

ENERGY SECTOR HYDROCARBON LOSS CONTROL

The client is an 180,000 bbl/day refinery and pipeline that produces petroleum products. A subsidiary of a major airline, the refinery was purchased to reduce jet fuel costs. Trident was engaged in a four-month project focused on reducing custody transfer losses in addition to quality giveaway as a result of blending or interface detection.

HOW WE MADE IT HAPPEN:

Custody Transfer

- Installed meter factor control charts to identify meters that are out of tolerance with API compliance guidelines
- Developed a proving compliance dashboard to monitor proving frequency for outbound custody transfer meters

Interface Detection

- Switched to midpoint cuts on gasoline products to reduce quality giveaway between valve swings
- Began flushing Jet to ULSD during valve swings to capture higher netback that is typically associated with ULSD
- Performed analysis to confirm that no product quality would be jeopardized by eliminating buffers between distillate products as buffers resulted in downgrades to heating oil

Blending

- Began bi-weekly tank testing of component inventories to increase accuracy of blending recipes
- Ran a regression analysis to better predict ethanol uplift associated with reformulated and subgrade gasoline
- Developed a training program and visibility Dashboard for blenders in order to eliminate training gaps that were contributing to octane giveaway and high blend variability

\$27MM
EBITDA IMPROVEMENT

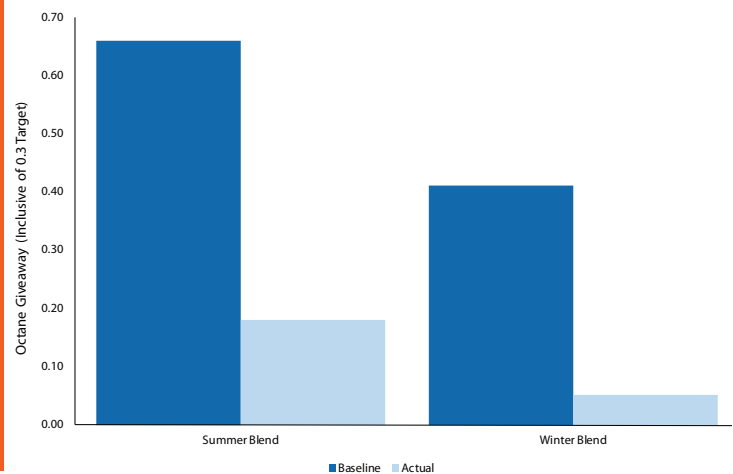


RESULTS:

The client experienced a 54% reduction in octane giveaway for conventional and reformulated gasoline and achieved a \$21MM increase in spot trading of component inventories as a relief of this increased blending accuracy.

Additionally, custody transfer on the pipelines improved from an average 0.04% loss to an average 0.03% gain between the baseline and evaluation period. The project well exceeded its \$11MM savings target by achieving a \$27MM savings result and 3400% ROI.

80% Reduction in Octane Giveaway on Conventional Gasoline



We are here to Make It Happen™.

Contact us for a complimentary assessment to help solve your complex business issues at info@trident.com.