. The construction cost, other cost, EPC services are estimated using an internal database and general practice in the oil refining industry.

Finally, the project contingencies, meant to include a 50%/50% probability of cost over-run/under-run, are assumed to represent a percentage of direct material cost, construction cost, other costs and EPC services. For the refinery Base Cases, the project contingency is 10%, and for the implementation of CO<sub>2</sub> capture, the contingency is 15%.

#### 4.2 Spare Parts, Start-up Cost, Interest during construction, Owner's cost

The cost of spare parts, start-up, interest during construction, Owner's cost are assessed using the standard IEAGHG practices.

- Spare parts cost are assumed to represent 0.5% of TPC
- Start-up costs consist of:



- o 2% of TPC, to cover modifications to equipment that will be needed to bring the unit up to full capacity.
- o 25% of the full capacity fuel cost for one month, to cover inefficient operation that occurs during the start-up period
- o Three months of operating and maintenance labour costs, to include training
- o One month of catalysts, chemicals and waste disposal costs.
- Owner's costs are assumed to represent 7% of TPC. Owner's costs cover the costs of feasibility studies, surveys, land purchase, construction or improvement to roads and railways, water supply etc. beyond the site boundary, owner's engineering staff costs, permitting and legal fees, arranging financing and other miscellaneous costs.
- Interest during construction is based on a construction period of 3 years with a cost allocation of 20/50/30 over this period
- Working capital includes inventories of fuel and chemicals (materials held in storage outside of the process plants). It is assumed that the cost of these materials shall be recovered at the end of the plant life.

#### 5. Annual operating and maintenance cost

#### 5.1 Maintenance, Insurance and labour costs (Fixed O&M Cost)

The fixed operating costs which covers labour, maintenance and insurances are assessed as follow:

- *Labour costs:* Labour costs include operating labour, administrative and support labour and are calculated based on the total number of employees and an annual average salary of 80 000\$/y. The number of personnel engaged is estimated for each cases with the consideration of a 5 shift work pattern.
- *Insurance and local property taxes:* The total annual cost of insurance, local property taxes and miscellaneous regulatory and overhead fees is to be a total of 0.5% of TPC.
- *Maintenance cost:* Maintenance costs include cost of preventive maintenance, corrective maintenance (repair and replacement of failed components). In this study the following assumption are used in estimating the annual maintenance cost:

0	Whole Refinery Major Processes	3.0% of TPC
0	Hydrogen Production Unit	1.5% of TPC
0	Power Plant	2.5% of TPC
0	Flue gas desulfurization unit	2.0% of TPC
0	Utilities and Off-sites Unit	1.0% of TPC
0	CO <sub>2</sub> Capture Plant	2.0% of TPC

#### 5.2 Energy, chemicals and consumables (Variable O&M Cost)

The variable operating costs include costs associated with the consumption of natural gas, chemicals and catalyst, raw process water (make-up), solvents (for  $CO_2$  capture plant), waste Disposal (for  $CO_2$  capture plant). The costs are evaluated based on the assessed utilities and make-up consumption combined with the utilities costs given in Table 1.



**Table 1: Utility cost** 

Utility	Cost
Natural Gas [\$/GJ]	6.6
Raw process water make-up [\$/m³]	0.1
MEA make-up [\$/t]	2000
MEA sludge disposal [\$/t]	225
Calcium carbonate cost [\$/t]	44
Molecular sieve adsorbent [\$/t]	7 200

#### 5.3 Potential revenue for the CCS section

As the aim of the study is to identify the cost of retrofitting CCS on refinery, no carbon tax or quota is considered in the calculation of the cost of  $CO_2$  capture and compression. However, in some cases, excess electricity may be produced by the additional CHP plant installed to supply heat and power to the  $CO_2$  capture and compression. In such cases, this excess electricity is valued considering an electricity price of 74\$/MWh.



### IEA Greenhouse Gas R&D Programme

Pure Offices, Cheltenham Office Park, Hatherley Lane, Cheltenham, Glos. GL51 6SH, UK

Tel: +44 1242 802911 mail@ieaghg.org www.ieaghg.org