Successful Flare Reduction: An Operator’s Perspective

John H. Shinn
Chevron
Goals Are Good...

• Assessment of current situation, desired objective an important feature of GGFR Global Standard
  – Need for better reporting protocols, methodologies to assess progress

• Objectives should allow for appropriate...
  – prioritization
    • e.g. size, proximity, production impact, capital cost
  – and flexibility
    • e.g. GGFR 10-year goal
Plans are better...

• Internal Process (Chevron)

External Process (GGFR)

Chevron Flaring & Venting Standard

Associated Gas Recovery Plan

GGFR Standard
Projects are critical.

Chevron commercial projects contributing to flare elimination.

- Nigeria
  - Escravos Gas Projects
  - Multiple phases
  - West Africa Gas Pipeline
  - Escravos Gas to Liquids
  - Facility Repairs
- Angola
  - Sanha Condensate
  - Takula
  - Angola LNG
- Kazakhstan
  - Tengiz Gas Utilization

Collaboration is key to project success.
Key Project Execution Challenges

- Government / Stakeholder approval hurdles
- Adequate project funding
- Security in areas of operation
- Regional manpower and materials availability
- Reliability of transportation infrastructure
- Internationally competitive fiscal terms
- Escalating costs
- Market access
- High cost/reliability of associated gas tie-ins
  - Competition with cheaper, more reliable gas resources
Key Roles for GGFR Phase III

- **Continue** emphasis on effective project planning and execution.
  - Expand from operator plans to national and regional plans based on project identification and execution.

- **Continue** focus on resolution of commercialization issues,

- **Develop** regional processes to help identify key barriers and facilitate project success.

- **Help** identify solutions beyond individual operator abilities.

- **Encourage** cooperative participation by all partners (operators and governments).

- **Utilize** World Bank’s expertise in convening key parties on difficult issues.
Thank You