Annual Shipper Meeting

April 23, 2015

New Orleans, Louisiana
Agenda

- Pipeline Safety, Integrity and Reliability
- Introduction of Kinetica Team
- Items Completed Since 2014 Shipper Meeting
- Revised System Map
- Kinetica Value Chain
- Bluewater Allocation System 28.0 Presentation
- BREAK
- Customer Advisory Board / NGL Bank
- Operational Integrity and Reliability
- PortVision Presentation
- What Sets Kinetica apart?
- Future for Kinetica 2015 - 2016
- Q & A
Theme of Meeting

Pipeline Safety, Integrity & Reliability
Introduction of Kinetica Team
Kinetica Team

Diane Dundee  COO
Katherine Ko  Controller & Director of Accounting
Michelle Dundee  Sr. Director of IT & Scheduling
Rae Donaldson  Sr. Director of Supply & Project Development
Matthew Gros  Sr. Director of Operations
Bill Prentice  General Counsel
Sheryl Sellers  Director of Supply, Customer Service & Contracts
Kurt Cheramie  Director of ROW, Community Relations & Training
Rick Sacco  Director of Engineering & Operations Support
Susie Richmond  Manager of DOT Compliance & Training
Mark Sellers  Manager Measurement
Patrick Bourg  Technical Manager Facilities
Chris Cantrelle  Technical Manager Pipeline
Robert Roper  Technical Manager Gas Control
Evan Savant  Technical Manager Corrosion
Deirdre Fontenot  Senior Analyst Environmental & Logistics
Lynn Nguyen  Lead Scheduler
Jeanie Falkenstein  Scheduling Representative
Sally Bergeron  Manager Office Facilities, Budget & Procurement
Colette LeBlanc  Manager Accounting
Tracy Gerard  Payroll & HR/ Benefits Administration
2014 Shipper Meeting Review

- PortVision
- Customer Advisory Board
- Interconnects
- Revised Kinetica System Map
Revised System Map
Kinetica Value Chain

- **New Market Connections**
  - Sabine System Value Chain
  - Cameron-Kinder System Value Chain
  - Bluewater System Value Chain

- **Gas Processing Plants Connected**

- **Future Small Scale LNG Project Locations**
  - Cameron Parish
  - Port Sulphur
Sabine System Value Chain
Sabine System Value Chain

- **Production**
- **Header / Pipeline**
- **Liquids Handling**
- **Processing Plants**
- **Outlets / Markets**

**Cameron Meadows Plant**
- PSI Operated
- Cryogenic

**Sabine Pass Plant**
- Enlink Operated
- Cryogenic (Currently Shut Down)

**Kinetica 30" Pipeline**
- Capacity 470 MMcf/d

- Condensate
- Retrograde Natural Gas

**Kinetica Johnsons Bayou**
- Liquids Handling & Dehy

**Barracuda Plant**
- Targa Operated
- Cryogenic

**Southwest Lateral**
- Blended Gas (Bypass Processing)
  - Transco/TGP/FGT

**Sabine Pass Outlets**
- Southwest Lateral Transco/TGP/FGT

**Barracuda Plant Outlets**
- Southwest Lateral Transco/TGP/FGT
Cameron-Kinder System Value Chain
Cameron-Kinder System Value Chain

- **Production**
- **Header / Pipeline**
- **S & D Facilities**
- **Processing Plants**
- **Outlets / Markets**
- **Liquids Takeaway**

**Grand Chenier Outlets**
- **Tennessee Gas Pipeline**

**Grand Chenier Plant**
- **Plains Operated**
- **Cryogenic**

**Kinetica 26” Pipeline**
- **26” Capacity 750 Mcf/d**

**Plains Grand Chenier**
- **Liquids**
- **Pipeline (Harvest)**

**Condensate**
- **Liquids Handling & Dehy**

**Harvest/Fieldwood Gibbstown Barge Terminal**

**Grand Chenier Outlets**
- **Harvest/Fieldwood Gibbstown Barge Terminal**
Bluewater System Value Chain
Bluewater System Value Chain

- Production
- Header
- S & D Facilities
- Processing Plants
- Outlets / Markets
- Liquids Takeaway
- New Processing Connection

1. Gueydan Outlets
   - LIG Intrastate
   - System, Bridgeline
   - LIG Gueydan
   - EnLink Operated
   - Processing at Pelican or Plaquemine
   - Cryogenic

2. Egan Delivery
   - TGP Operated
   - Outlets TGP, TGT, Columbia Gulf

3. Shell Houma
   - Pipeline (Plains)
   - Natural Gas
   - Condensate
   - Barge (Ready Standby)
   - Natural Gas

4. Kinetica Pecan Island
   - Natural Gas
   - Liquids Handling & Dehy
   - Capacity 1 Bcf/d

5. Kinetica Cocodrie
   - Condensate
   - Retrograde Natural Gas
   - Capacity 1 Bcf/d

6. TOCA Plant
   - Enterprise Operated
   - Cryogenic
   - Natural Gas (American Midstream Owned PL)
   - Venice Outlets TETCO, Gulf South, High Point, Columbia Gulf

7. La Rose Plant
   - Discovery Operated
   - Cryogenic
   - Natural Gas
   - La Rose Outlets TETCO, Gulf South, Bridgeline

8. Lirette Plant
   - EnLink Operated
   - Processing at Gibson or Pelican
   - Cryogenic
   - Natural Gas
   - Lirette Outlets LIG Intrastate System (Miss River), ANR, Bridgeline

9. Shell Houma
   - Pipeline (Plains)
   - Natural Gas
   - Condensate
   - Barge (Ready Standby)

10. Kinetica 30° Bluewater
    - Natural Gas

11. LIG Gueydan
    - EnLink Operated
    - Processing at Pelican or Plaquemine
    - Cryogenic

12. Egan Delivery
    - TGP Operated
    - Outlets TGP, TGT, Columbia Gulf
Bluewater Allocation System 28.0

Janet Wild – Manager Allocation Systems
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<tr>
<th>Date</th>
<th>Location</th>
<th>Report #</th>
<th>Test Description</th>
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CERTIFICATE OF ANALYSIS NUMBER: 20502015020137

COMPANY:  
LOCATION:  
SYSTEM / FIELD: BLUEWATER PIPELINE SYSTEM  
SAMPLE OF: CONDENSATE  
SAMPLE POINT: SHRINK-SPOT S&W-COMP  
SAMPLE DATE: 02/12/2015  
SAMPLED BY: SPL INC., (STEVEN CAMPBELL)  
FOR: FIELDWOOD ENERGY LLC  
2014 W. PINHOOK ROAD  
SUITE 800  
LAFAYETTE, LA 70508  
02/25/2015

CONDITIONS: 850 PSIG @ 62°F

OBSERVED GRAVITY: 44.4 @ 70°F

API GRAVITY @ 60°F: 43.5

S & W DETERMINATION: 0.11% (COMP)

COLOR: CRUDE

SHRINKAGE FACTOR: 0.9967 (SPOT)

SOUTHERN PETROLEUM LABORATORIES, INC

REMARKS:  

KIM DOMINGUE
### SPL Audit Trail

**Platform:**

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<th>Operator Name:</th>
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<tr>
<td>2</td>
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<th>Totalizer Readings</th>
<th>Adjustments</th>
<th>Factors</th>
<th>Net Bbls</th>
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<td><strong>Production Period:</strong> 02/2015</td>
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<td><strong>Net Water Bbls</strong></td>
<td><strong>HPTrans Bbls Basis</strong></td>
<td><strong>Flashgas Bbls Basis</strong></td>
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<td>526.16</td>
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#### Totalizer Readings

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#### Adjustments

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<td>0.9967</td>
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<td>0.9990</td>
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#### Total Meter Run

| 542.30 |

#### Sum Platform

| 1,372.70 |

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#### Sum Platform

| 1,313.03 |

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<th>Flashgas Bbls Basis</th>
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<td>0.00</td>
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<tbody>
<tr>
<td>787.19</td>
<td>0.87</td>
<td>790.66</td>
<td>2.61</td>
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| 542.30 |

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<th>HPTrans Bbls Basis</th>
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<th>HPTrans Bbls Basis</th>
<th>Flashgas Bbls Basis</th>
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<td>1.45</td>
<td>1,318.82</td>
<td>4.35</td>
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Pipeline Condensate Calculation

- Bluewater’s Pipeline Condensate calculation is spelled out in BSEE’s Bluewater – System 28.0 approval as well as in the Measurement and Allocation agreement.

- Elections for Pipeline Condensate are made by the producing community with the pipeline.

- Pipeline shares these elections with SPL.

- If a platform is entitled to Pipeline Condensate but has not elected to receive it, the other platforms on Bluewater share prorata that platform’s Pipeline Condensate.
Pipeline Condensate Calculation

- Kinetica provides SPL Gas Volume and C6+ GPM per platform
- Kinetica provides SPL System C6+ GPM leaving facility
- If platform’s C6+ GPM is equal to or greater than system C6+ GPM, the equation \( \frac{\text{MCF} \times \text{C6+ GPM}}{42} \) yields “Theoretical Pipeline Condensate” in BBLs and platform participates in Pipeline Condensate Allocation Process
- If platform’s C6+ GPM is less than system C6+ GPM, platform does not participate in Pipeline Condensate Allocation Process
Calculation of Theoretical Pipeline Condensate
Production period  **February-15**

System C6+ GPM Leaving Bluewater:  

0.06900

\( \frac{\text{MCF} \times \text{hexane_gpm}}{42} = \text{Total Theo BBLs of C6+ GPM} \)

<table>
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<th>Meter Number</th>
<th>Meter Name</th>
<th>MCF</th>
<th>hexane_gpm</th>
<th>Total Theo BBLs of C6+ GPM</th>
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<tr>
<td>2</td>
<td>b</td>
<td>1,541</td>
<td>0.05700</td>
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<td>3</td>
<td>c</td>
<td>8,124</td>
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<td>4</td>
<td>d</td>
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<td>5</td>
<td>e</td>
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<td>318.52</td>
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PLAINS PIPELINE, L.P.

Date: 02/24/15 10:07
Meter: Kinetica Mtr. 1
Description: Kinetica Mtr. 1
Base System: Golden Cocoedrie
Location: Kinetica Injection
Conn. Point: Kinetica Injection
Flow: ○ Delivery □ Receipt
Unit: □ Barrels ○ Gallons

Shipper: Various
Grade: South Louisiana
Remarks: Pot full.

Ticket Number: 2100100656
Revision No: 0

Field Information
Operator: Kinetica Partners LLC
Field:
Lease: Kinetica Partners LLC
FMP Number: 2177132800
Serial no: LB-142906
Code Ref No:
API Lease No:
Fad Lease No:
Land Desc:

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<th>CPL</th>
<th>Witness</th>
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<td></td>
<td>Tim Fouchet</td>
<td>02/15-01</td>
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<tr>
<td>OPEN</td>
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<td>Kurt P Perez</td>
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**OBSERVABLES**

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<td>Vapor Pressure:</td>
<td>Sulfur Pct: 0.06390</td>
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<td>API Gravity: 50.1</td>
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<td>Pressure: 1.0000</td>
<td>CCF: 1.0023</td>
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**Volume Calculations**


*Sales*
**Inventories**

- Inventory Tanks exist at the outlet of the Bluewater Pipeline prior to sales.
- Volumes (in BBLs) are measured daily.
- At end of month, the last day’s volume is provided to SPL for use in the Condensate Allocation and is referred to as Ending Inventory.
- These volumes belong to all platforms with production in the month.
- Ending Inventory becomes the Beginning Inventory on next month’s allocation.
## Rolling Average Process

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<tr>
<th>Production Month</th>
<th>D</th>
<th>E</th>
<th>Total Sales BBLs</th>
<th>System Gain Loss = Total Sales BBLs - Theor. Prod. Cond.</th>
<th>Rolling 6 Month Avg</th>
<th>Actual Produced Cond</th>
<th>Actual Pipeline Condensate</th>
<th>Monthly System Factor = Sales/Total Theo Production</th>
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<td>7,367.67</td>
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# Allocation Process - Produced Condensate

## Run 2

### Net BBLS

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<th>PROD. COND. BEGIN. INVE.</th>
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<th>PROD. COND. AVAILABLE FOR SALES</th>
<th>BARGED PROD. COND. SALES ENTITL.</th>
<th>PLAINS PIPELINE PROD. COND. SALES ENTITL.</th>
<th>PROD. COND. ENDING INVE.</th>
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### BLUEWATER SYSTEM TOTALS

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<th>PROD. ACTUAL</th>
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<th>COND. COND. FOR SALES ENTITL.</th>
<th>PROD. COND. COND. FOR SALES ENDING</th>
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</table>
Allocation Process - Produced Condensate

- **Theor. Prod. Cond. (column C)** = NSV BBLs =
  - Total Metered * Meter factor * S & W Factor * Shrink Factor * Temperature Factor

- **Prod. Cond. Begin Inven. (column E)** =
  - Prior Month’s Ending Inventory (col AA)

- **Actual Prod Cond (column G)** =

- **Prod. Cond. Available for Sale (Column J)** =
  - Opening Inventory + Actual Prod. Cond.
Allocation Process - Produced Condensate


### Allocation Process - Pipeline Condensate

**SYSTEM NO. 28**
**COCODRIE AND PECAN ISL.**
**SEPARATION FACILITIES**

#### Run 2

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<th>GAS MTR</th>
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**BLUEWTR SYSTEM TOTALS**

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**WEIGHTED AVG. GRAV.** 50.5
**SYSTEM FACTOR** 1 95765974000
**PRODUCTION MONTH** Feb-15
**Allocation Process - Pipeline Condensate**

- **Theor. Pipeline Cond. (column D)** = If Rolling Average determines Pipeline Condensate exists and Platform’s C6+ GPM is equal to or greater than System C6+ GPM, \((\text{MCF} * \text{C6+ GPM})/42\); if less than System C6+ GPM, Platform does not participate in Pipeline Condensate Process.

- **Pipeline Cond Begin Inven. (column F)** = Prior Month’s Ending Inventory (col AB)

- **Actual Pipeline Cond. (column H)** = Theor. Pipeline Cond. (col D) * System Factor
Allocation Process - Pipeline Condensate

5.0 Dth Pipeline Cond. MMBTU Equiva. (column I) = \text{Actual Pipeline Cond. (col H)} \times 5

\text{Pipeline Cond. Available for Sale (column K)} = \text{Pipeline Cond. Begin Inven (col F)} + \text{Actual Pipeline Cond. (col H)}

\text{Barged Pipeline Cond. Sales Entitle. (column N)} = \text{Allocated Barged Sales based on Pipeline Cond Available for Sale (col K)}

\text{Plains Pipeline Pipeline Cond. Sales Entitle. (column O)} = \text{Allocated Plains Pipeline Sales based on Pipeline Cond Available for Sale (col K)}
Allocation Process - Pipeline Condensate

Pipeline Cond. Ending Inven. (column AB) =
Pipeline Cond Available for Sale (col K) – Barged
Pipeline Cond Sales Entitle. (col N) – Plains
Pipeline Pipeline Cond. Sales Entitle. (col O)
Entitlement Allocation

- Both the Produced Condensate and Pipeline Condensate Allocations are considered the **Entitlement Allocation**.
- The Entitlement Allocation is the basis for regulatory reporting.
- SPL provides ONRR with **Entitlement Sales per platform** on a monthly basis.
Lifting Allocation Process

- Historically, condensate has been lifted on barges causing an over/short situation
- Producer Purchaser contract needed
- Plains Pipeline is currently the only outlet
- Entitlement + Prior Month Cumulative Over/Under is basis to prorate Sales for Lifting Allocation
Questions & Answers
Customer Advisory Board
NGL Bank Update
Customer Advisory Board

**Purpose and Goal of Board**

♦ Cross-section of customers who have a vested interest in overcoming industry challenges and providing input to Kinetica

♦ Strategic, non-tactical

♦ Provide input, not a decision making body
Board Members and Meeting Schedule

❖ Board Members

<table>
<thead>
<tr>
<th>Company</th>
<th>Name</th>
<th>Company</th>
<th>Name</th>
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<td>YJ Bourgeois</td>
<td>Fieldwood</td>
<td>Jim Brysch</td>
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<tr>
<td>Arena</td>
<td>Mike McGinnis</td>
<td>Hilcorp</td>
<td>Steve Ferrell</td>
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<tr>
<td>Chevron</td>
<td>Charlie Otto</td>
<td>Shell</td>
<td>Helen McGee</td>
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<td>ConocoPhillips</td>
<td>Cyndy Dobbins</td>
<td>Superior</td>
<td>Mark Snapp</td>
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❖ Board Meeting Schedule - 2015

♦ January 22 - Kickoff Meeting
♦ March 5 - NGL Bank
♦ April 9 - NGL Bank
♦ May 6 - NGL Bank
♦ June 23
♦ October 22
Board Initiatives

♦ Tariff Updates
  ♦ Remove System License Agreement
  ♦ Re-write Transportation Request Form
  ♦ OFO Pass Through

♦ Other Suggested Items Under Review
  ♦ NGL Bank
Eastern System Schematic

- EGAN B (TGP)
- Gueydan (EnLink)
- Pecan Island
- Vermilion
- S. Marsh Isl.
- Eugene Isl.
- S. Pelto
- Cocodrie (TGP)
- Discovery
- Lk Washington
- Leeville
- Bay Marchand
- Grand Isle
- S. Timbalier
- Independence Trail
- West Delta
- PT Sulphur (TGP)
- Venice
- South Pass Area
- Mississippi Canyon

Blue: Included in NGL Bank
I-Trail: Suballocation system within Bank
Proposed NGL Bank

- NGL Bank was included in Tariff initially filed with FERC
- Kinetic’s goal:
  - Fairly Account for Producer’s Entrained Liquids
- Indicated Shipper’s Opposed
- Kinetic withdrew NGL Bank from Tariff
- Since receipt of Kinetic’s 7c certificate, Shippers have requested that an NGL Bank be implemented
- Customer Advisory Board working on draft agreement
- Goal for Completion & Implementation:
  - 4th Quarter 2015
Operational Integrity and Reliability
Operational Integrity Program

Damage Prevention

♦ PortVision
♦ Mail-out Program
♦ Community Outreach Program
  • Kinetica is an industry leader in the area of offshore and coastal pipeline damage prevention
  • Recognized by EPA with a Gulf Guardian Award for efforts to keep the GOM Clean, Beautiful and Productive
Operational Integrity Program

Safety Management System

- Based on the Nationally recognized COSS (Certified Occupational Safety Specialist) Safety Management System
  - Certified by the American Petroleum Institute
  - Endorsed by the American Association of Safety Councils
  - Based on four key elements:
    - Knowledge
    - Skills
    - Roles
    - Behaviors
  - Used by over 265 companies nationwide:
    - Shell, ConocoPhillips, Sempra, Motiva, ExxonMobil and Entergy
Operational Integrity Program

The COSS Model

- Recognize & Identify
- Hazards
- Instruct
- Eliminate
- Control

Administration
Engineering
PPE
Operational Integrity Program

Training and Operator Qualification

- Veriforce Safety Training
  - Management & Delivery

- NCCER Pipeline Craft Training and Operator Qualification
  - Our mission is to build a safe, productive and sustainable workforce of pipeline professionals.
Operational Integrity Program

♦ Integrity Management

♦ Development of the New Kinetica Integrity Management Plan
  • Comply with Specific Regulations
  • Optimize Maintenance of Assets
  • Protect Public and Pipeline Assets

♦ Will dovetail with our Internal Corrosion Prevention Program for optimum results for pipeline safety and customer service
Operational Integrity Program

- Operational Initiatives
  - Corrosion Program
  - Pigging Program
  - Measurement
  - Facility Enhancements
## Operational Integrity Program

**Operational Initiatives - Corrosion Program**

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<th>Present</th>
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## Operational Integrity Program

### Operational Initiatives - Pigging

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Operational Integrity Program

♦ Operational Initiatives

♦ Measurement
  - Measurement Station Upgrades
  - Replacement of 125 EG M Systems

♦ Facility Enhancements
  - PLC Upgrades
  - Automation Upgrades
Jason Tieman – Director of Maritime Operations
New Game Changer in Damage Prevention—Automatic Identification System (AIS)
Subsea Infrastructure Protection

• Interactions between vessels, anchors and pipelines from 1987 to 2007 resulted in the following: 120 pipeline strikes, 25 fatalities, and 17 injuries, 100,000 barrels of released product and over $100,000,000 in property damage.

• Each day approximately 270 large supply vessels traverse the Port Fourchon waterways and 1.15 million barrels of crude oil is transported via pipelines through the port.

• In 2009 in Bayou Lafourche, a 16” Natural Gas Pipeline was struck, waterway was closed for over 6 hours and the cost of pipeline repairs and gas loss exceeded $800,000.
PortVision Impact to Subsea Infrastructure Safety

Leveraging international Automatic Identification (AIS) requirements for commercial vessels we are able to:

• Alert, via e-mail and/or text, of vessels operating over submerged cables in a threatening manner.

• Visibility of new operations near a pipeline that directly increases vessel traffic over or near you corridor.

• Ability to target infrastructure awareness funding towards specific vessels or fleets of vessels.

• Historical data for post incident investigations to determine cause factors and identify responsible parties that may have been previously unidentifiable.

• Analytical tool for researching proposed to cable or infrastructure based on historical vessel traffic.
Automatic Identification System (AIS)

- **Title 33, Code of Federal Regulations**
  164.01 Applicability & § 164.46 - vessels of **65 feet or more** in length, other than passenger and fishing vessels, **Towing vessels of 26 feet or more** in length and **more than 600 horsepower**, Passenger vessels, of **150 gross tonnage or more**, more than **150 passengers-for-hire**, Tankers, regardless of tonnage

- Signal transmitted via VHF with range of 20 to 40 miles
How AIS Data is Captured….

- Network of AIS receivers
- AIS signals captured across the Gulf and around world
- Real-time visibility of all AIS equipped vessels
- Patented Geo-fencing
- Automated logging and alerting of arrival/departure/passing
- Historical AIS data captured for playback and analytical reporting up to twice a minute
  - 15 billion records dating back 5+ years
  - 50 million new location reports every day
Communication Pipeline

- Vessel
- Network of AIS Receivers
- Computing infrastructure for data processing, data warehousing, application and web presentation
- Maps and Aerial Views of Waterways and Pipelines
- Web-based service
AIS Data Users

- Major Oil Companies
  - Demurrage analyst
  - Schedulers
  - Traders
  - Terminal operations
- Vessel owner/operators
- Marine service providers: agents, surveyors, ext...
- Marine fueling operations
- Government: Federal, State, Local, Port Authorities
AIS Data Utilization

- Automated documentation of factual vessel position data
- Optimize terminal and waterway utilization
- Traffic pattern studies
- Competitive analysis of fleets, terminals, assets
- Enforcement of Federal, State, Local, and company stated policies
- Emergency response: Situational reporting, logistical coordination, safety of responders
Currently Monitored Kinetica Pipelines
Alert Management

![Image of Alert Management System interface]

- **Event**: Various events such as Zone Entry, Zone Exit, etc.
- **Vessels/Fleet**: Different vessels or fleets associated with each event.
- **Location(s)**: Specific locations related to the events.

**My Alerts**:
- **Alerts by Type**: Options to view alerts by different criteria.
- **Filter by Zone**: Ability to filter alerts based on zones.
- **Search Functionality**: Feature to search for specific alerts or vessels.

**Create Alert**:
- Options to create alerts based on specific criteria such as vessel, location, and event.

**Edit Alert**:
- Options to edit existing alerts, including changes to vessel information, location, and event details.

**User Notes**: Options to add user notes or comments to the alerts.
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PHMSA requirements for shallow water inspections for Gas and Hazardous Liquid Pipelines:

- Each Pipeline Operator must establish a risk-based inspection program for assets located in the Gulf of Mexico/inlets in water < 15’ deep at risk of being exposed pipeline or a hazard to navigation (A pipeline that is deemed a hazard to navigation is one with 12” of cover or less).
Kinetica Risk Based Inspection Program Elements

Risk Factors

Site Conditions:
- Installation cover less than 3’
- Potential for cover loss
- Previous damage by outside force
- Previous lowering / repair

Vessel Activities Near Infrastructure
- Fishing
- Recreational
- Oil field
- Dredging
- Port waterway traffic

How do you know??
Kinetica Risk Based Inspection Program Elements

Frequency Factors
- Soil / loss
- Soil Type – low strength
- Erosive conditions
- Weather event damage
- Inspection type

Protective Barrier
- Soil
- Concrete coating
- Concrete mats
Vessel traffic is a critical factor in the decision making.
Completing Inspections and Gathering Data
Shallow / Exposed Pipeline Investigation

• Pipeline survey: pipeline may be exposed or hazard to navigation and needed to be investigate vessel activity near the location

• We created a vessel zone report from our pipeline map to identified vessels that had entered zone area or might enter in the future

• This information can help identify what coastal zone permitting process should be used, standard or emergency

• Reached out to potentially impacted stakeholders, using methods beyond the standard “notice to mariners” issued by the USCG
Data vs Crew Interviews

What vessel traffic did you see while you were on location?

5261-100 Vessel Zone Detail Report Area
What did we find?

The Geo-fenced area (vessel zone) in PortVision indicated that eight vessels from the Daybrook Fishing Fleet entered the pipeline zone from 4/1/14 to 9/30/14.
How much vessel traffic do we have on our entire pipeline system?

**Vessel Zone Aggregate Report**

Unique number of vessels per vessel zone between 2014-12-01 and 2014-12-31

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<th>Total Unique Vessels</th>
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How much vessel traffic do we have on Pipelines in our Inspection Program?

Vessel Zone Aggregate Report

Unique number of vessels per vessel zone between 2014-12-01 and 2014-12-31

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December Total | 3163 |
Pipeline Inspection and Remediation

• Having data available enables Kinetica to adjust inspection frequencies to focus resources where mariner safety will be enhanced.
• Better permitting decisions – do we need to seek and emergency coastal zone permit for a high vessel traffic location?
• Less environmental impact, avoiding wheel washing and disturbance of coastal marshes.
Pipeline Case Study

AIS-based pipeline monitoring is an innovative way to help vessel operators keep their crews safe, reduce liability risks, and provide an easy and effective way to help the industry protect people, assets and the environment from the damaging and often disastrous consequences of pipeline strikes.
Pipeline Monitoring Zones
Pipeline Near-Miss

• Pipeline received an alert regarding a vessel in zone of interest that looked suspicious
• Field inspector sent to investigate and confirmed vessel was stationary within designated pipeline corridor
• Inspector notified Field Supervisor and Control Center
• Field inspector contacted vessel owner, provided vessel captain’s phone #
• Captain was asked for an ALL STOP until further notice to do his proximity to pipeline
• Vessel was grounded, notifications were made to all CPL stakeholders
• Vessel was instructed to wait and relocate at high tide so not to be a threat to the pipeline
Vessel Track Over Pipeline
Example of a “pipeline zone” report listing all vessels that were over specific pipeline segment
Historical Vessel Position Report showing every 30 seconds of vessel transit
Case Study: MIDNIGHT STAR vessel track over pipeline
Case Study: Vessel that hit submerged pipeline resulting in explosion and fatality
Case Study: Court case involving a vessel that hit a damaged submerged well
What’s Next

- Additional Data Layers
  - Survey data
  - Pipeline coverage
  - Weather
  - Radar
- Dashboard
- Reporting tools
Contact Information

Follow Us

www.portvision.com

Jason Tieman
Director Maritime Operations
PortVision/Oceaneering

1.713.337.3737
jtieman@oceaneering.com
What Sets Kinetica Apart?
What Sets Kinetica Apart?

- Kinetica has contracted with Port Vision to prevent damage to its lines from anchors and other marine hazards, to avoid potential shut-ins
- Kinetica completes new connections within 30 to 45 days
- Kinetica does not add overhead costs to new interconnects
- Kinetica provides more detailed and accurate cost estimates by using vendor supplied costs
- Kinetica has a robust corrosion program for painting, pigging, and preventive maintenance
- Kinetica pursues all gas/condensate connections, regardless of volume
- Kinetica employee’s have worked 208,486 man-hours since September 1, 2013 start-up with NO accidents or injuries. Kinetica has a pristine safety record
- Kinetica offers 6 NGL extraction options:
  - Barracuda, Cameron Meadows, Grand Chenier, Gueydan and Lirette (Pelican, Plaquemines, Gibson), Inlet to Discovery (Larose), Venice, Toca (Via American Midstream)
- Kinetica offers multiple delivery market options:
  - Discovery, TETCO, Transco, High Point, UG-River Market, Columbia Gulf, Texas Gas, Florida Gas, NGPL and TGP
- Kinetica lives its values of Safety, Supply, Simplicity, Stability and Service
- Kinetica does not charge for fuel, company use, or LAUF
- Kinetica has added new outlet option to the River Market
Future for Kinetica
Future Plans for Kinetica 2015–2016

* Continued Safe and Reliable System Operation
* Complete Lirette Connection to LIG
* Customer Advisory Board
* Implementation of NGL Bank
* Potential Bridgeline Connection in Cameron Parish
* Deep Water Plan
* Growth Opportunities
* Facility Enhancements