



**Texas Commission on Environmental Quality (TCEQ)
Texas Emissions Reduction Plan (TERP)
New Technology Implementation Grant (NTIG) Program**

Implementation Period Biannual Status Report Form

Contract Number: 582-23-45840-NG	Grantee Name: CR Permian Processing, LLC
Report for Biannual Period: 1/1/2024 - 6/30/2024	Physical Project Address: 351 Reeves CR 402, Pecos, TX 79772
Date Submitted: 6/30/2024	Project Representative Name: Dawn Coufal
Project Representative E-Mail: dcoufal@kinetik.com	Project Representative Phone Number: 281-713-9704
Project Summary (150 words or less): The project consists of replacing one existing Caterpillar (CAT) G3616LE A3 4,735 horsepower (HP) lean burn natural gas engine used in natural gas residue compression service with a Hyundai 5,000 HP electric motor, thereby eliminating all engine emissions from the existing engine. The project is located at CR Permian Processing, LLC's Pecos Bend Gas Processing Plant in Pecos, Texas.	

Section I. Project Progress

- A. Indicate which Tasks, as defined in the Grant Contract Scope of Work, are currently in progress. Describe any challenges encountered during the completion of these Tasks. Discuss plans or actions taken to resolve them.

Task 4: Specific Project Site Preparation

2.4.1 Engineering documents are nearly complete.

Task 6: Installation and Commissioning of Project

2.6.1 Details regarding the logistics of the electric motor and reduced voltage soft start to be executed.

*Challenges that have disrupted execution is delayed shipment and/or arrival of both the soft start and the motor.

- B. Indicate which Tasks have been completed, and any associated accomplishments during this reporting period. Describe any challenges encountered during the completion of these Tasks. Discuss actions taken to resolve them.

Task 1: Implementation Reporting Period

2.1.2. 2nd Biannual Progress Report (1/1/24 - 6/30/24) submitted (Task 2.1.5 Deliverable (a))

Task 5: Execution of Contracts and Purchase Equipment

2.5.1 Procured electric motor and reduced voltage soft start equipment; contracted with vendors and subcontractors for engineering; updated the existing plant documentation with information pertaining to the new installation; prepared request for quotation packages and issued purchase orders for engine demolition, equipment installation, site construction contractor, and commissioning and inspection service contractors.

*No challenges encountered during the completion of the above tasks

Section II. Goals for Upcoming Period

A. Provide a brief description of the Tasks and/or other project goals you hope to realize in the coming period and identify any notable challenges that can be foreseen.

Task 1: Implementation Reporting Period

2.1.2. 3rd Biannual Progress Report (7/1 - 12/31/24) to be submitted timely.

Task 4: Specific Project Site Preparation.

2.4.2 Modifications will be made to the skids during compressor outage.

2.4.3 Schedule: task will be completed by 1/26/25 (within 15 months from NTP.) Currently expected Q3 2024.

2.4.4. Documentation including photos of the site preparation and skid modification will be submitted.

Task 5: Execution of Contracts and Purchase Equipment

2.5.3 (a) Submit report summarizing subcontracts, subcontractors, and SOWs by 11/26/24 (within 13 months from NTP).

(b) Documentation for the procurement processes for the electric motor and associated conduit, wiring, and equipment, including reduced voltage soft start equipment will be made available upon request.

Task 6: Installation and Commissioning of Project

2.6 Install and commission the project prior to deadline of 1/26/25. Currently expect completion in Q3/Q4 2024.

2.6.3 (a) Submit report upon complete installation of the motor and reduced voltage soft start equipment. This report will include an overview of the completed motor process and photographs showing the installed electric motor and reduced voltage soft start equipment.

(b) Submit Request for Reimbursement for the procurement and installation of the equipment after the report under 2.6.3(a) is completed, submitted, and approved.

Task 7: Testing of Final Design

2.7 Task Statement: PERFORMING PARTY will ensure final design meets planned emissions reductions.

2.7.1 PERFORMING PARTY will perform commissioning activities on the electric motor to activate the manufacturer warranty as represented in the Original Application.

2.7.2 PERFORMING PARTY will assess the performance of the motor's soft start capability by conducting a factory acceptance test as represented in the Original Application.

2.7.3 Schedule: PERFORMING PARTY will complete testing by 4/26/25 (within 18 months of the NTP.)

2.7.4 Deliverables: Report upon completion of this task. The report will include operational testing procedures and testing results for the motor.

*Challenges that could disrupt execution would be the ability for the vendor to execute and hit their estimates.

Authorized Official/ Project Representative's Printed name

Dawn Coufal (Project Representative)

Authorized Official Signature/ Project Representative's name

Date



6/30/2024

Note: Please attach any additional information that you feel should be a part of your report.

This form may be submitted via e-mail to your Contract Manager, Drew Weise at

drew.weise@tceq.texas.gov.

Dawn Coufal

From: Drew Weise <Drew.Weise@Tceq.Texas.Gov>
Sent: Wednesday, December 20, 2023 3:47 PM
To: Austin Kirchoff
Cc: Dawn Coufal
Subject: **External**FW: Biannual Progress Report and Kinetik NTIG Webpage Link
Attachments: 20231231 NTIG Biannual Status Report 8.10.2023 - 12.31.2023.pdf

****[CAUTION]** This email was received from someone outside of the Kinetik organization.**

WARNING: EXTERNAL EMAIL: PROCEED WITH CAUTION.

Do not respond, click on any links or open attachments unless you recognize the sender, were expecting this email and/or know the content(s) are safe.

Hello Austin,

I am forwarding this email to you regarding contract 582-23-45840-NG (CR Permian Processing, LLC). I have called Dawn to talk about the contract transitioning to you and I have cc'ed her on this email.

Dawn,

As I mentioned, if you need anything from me please feel free to call. Thank you for all of your help and have a Merry Christmas!

Sincerely,

**Drew Weise**
Air Grants Division, TCEQ
Direct Line: 512-239-1814
Email:
Drew.Weise@tceq.texas.gov

www.terpgrants.org

AGD Main Line: 1-800-919-
TERP
*Para asistencia en español llame
a la línea principal de AGD.*

How is our customer service?

Fill out our online customer satisfaction survey at www.tceq.texas.gov/goto/customersurvey

From: Dawn Coufal <dcoufal@Kinetik.com>
Sent: Monday, December 18, 2023 11:58 AM
To: Drew Weise <Drew.Weise@Tceq.Texas.Gov>
Subject: Biannual Progress Report and Kinetik NTIG Webpage Link

Good morning, Drew –

Kinetik's NTIG webpage is live as of last week at the following link: <https://www.kinetik.com/sustainability/new-technology-implementation-grant/>

Also attached is our initial Biannual Implementation Report. Due to the holidays and some upcoming time off, I've postdated it. Hope that isn't a problem, but if you need me to send again later, I can do that.

For clarification, reporting periods are 1/1 – 6/30 and 7/1 – 12/31. Technically, the contract states that reports are due on June 30 and December 31. With the due date being the same as the reporting period end date, potential future issues could arise with submitting "complete" reports timely. I'm sure this was an oversight, as I know with TCEQ there's always some time to compile a report at the end of a reporting period. What are your thoughts here?

Also, not a big deal on my end (I edited the pdf to correct it), but the cover page of the original form provided stated "Quarterly Reports" so I did change it to read "Biannual." I'm also assuming it is ok for me to sign and submit the report. The signature line was a little unclear, but I think I interpreted it correctly in that either the AO or PR can sign. If you need the AO to sign, let me know and I'll resubmit.

Please let me know if you have any questions or feedback. Hope you have a blessed Christmas holiday.



Dawn Coufal | VP, Sustainability
dcoufal@kinetik.com | www.kinetik.com
2700 Post Oak Blvd, Suite 300
Houston, TX 77056
Office: 281.713.9704
Mobile: 979.966.9760

Disclaimer

The information contained in this communication from the sender is confidential. It is intended solely for use by the recipient and others authorized to receive it. If you are not the recipient, you are hereby notified that any disclosure, copying, distribution or taking action in relation of the contents of this information is strictly prohibited and may be unlawful.

This email has been scanned for viruses and malware, and may have been automatically archived by Mimecast, a leader in email security and cyber resilience. Mimecast integrates email defenses with brand protection, security awareness training, web security, compliance and other essential capabilities. Mimecast helps protect large and small organizations from malicious activity, human error and technology failure; and to lead the movement toward building a more resilient world. To find out more, visit our website.