Using Low-Cost Optimization Technologies to Reduce the Carbon Footprint

Peter Spinney, Director of Market & Technology Assessment October 2, 2008

McIlvaine Hot Topic: Greenhouse Gas Strategies for Coal Fired Plants



NeuCo's Mission

 To maximize the impact generating assets have on the bottom-line, using real-time asset optimization solutions to improve:

Availability

- Maximum reliable capacity whenever needed

Efficiency

Producing this capacity at the lowest possible cost

Emissions

Lower emissions and costly reagents



What is Optimization?

 The process of turning reams of complex data into actionable knowledge that delivers bottom line benefit

An Optimizer Must:

- ACT: continuously identify actions that can improve asset performance
- QUANTIFY: the benefits & missed opportunities
- INFORM: users about what actions were taken and why

Data Sources

ERPs (e.g. SAP)
CMMSs (e.g. Maximo)

Monitors (e.g. Optimax)

Analyzers (e.g. Zolo)

Detectors (e.g. SmartSignal)

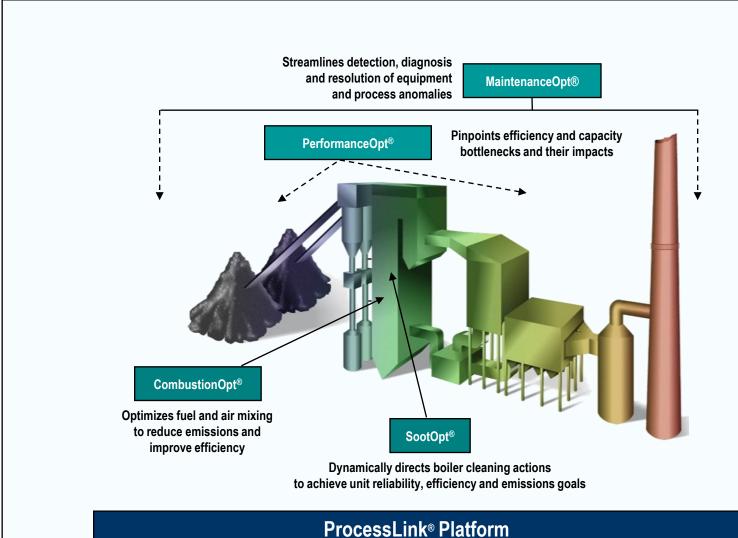
Historians (e.g. OSI)

DCSs (e.g. ABB)





Optimization Applications





Emissions Regulations Increasing

- 29 states covered under regional initiatives
- First RGGI auction occurred last week
 - Strong response despite issues with cap vs. actual CO₂
- New Midwest Accord adding states
- 14 states w/GHG emissions targets
- Near-term Federal legislation likely
 - Both Presidential candidates support cap & trade
 - Several pending bills before House and Senate
 - Wide range of reductions and time-tables
 - May be coupled with multi-pollutant bill
 - Legislative need to address CAIR/CAMR gaps



Addressing GHGs With Optimization

- No commercial emissions control systems for CO₂
 - Improving efficiency only proven option
- Optimization suite can improve efficiency & reduce CO₂ by 1.5-2%
- Achieve lowest-cost CO₂ reductions
- Co-benefits
 - Reduced NOx and/or reagent costs
 - Improved control over CO and opacity
 - Increased reliability and commercial availability



Potential Annual CO₂ Benefits for One 500 MW Coal-Fired Unit

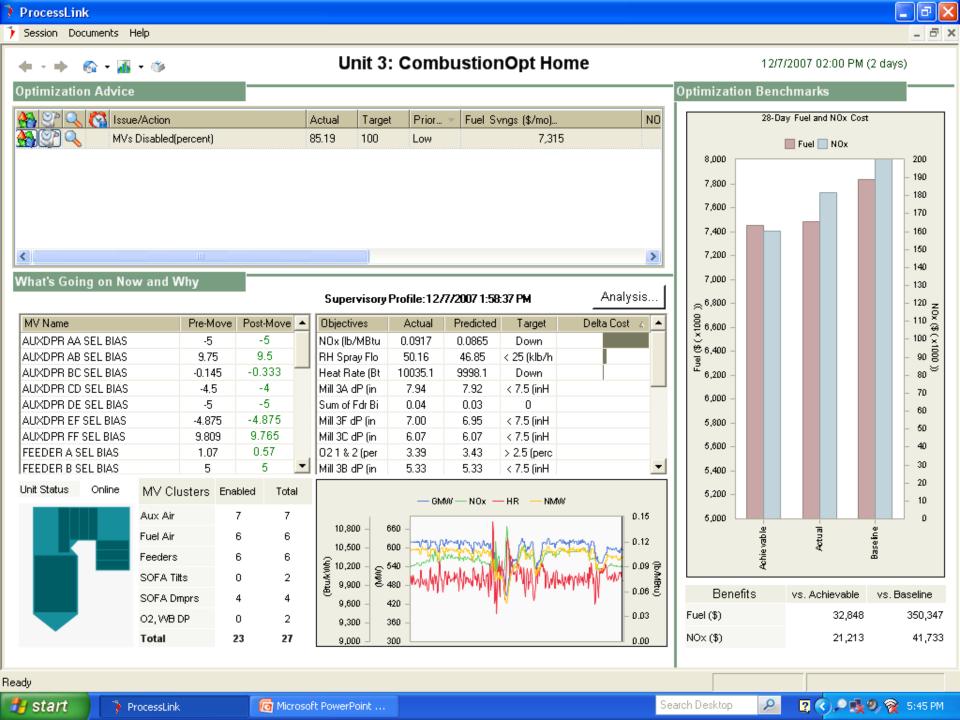
	Heat Rate Improvement				
CO ₂ \$/ton	-0.50%	-1.00%	-1.50%	-2.00%	
\$2.50	\$60,925	\$121,851	\$182,776	\$243,701	
\$7.50		\$365,552	\$548,328		
\$10.00		\$487,402	\$731,103		
\$15.00		\$731,103			
\$20.00		\$974,805			
\$25.00		. ,	\$1,827,759		



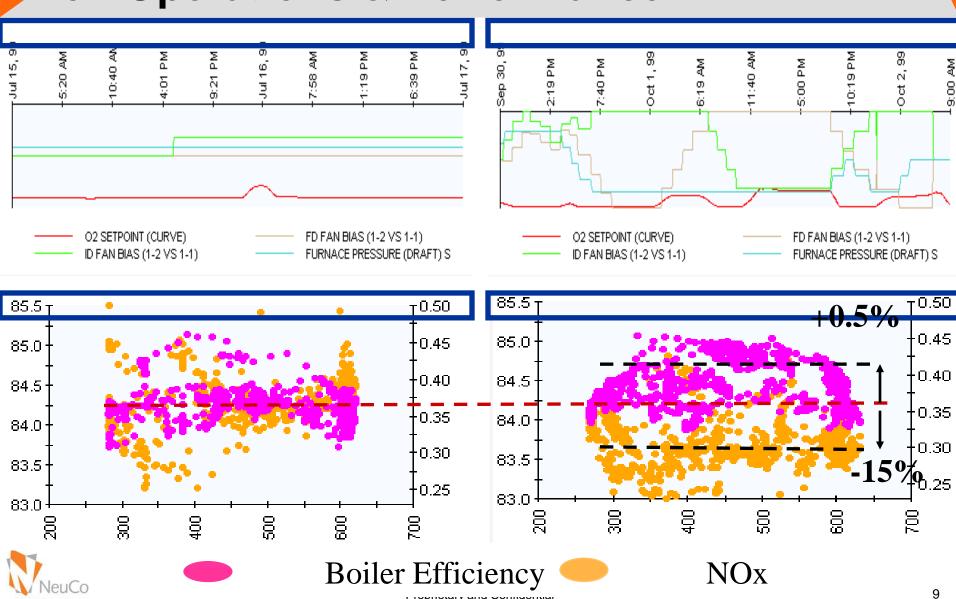
CombustionOpt

- Provides real-time closed-loop optimization of fuel and air mixing
 - Manipulates relevant fuel & air injection points
- Neural network and model predictive control technologies
- Improves NOx, heat rate, steam temp, CO, MW, and opacity

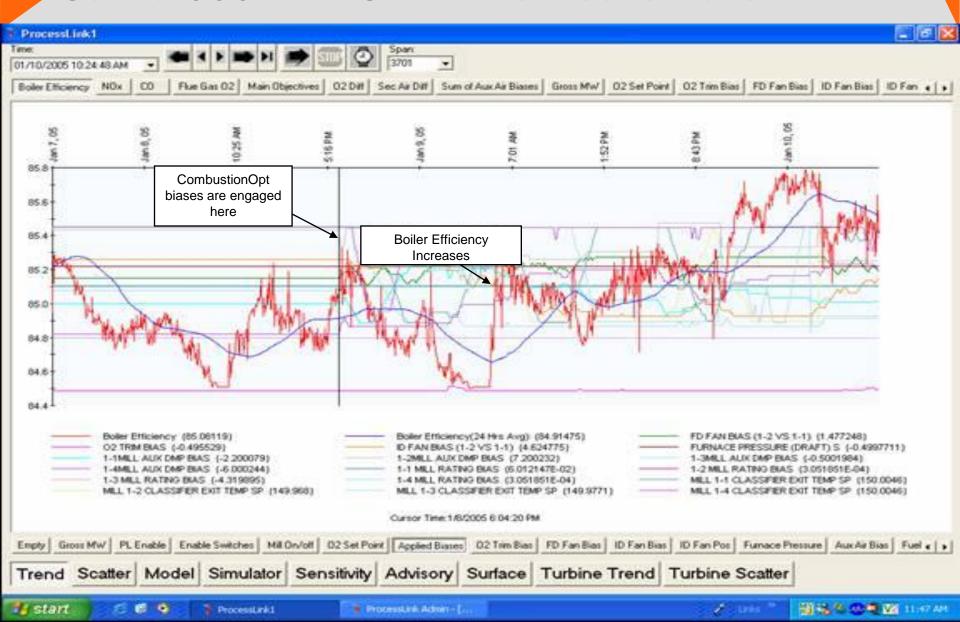




Impact of Combustion Optimization on Operations & Performance



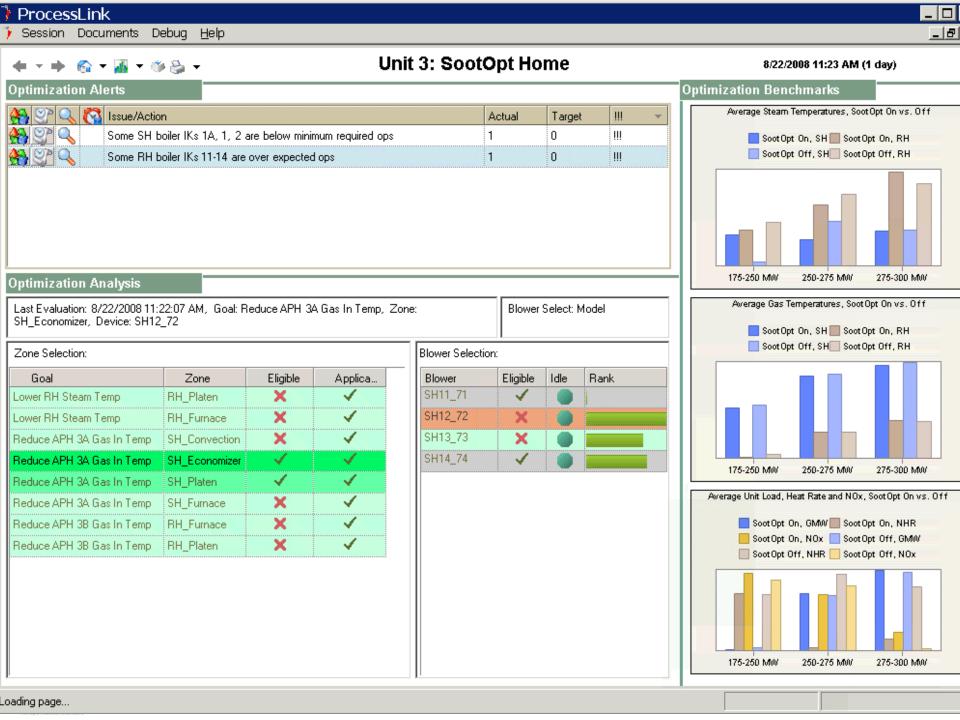
Same 600 MW Unit Five Years Later



SootOpt

- Provides real-time closed-loop optimization of unit performance by manipulating all relevant sootblowing controls
- Expert systems, neural networks & model predictive control
- Improves reliability, heat rate, steam temp & emissions





Baldwin 3 SootOpt ON-OFF Comparison

	Soot Off	Soot On	
	Requests per 24hr	Requests per 24hr	Change Percent
PlatSH	15.02	9.03	-39.85
RH	12.84	8.72	-32.09
SecSH	11.66	5.05	-56.70
PriSH	9.99	7.42	-25.76
Econ	7.93	8.09	1.92
Total	57.44	38.31	-33.30
	Avg	Avg	
NOx, lb/MBTU	0.0896	0.0830	-7.36
HR, BTU/kWh	10344.27	10288.96	-0.53

- SootOpt's boiler cleanliness optimization not only reduces heat and emissions, but also results in substantially fewer unnecessary cleaning actions
- Waterwall erosion due to boiler cleaning is the biggest source of tube ruptures
- Tube ruptures represent by far the largest contribution to forced outages and EFOR degradation

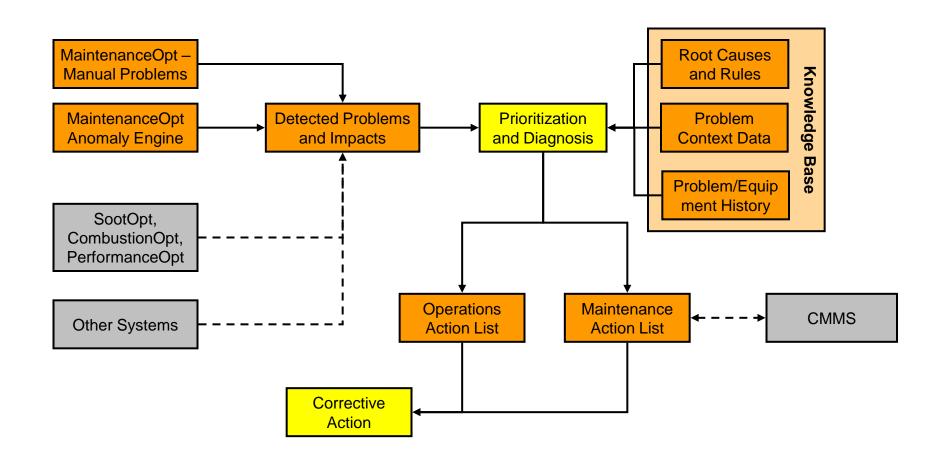


MaintenanceOpt

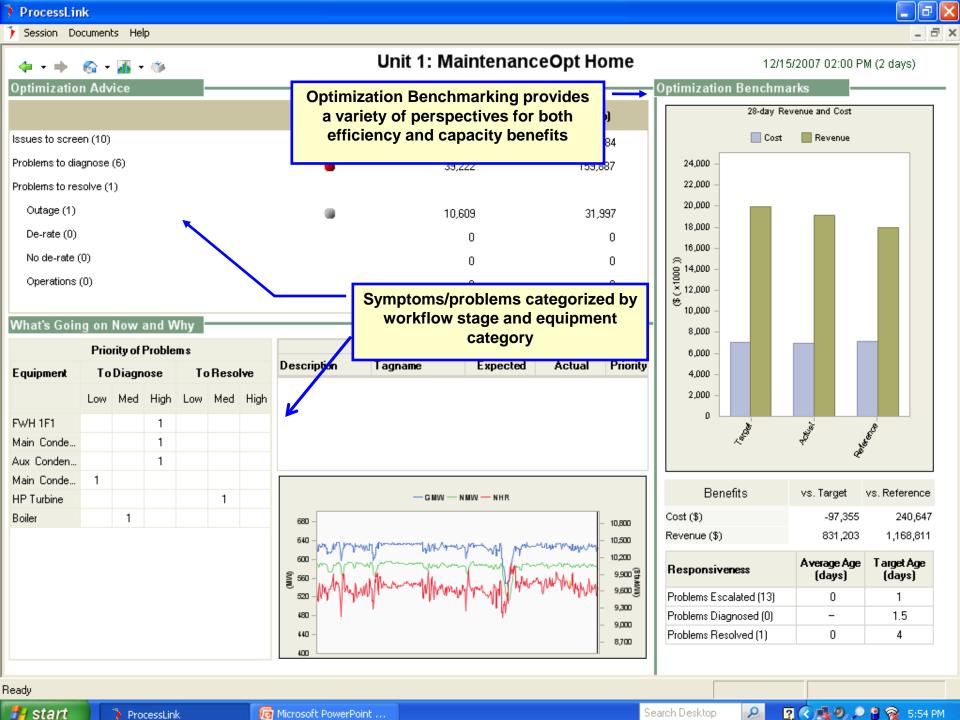
- Diagnostics clearinghouse for plant anomalies
 - Reports criticality, cause & remedial actions
 - Prioritize and manage problems/resolutions based on impact on profitability
 - Diagnose problem and identify actions based on heuristics and data relevant to root cause analysis
- Neural network detectors & a customized heuristic knowledge-base
- Improves reliability, capacity & heat rate
- Integrates with CMMS to feed work orders and track status

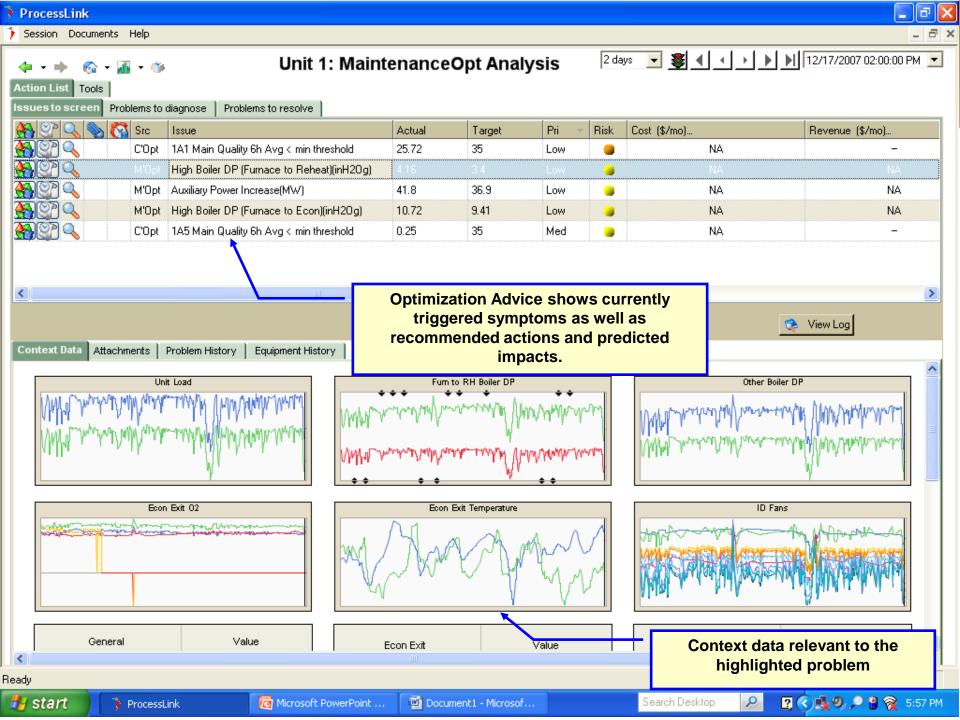


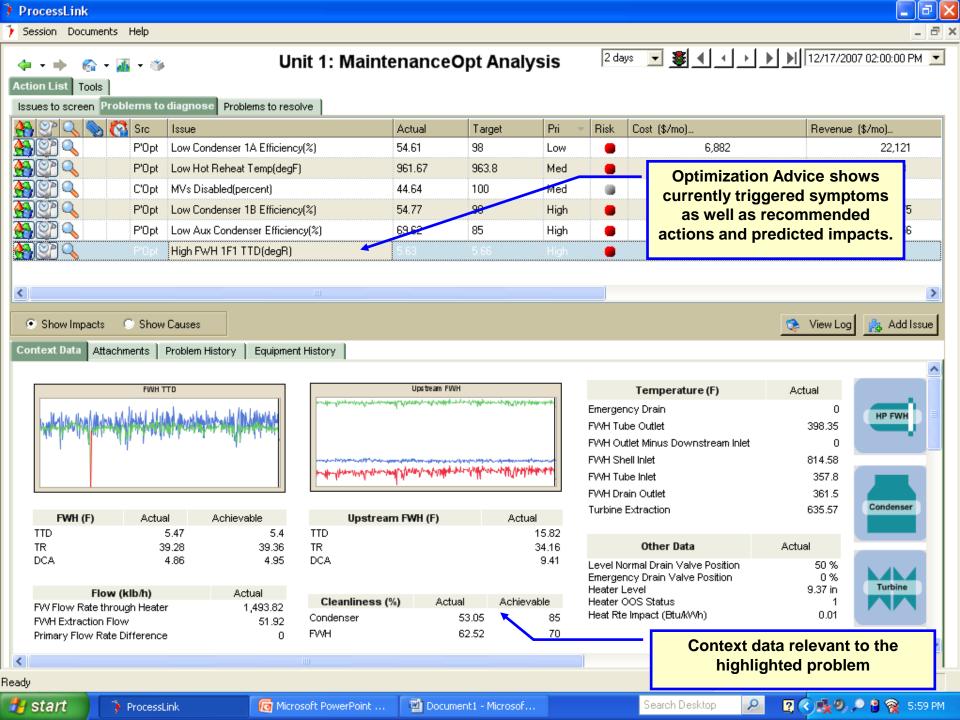
MaintenanceOpt – How It Works

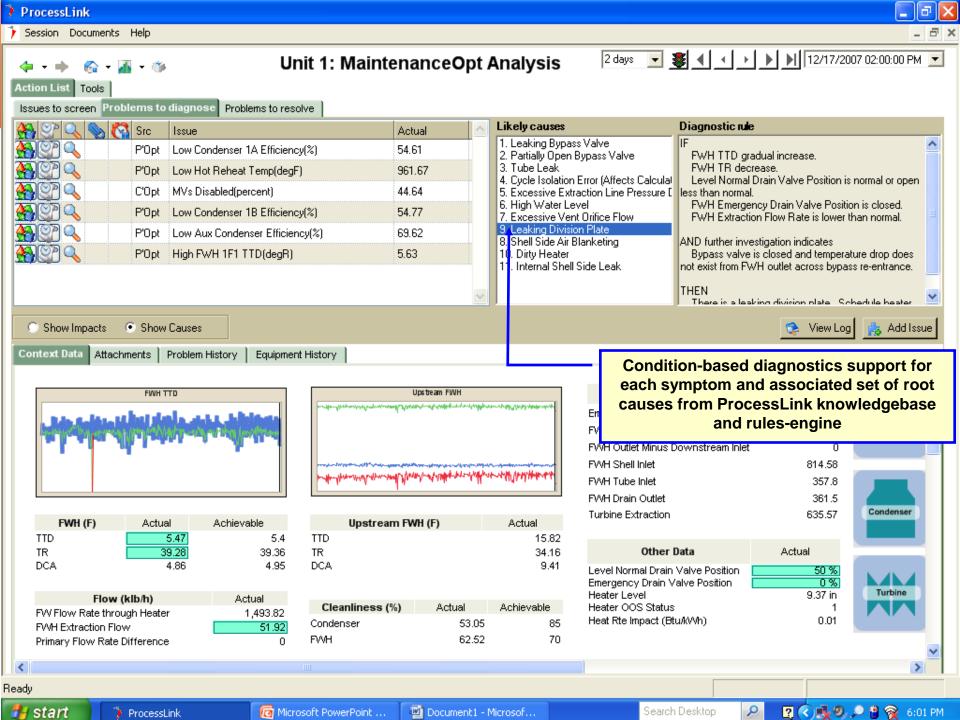


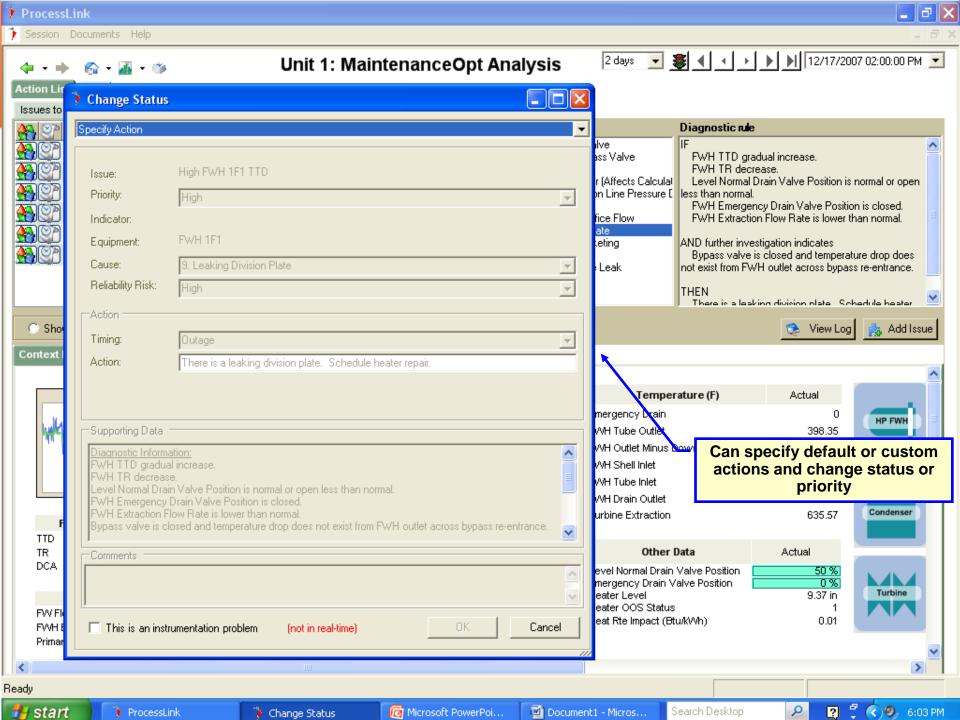








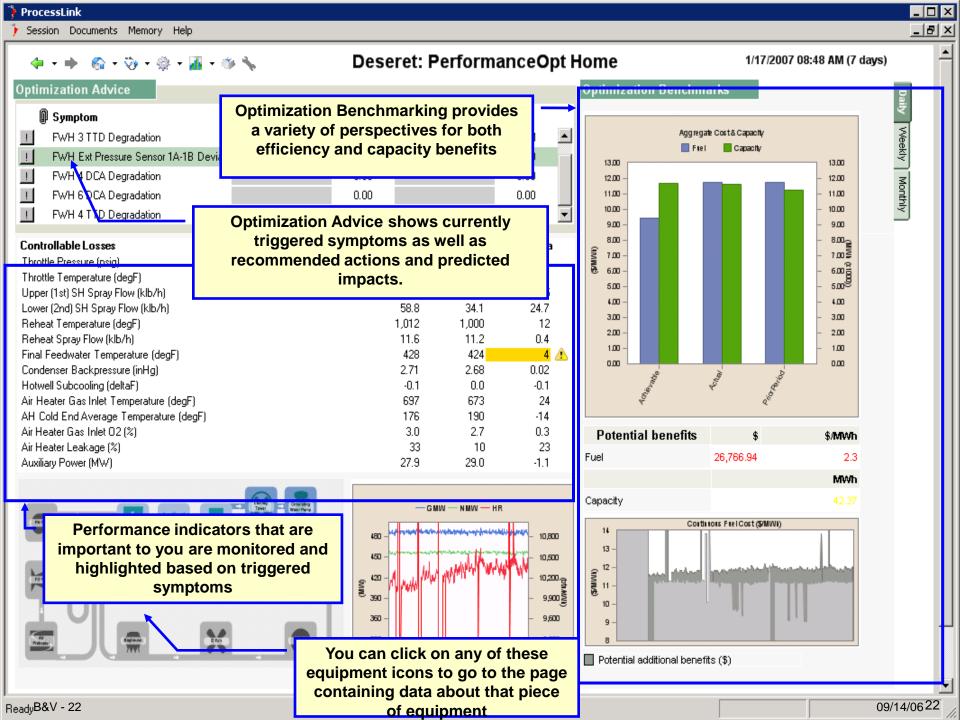


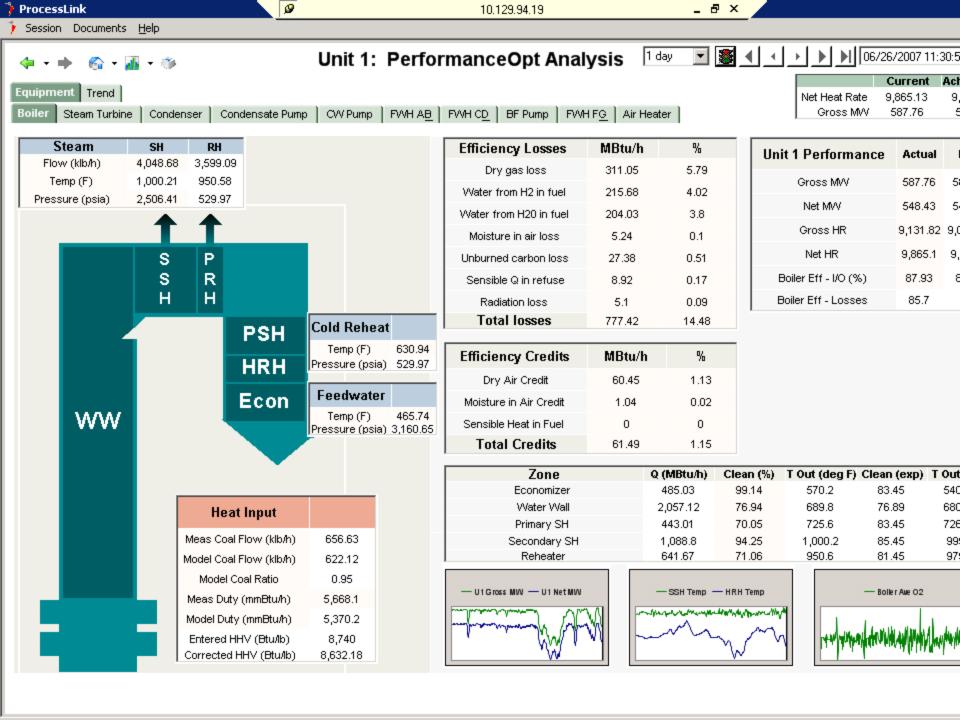


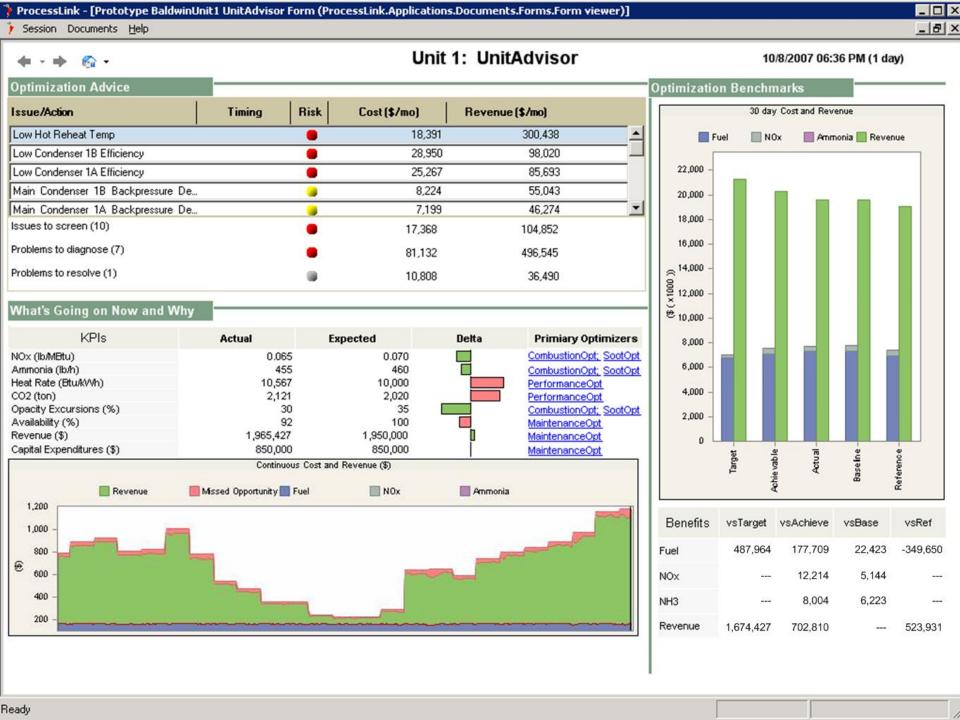
PerformanceOpt

- Identifies performance bottlenecks, their efficiency & capacity impacts & actionable advice
- 1st Principles model of unit with continual background simulations
- Improves efficiency, reliability, heat rate & capacity
- Prioritization based on monetized impacts
- Integrated with the other optimizers
 - Coal quality information to CombustionOpt
 - Boiler cleanliness information to SootOpt
 - Accurate problem impact assessments to MaintenanceOpt









Optimization: Won't Solve the Problem but Part of GHG Solution

- Achieve lowest-cost CO₂ reductions
- Demonstrate proactive commitment
- Simultaneously achieve operations improvements:
 - Reduced NOx and/or reagent costs
 - Improved control over CO and opacity
 - Increased reliability and commercial availability
- Newer regulations (based on tons and not lb/mmBtu rates)
 mean that every incremental heat rate improvement results
 in fewer tons of CO₂, SO₂, and Mercury

