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# Cutting the cost of flexible operation in competitive power markets

- Company Overview
- Use of PI (RtPM)
- RWE npower's Added Value Applications
- Start-up Analysis & Optimisation
- Development the journey continues!





## RWE npower's heritage

Pre-1990

Central

**Electricity** 

Generating

**Board** 

(CEGB)









Innogy became part of the RWE Group of Companies and was re-named RWE npower in August 2004.





# **RWE Group Structure**

RWE AG					
Electricity and Gas				Water	Systems
RWE Energy	RWE Trading	RWE Power	RWE npower	RWE Thames Water	RWE Systems
Regional Energy companies  Transmission Grids (Electricity Gas)  Solutions RWE Solutions	Electricity, gas & coal trading	Serv	Generation & Renewables of Consultancy & lices International Retail sales npower	Water & wastewater Thames Water  American Water  PRIDESA	





#### **RWE** npower

- Part of the RWE Group of Companies since May 2002
- Leading integrated UK energy company
- Core businesses are energy production, retailing, operations and engineering
- Own and operate a flexible portfolio of power stations, capable of generating around 10,000MW
- UK Market leaders in cogeneration and renewable energy production





# PI (RtPM) in RWE npower

- PI package chosen in 1990 to develop a new Operational Information System (OIS)
- Design and development of a generic OIS system during 1991
- Implementation at a pair of Power Stations, October to December 1991 followed by roll-out to remaining Stations 1992 / 3
- PI is a strategic product for the company i.e. a product to be implemented on all 'new builds' and 'acquisitions'
- At least 5 year's worth of data available on-line





# PI (RtPM) in RWE npower

- During 15 years we have implemented PI at 22 of our own sites
- Following plant closures and sales we now have 11
   PI systems including a corporate server
- 275 Client Licenses (Process Book & Datalink)
- Evaluating Rt Web Parts with Sharepoint
- First major upgrade carried out during 2003 / 4, upgraded from PI v2 on Microvax / VMS to PI v3 on Wintel





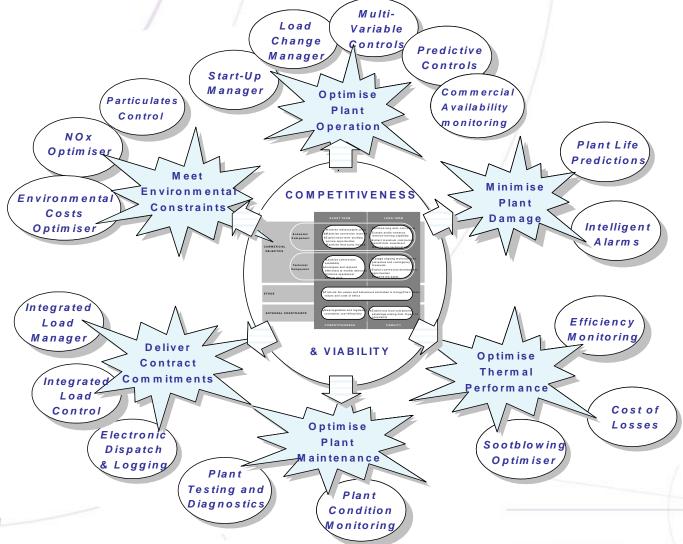
## **OIS Applications**

- PI is an enabling platform not a place to store data
- Strategy Train & empower staff, integrate disparate systems and invest in applications
- AVA suite aimed at cost reduction, revenue enhancement and process optimisation
- We have seen typical 'pay-back' times ranging from 9 months to 2 years





Continual assessment of asset condition and performance

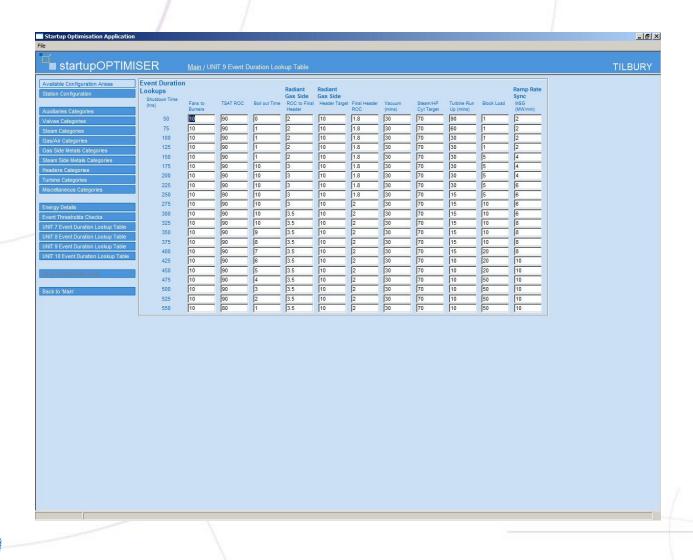


# Start-up Analysis / Optimisation

- New / more efficient plant enters the market
- Older / less efficient plant is forced to the margin
- Starting and stopping plant during high / low price periods provides an opportunity to extend the commercial life
- Competition can be fierce, reducing the start-up time and cost can make the difference between the plant running or not
- When operating outside original plant design, best practice must be defined and agreed to ensure safe, reliable and cost effective operation of plant

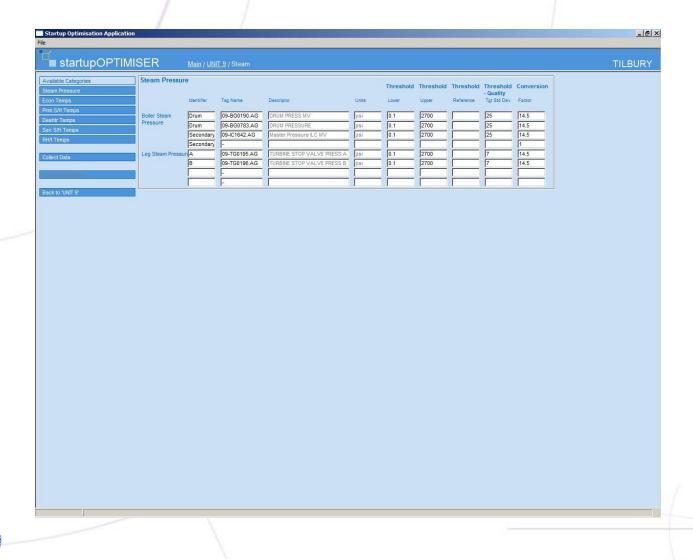


#### startOPTIMISER - Configuration



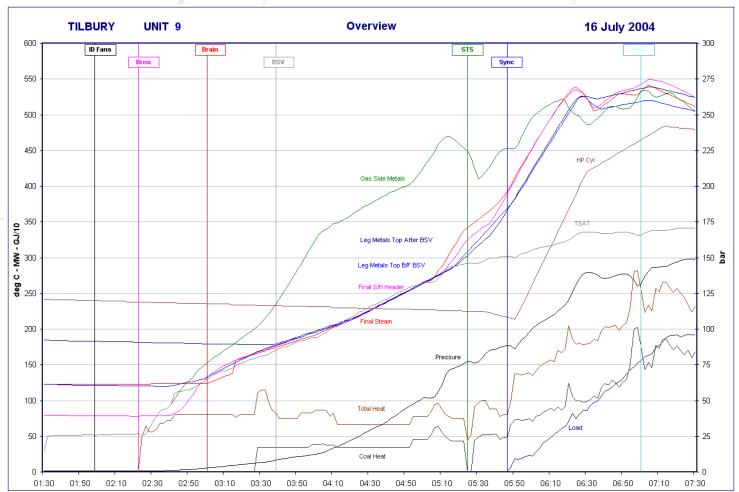


#### startOPTIMISER - Configuration



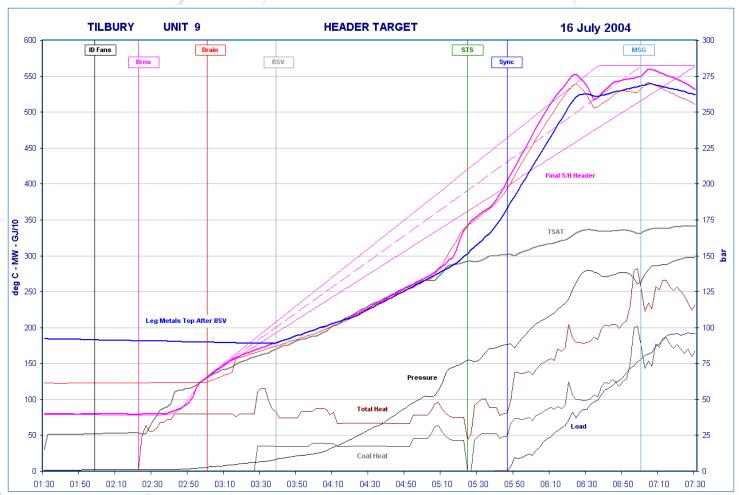


#### startOPTIMISER - Analysis



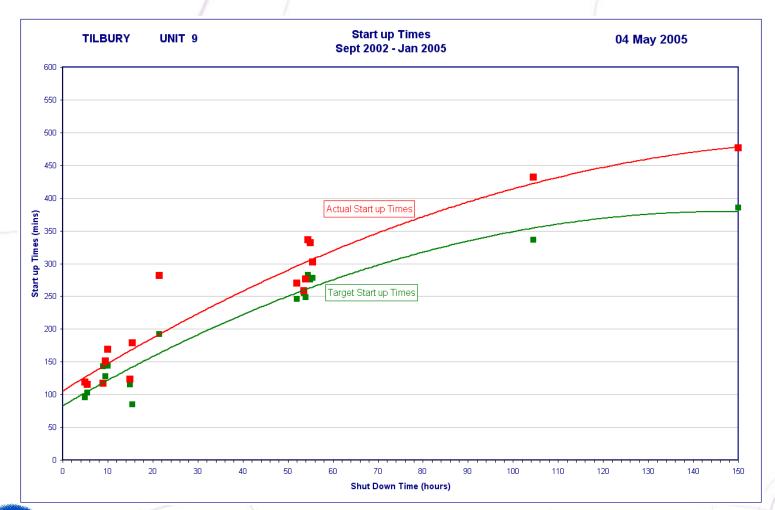


#### startOPTIMISER - Analysis





#### startOPTIMISER - Analysis



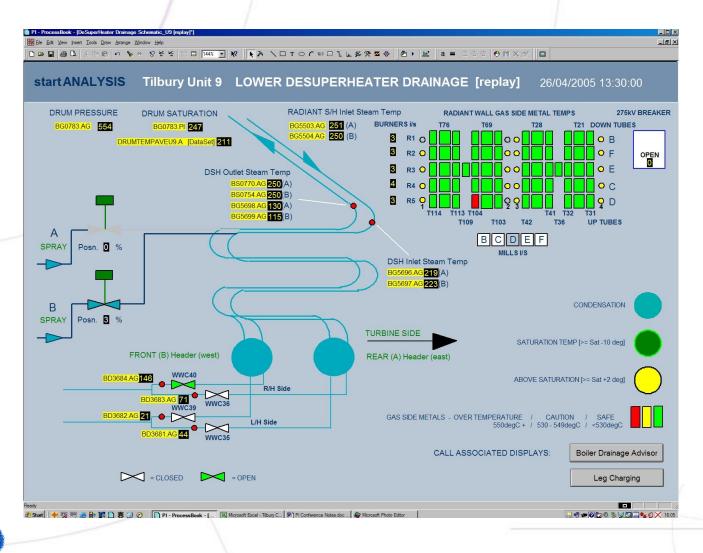


#### Start Analysis - problems

- Significant inconsistency in the operation of boiler drains
- Unusual plant design requires an increased level of understanding of boiler thermal dynamics to avoid plant damage
- Timing of pressurisation of main steam pipes is critical if plant damage is to be minimised / avoided
- Difficult to change deep rooted practices without tools to demonstrate bad habits
- Process Book displays provide guidance to reduce variation in start-up times and ensure the correct sequence of key activities



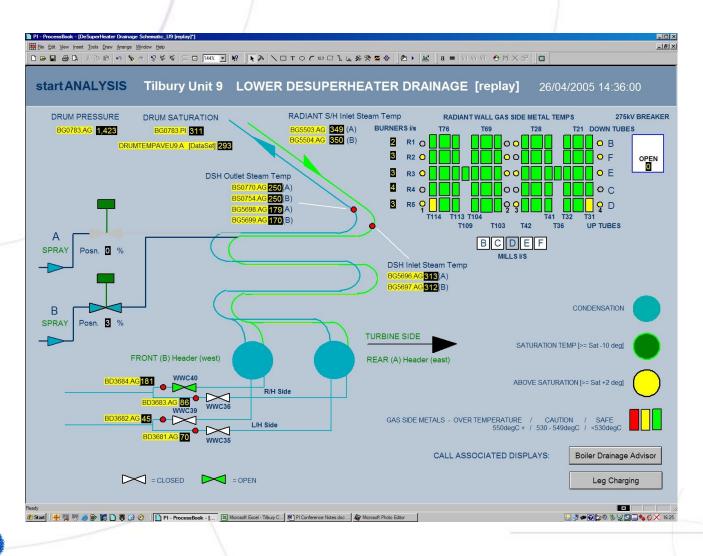






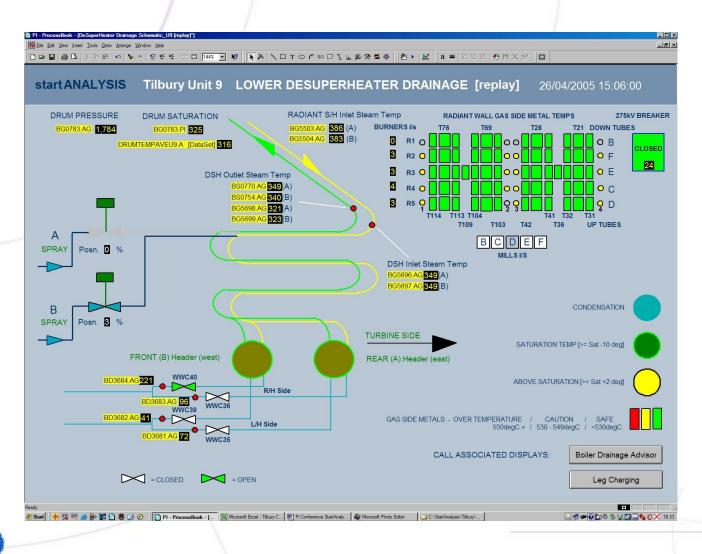


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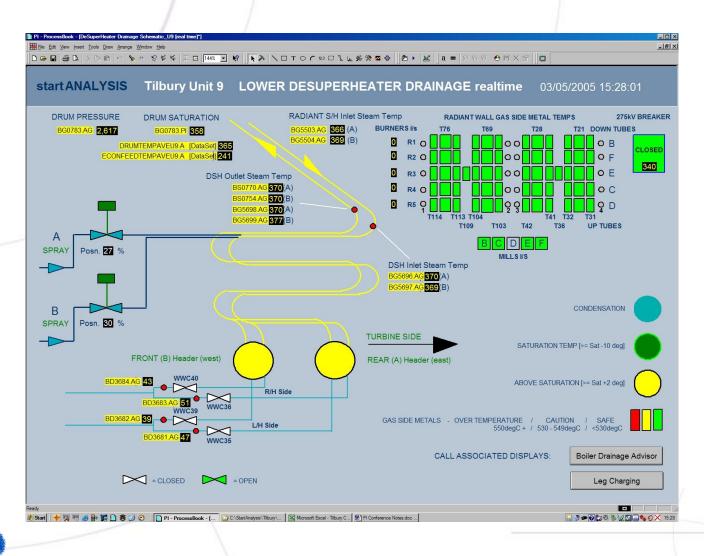
















# **Start Analysis - Benefits**

- Start-up costs have reduced by about 1/3rd
- Peak savings for one generating unit doing 250 starts per annum were 120,000 euro's in energy costs alone
- The UK market rules have changed, a typical coal fired unit is now doing around 50 starts per annum BUT now we do not get paid for start-ups, so keeping costs down is still a priority
- Following the introduction of Carbon trading, the start-up cost must also take into account the cost of CO<sub>2</sub>
- On a 600 MW oil fired unit in New York state, we reduced the 'cold' start-up time from the 16 hour design to 8 hours, making a significant saving in start-up costs and the unit more attractive to the market





#### **Development Continues.....**

- Change is a journey not a destination
- Markets change
- Legislation changes
- New Technology offers new opportunities
- As systems are upgraded and new systems introduced, integration remains our biggest exploitation opportunity







# Thank-you for listening

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