

**Texas Commission on Environmental Quality
New Technology Implementation Grant (NTIG) Program
Quarterly Project Status Report**

**Contract
Number:**

582-11-13126-3225

Grantee:

General Compression

**Report for the
Monthly period:**

Q1 2013 (Jan-Mar 2013)

Date

Submitted: March 28, 2013

Section I. Accomplishments

Provide a bulleted list of project accomplishments as well as a description of their importance to the project.

General Compression (“GC”) and project partner ConocoPhillips (“COP”) have established the necessary goals, legal and financial framework, operational responsibilities and staffed a respective team of design engineers, construction managers, consultants and energy executives to plan and successfully complete the scope of work for this grant.

General Compression submitted Amendment request #02 to TCEQ regarding a contract extension. Amendment #02 granted GC with a new contract expiration date of May 2014; However, Tasks 1-5 continue to have a due date of April 30, 2013.

Task 1

- Received Task 1 Approval Letter from TCEQ on February 6, 2013.

Task 2

- Task 2 TCEQ Approval Letter received by GC on June 12, 2012.
- Please find attached pictures of the wind turbine location and site.

Task 3

Task 3 Updates:

Wind Turbine Site Prep

- The Wind Turbine Procurement, construction and commissioning for the remaining components of the Task 3 site prep are complete and The WT is operational.
- Additional Task 3 deliverables were submitted on December 12, 2012.
- The final Task 3 Deliverable Report was submitted on Feb 11, 2013.
- On March 20, 2013 I submitted additional data to TCEQ in sending the Gaines Cavern Workover and Completion Report (2011).
- The Task 3 Report is currently being routed internally at TCEQ for approval.

Task 3 Deliverables:

The following certificates were submitted as Task 3 deliverables on December 12, 2012 as

Confidential/Proprietary: inform applicant & seek AG opinion before releasing.

- The Gaines Cavern Project Work Commissioning Completion Certificate
- The Gaines Cavern Project Scada Commissioning Completion Certificate
- The Gaines Cavern Project Turbine Mechanical Completion Certificate
- The Gaines Cavern Project Turbine Commissioning Certificate
- The Gaines Cavern Workover Completion Booklet Report submitted on March 20, 2013.





Task 4 – 1000 hrs of Design Operation (1000 hours of GCAES design reliability testing)

Task 4 Updates:

- The ASP Unit 1 testing is in progress and 3 hours have been achieved.
- ASP Unit 1 testing hours will continue until the remaining hours are met.
- The POC Watertown commercial demonstrator endurance testing has achieved 850 testing hours. The Proof of Concept (“POC”) unit testing is ongoing and will continue until the remaining 100 hours are met.

Task 5 –Commercial Design Updates

- Task 5 GCAES ASP redesign and revised budget will be submitted by April 30, 2013.

Task 6 – Procure, Build and Install Commercial GCAES Unit and Wind Turbine Updates

- RES Americas is the project’s designated wind EPC and has completed procurement, installation, and commissioning the WT.
- GC Engineering team is working on redesign unit plans. GC Supply Chain team continues the procurement of ASP components.
- GC requested a contract extension in Amendment #02 to ensure that Task 6 deliverable will be completed within the approved contract period. The new due date for Task 6 and 7 is May 30, 2014.

Section II: Problems/Solutions

Problem(s) Identified: Report anticipated or unanticipated problem(s) encountered and its effect on the progress of the project.

1. The ASP Unit #1 commissioning process experienced a component failure within the rolling sock seal (in the low pressure compressor stage). However, the seal was successfully operating within its design.

Proposed Solution(s): Continue to report any possible solution(s) to the problems that were considered/encountered

GC Solutions:

1. GC is conducting a root cause analysis. GC is addressing the component failure by planning to use a two-ply material.
2. GC will continue to present a best and worst case timeline based on the project development milestones to TCEQ as new information is made available.

Section III. Goals and Issues for Succeeding Period:

Provide a brief description of the goal(s) you hope to realize in the coming period and identify any notable challenges that can be foreseen:

1. GC is actively working toward completing Task 4 (testing hours) and Task 5 (submitting redesign by April 30, 2013) before receiving the Notice to Proceed to pursue Tasks 6 and Task 7.
2. GC will continue to host conference calls with the TCEQ Grant Management Team in order to provide updates on the project timeline.

R.J. Lyman – President

Date: March 28, 2013

Authorized Project Representative's Signature