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It's RAD: Operating by priority using anomaly detection

Leveraging the AVEVA PI System for rapid anomaly detection (RAD) in a hybrid cloud architecture

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Agenda

- Ovintiv Overview
- Ovintiv PI System Overview
- Initial Challenge
- Evolution of Rapid Anomaly Detection
- Rapid Anomaly Detection in Depth
- Cost Savings
- Lessons Learned
- Future Plans
- Q&A



Ovintiv Overview



High quality balance multi-production and basin portfolio

- 573 production (MBOE/d)
- 5211 Total Net Productive Wells
- 48% Gas, 52% Liquids
- E&P Focused
- ~1700 employees across multiple geographic locations

▼ Premium Portfolio

- Each asset generates substantial Free Cash Flow^T
- · Provides risk mitigation against single basin headwinds

▼ Multi-Basin Advantage

- · Cross-basin learnings reinforce innovative culture
- · Operational best practices distributed across the portfolio

▼ Multi-Product Commodity Exposure

- · Balanced production across oil & condensate and gas
- · Maximized price realizations through market diversification

Production Mix Premium Inventory >10 years Oil & Condensate >20 years Natural Gas Opportunities Across the Portfolio

T Non-GAAP measures defined in advisories. For additional information regarding non-GAAP measures see the Company's website under the Investors tab. 1) Premium defined as >35% at \$55 WTI and \$2.75 NYMEX

AVEVA

Ovintiv PI System Journey



From a "historian" to an OT integration, applications and streaming analytics infrastructure

- 1997 initial PI System install
- 600,000 PI tag system
- 50 interfaces
- 200+ automated scheduled reports
- 100 PI AF templates
- ~50,000 elements
- ~1,000,000 PI AF analyses/streaming calculations and analytics
- High availability, PI Data Archive collective

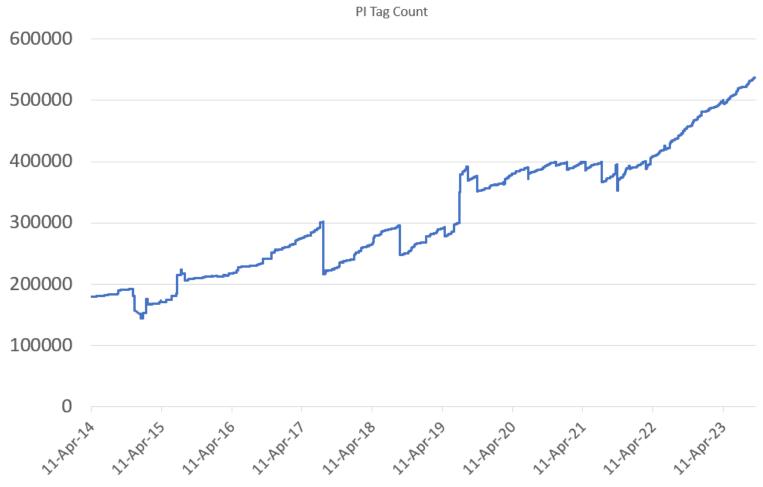




PI System Tag Growth Since 2014



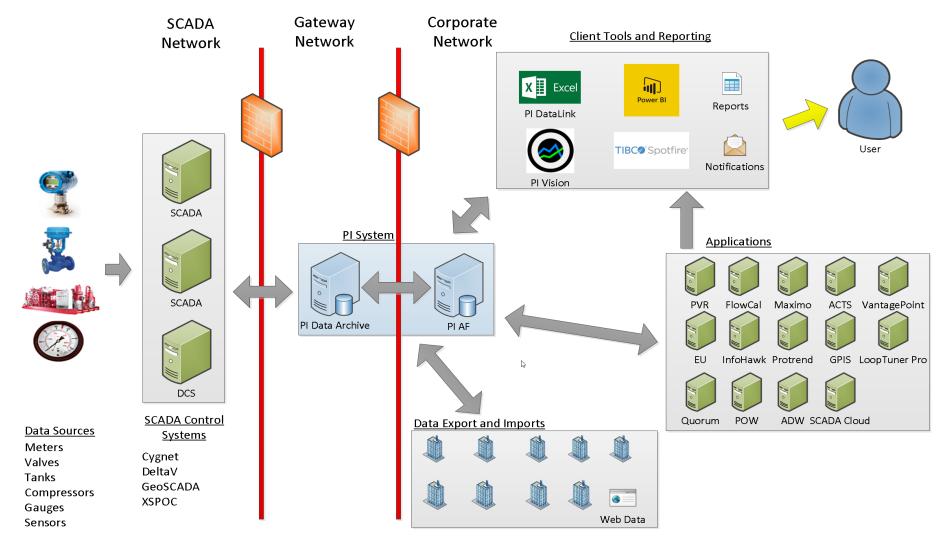
Enabling business value and a data centric decision-making culture





X Ovintiv[™]

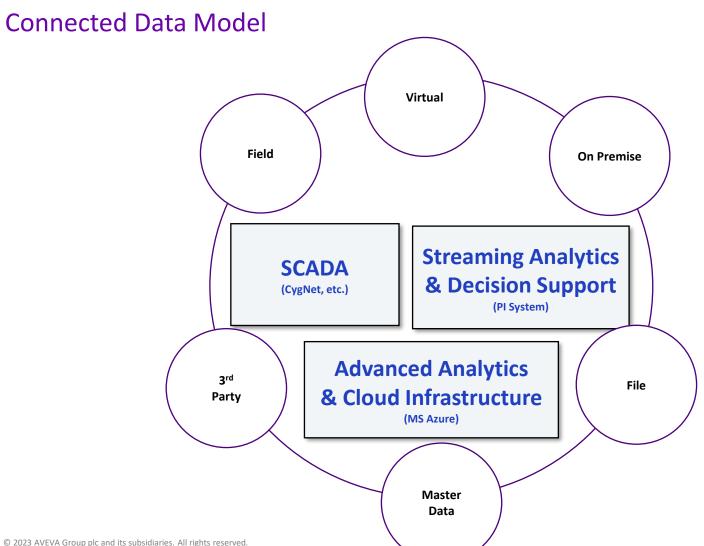
PI System Overview





Big Data Ecosystem





- Each has its own strengths and weaknesses
- Together they make up a near perfect solution
- Work as a cross functional team on how to deliver your data product
- Analytics implemented in "layers" with the PI System/PI AF being foundational





Rapid Anomaly Detection (RAD)



Initial Challenge



 Identify leaking tanks as quickly as possible to reduce spill volumes



Challenge

Idea

- Tank leaks are difficult to detect and can go unnoticed until a site visit by operations.
- Faster identification of possible leaks will reduce the volume of a spill.

Using PI AF Analytics, develop an algorithm to monitor the tank level and slow rate of decline outside the normal of a pump rate or truck haul to have suspected leaks identified quickly and use PI Notifications to alert operations of a potential leak.

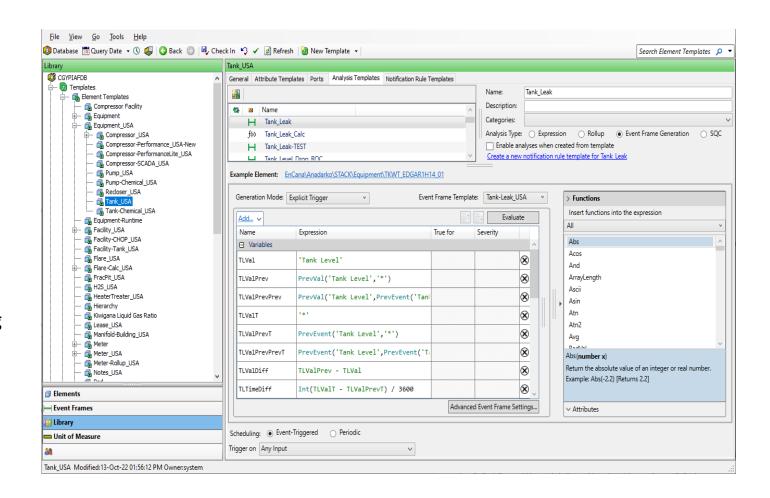


Tank Leak Early Identification



Solution

- Tanks were modeled in PI AF as an element template
- Algorithm required multiple iterations to become effective – leveraged powerful backfilling capabilities
- New template analysis to create event frames when a possible leak would occur
- Emails were sent using PI Notifications to USA Integrated Operations Center (IOC) identifying possible leaks
- IOC would review the data and notify operations to investigate
- Previous tank leaks were used to create and test algorithm



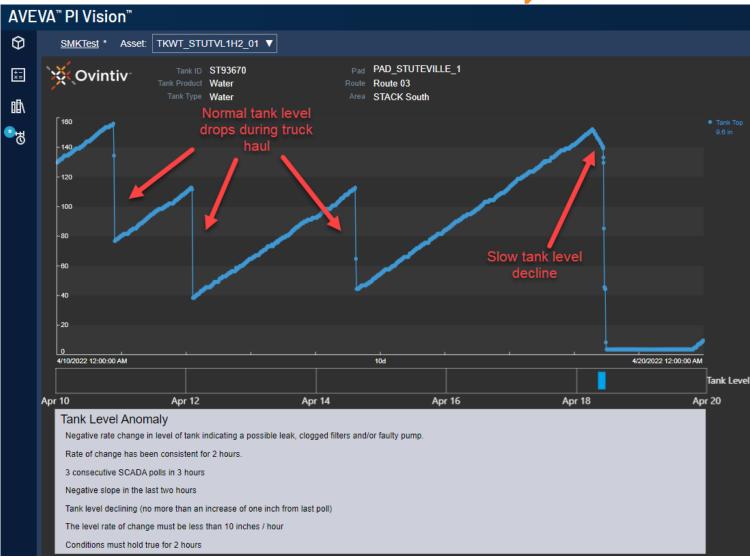


Tank Level Anomaly

Results

- Tank leaks were identified, and the IOC would notify operations
- Working to reduce false positivity rates as much as possible
- After a few weeks, the algorithm would not only identify tank leaks, but other process anomalies (plugged strainers, underpowered LACTs, leaking check valves, plugged filters, calibration issues, degraded pumps, etc.)
- Realization looking for tank leaks lead to early detection of process anomalies
- Questions started about 'What other anomalies can we identify before issues occur?"







Rapid Anomaly Detection Begins with Collaboration Ideation

- Multiple team collaboration to create process anomaly ideas and algorithms
- Anomalies would be identified for users, instead of users manually looking for them
- Multiple systems could generate anomalies
- Results to be displayed in a dashboard
- Trending data
- Have people, process and technology in place to rapidly develop anomaly algorithms
- Hybrid technology and "layers of analytics" approach using
 - Collaboration platforms (SharePoint)
 - ETL tools (Azure Data Factory)
 - AVEVA PI System
 - Data engineering (Databricks)
 - Cloud Databases (SQL Server, Synapse)
 - BI / dashboard tools (Power BI)









Team Collaboration

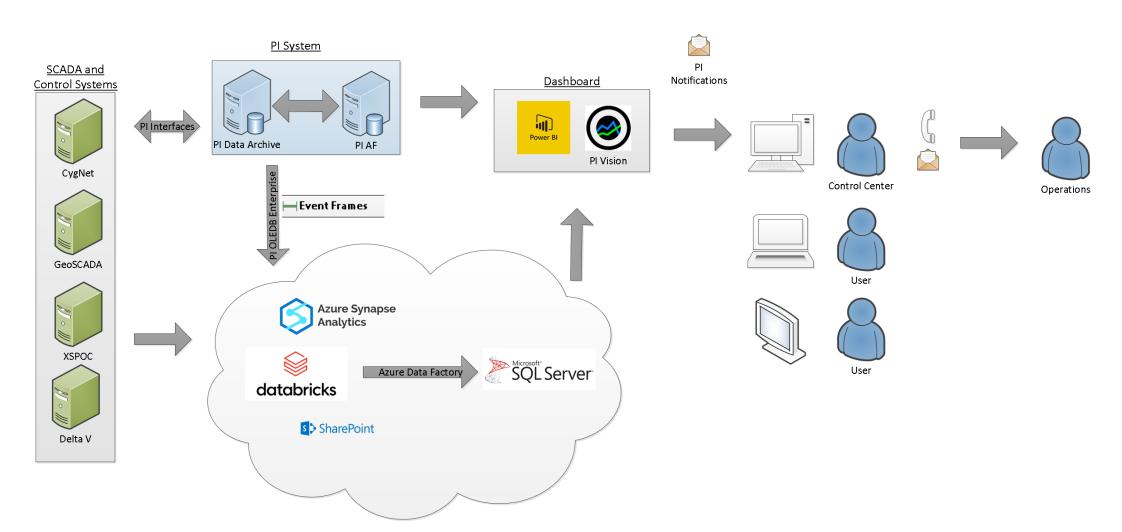


Optimization
Machine Learning
Automation and Measurement Production Operations Digital Data
Operations Data Projects Operations Control Center Production Engineering Field Operations sunLead



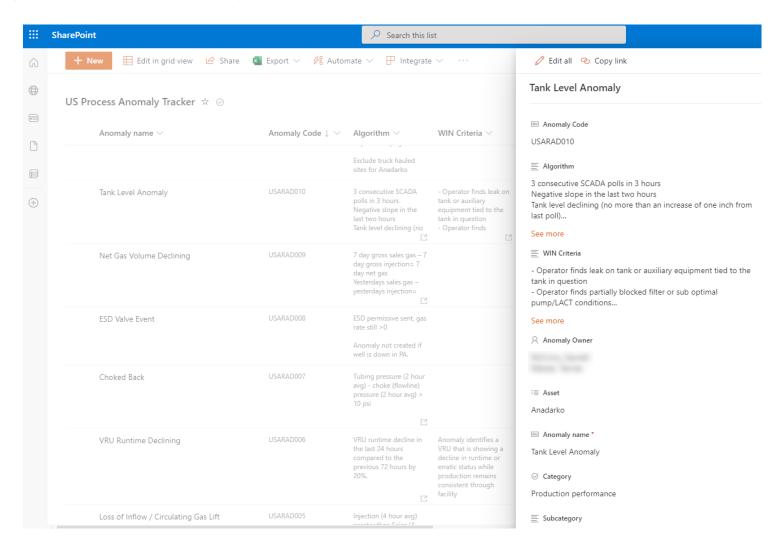
RAD Data and Process Flow





Defining an Anomaly

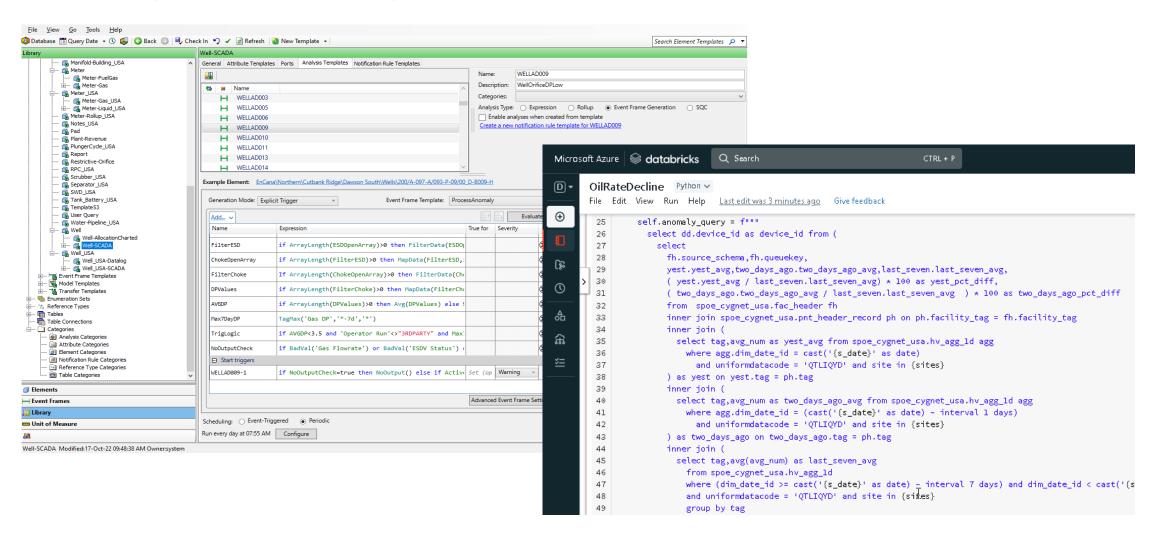






Building Anomaly Algorithms

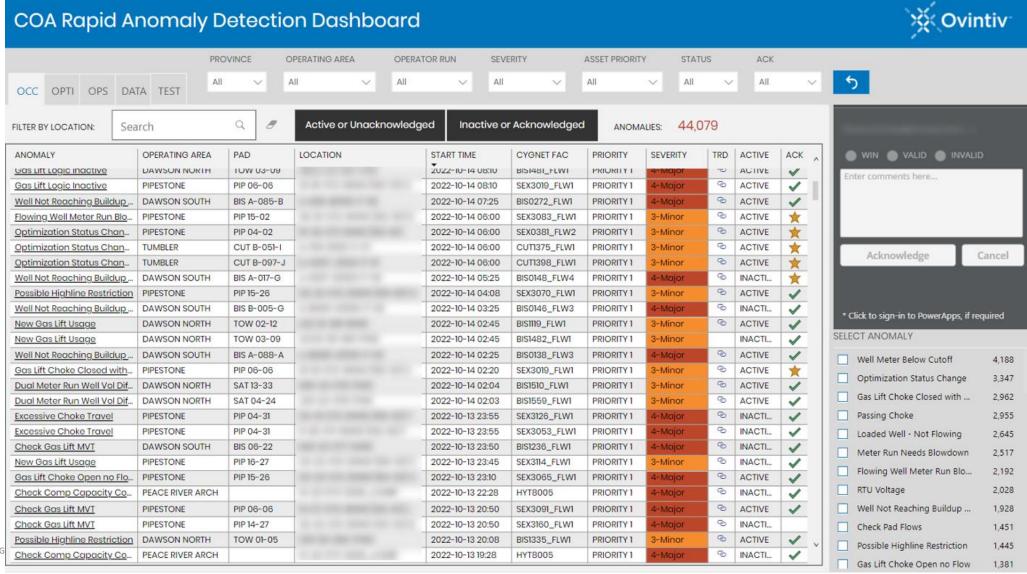






RAD Dashboard (Canada)

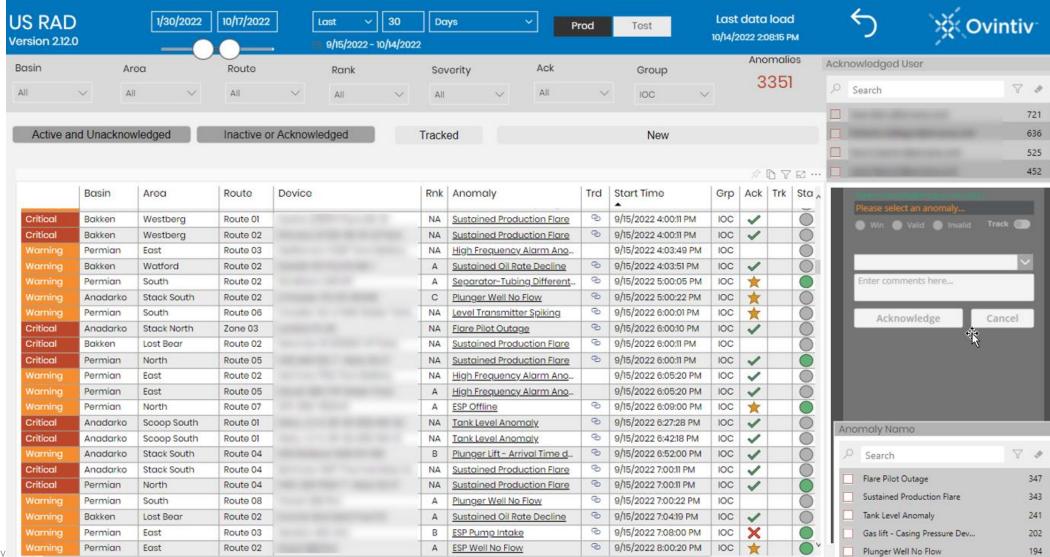




EVA



RAD Dashboard (USA)

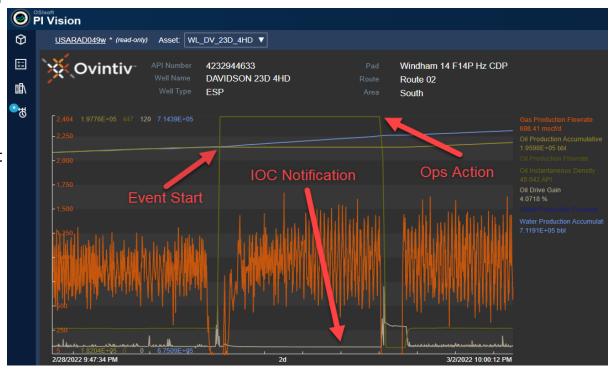


Separator Health

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Problem

- Anomaly targets upsets in our separation equipment to help avoid allocation issues and the additional cost associated with removing incorrect liquid phase from our dedicated tanks
- Cost associated with incorrect allocation can be recaptured through allocation correction and sundry approval but requires dedicated time from production accounting and engineering
 - Most commodity cost lost to outside third-party disposal companies is not recovered
- Cost associated with potential skimming, chem treatment (demulsification agent) and truck hauling listed below and will be what wins are associated with
- Cost estimate to recover upset volumes varied from ~ \$1.00-\$2.00/bbl.
- Previous time estimates for upset to be noticed varied between ~6 hours-3 days
- Average time to notify and resolve issue will be calculated at 6 hours



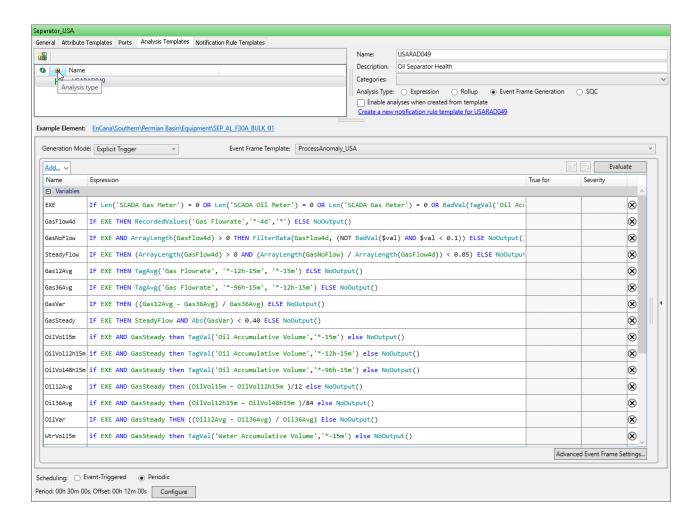


Separator Health Analytics

Algorithm logic

- 12 hours compared to previous 48 hours
- Gas rate is steady (40%)
- 20% increase in oil with 20% decrease in water OR
 20% increase in water with 20% decrease in oil
- Exclude test separators
- Gas flow rate must not be 0 for 95% of the polled values in the last 4 days
- No communication outages when using accumulators to calculate volumes/rate
- Sustained for more than 6 hours
- Running every 30 minutes on every separator asset







Anomaly List



180+ anomalies currently monitored in Canada and USA

10 Consecutive Missed Plunger Arrivals 15-30 PLH Inlet Velocity Monitor Acid Gas Comp Recycle Valve Passing Acid Gas Pump Output Reduction Amine Filter DP Not Increasing Arrival Sensor Failed

Building Heat Out Buyback Meter Failed ESD Casing Pressure Deviation Check Comp Capacity Controls

Check Gas Lift MVT Check Pad Flows

Check Plunger Sharepoint Info Check Stabilizer Setpoints Check Tubing or Casing Size Choke Flow LL Disable Possible

Choked Back Jet Pumps

Comp Valve Discharge Temp Deviation Compressor Lubricator Rate Change Compressor Oil Pressure Declining

Compressor Vibration Increasing - Long Term

Compressor Vibration Increasing - Short Term - Electric Drive Compressor Vibration Increasing - Short Term - Gas Drive

CSG FLW Well - Possible Tubing Install D-064-I/ C-042-G FG Step Change Decommissioned/Offline LACT

Dual Meter Choke Variance

Dual Meter Run Well Vol Diff High Elevated Tank Vapor Pressure

Enable Edge Sour Logic

Disable Edge Sour Logic

Engine Low Jacket Water Warning Engine Oil Pressure Declining

Engine Pyro Issues

Engine Vibration Increasing - Long Term

Engine Vibration Increasing - Short Term - Electric Drive Engine Vibration Increasing - Short Term - Gas Drive ESD Valve Fail To Close ESD Valve Fail To Open

ESP Drive Current ESP Frequency ESP Hz Increase

ESP Motor Current ESP Motor Temperature

ESP Offline ESP Pump Intake ESP Total Fluid

ESP Tubing Pressure Increase

ESP Well No Flow
Excessive Choke Travel
Exchanger Controls Check
Expected Flow Well Not Flowing

Failed ESD

Fast Plunger using Gas Lift Flare LP Mass Meter Rate Spike

Flare Pilot Outage Flow Setpoint Changed Flow with Choke or ESD Closed

Flowing Well Meter Blowdown Req'd - Non GL Wells Flowing Well Meter Run Blowdown Req'd - GL Wells

Frac Watch

GAPL Well Wrong Mode

Gas lift - Casing Pressure Deviation
Gas Lift Choke Closed with Flow - GL in Use
Gas Lift Choke Closed with Flow - GL Not in Use

Gas Lift Choke Open no Flow Gas Lift Inactive

Gas Lift Logic Enabled With No GL Mode

Gas Lift Logic Inactive Gas Lift MVT Overrange Gas lift not on bottom valve

Gas Lift Recycling

Gas Lift Well Over Injecting Gas Lift Wells Recycling Gas GL Differential Pressure Spiking GL Manual Override Enabled GL Meter Below Cutoff

GL Valve Actuator Failure GL Valve Rate Limited/Frozen GL Variable Flow Opportunity

H2S Content Increased

Heater Treater High Sustained Temperature High Density Potentially Not Setup High Frequency Alarm Anomaly High Rate Well Drawdown Monitoring

Hydrate Shutdown Wells Ifpexol Not Dumping

Incorrect ESD Reason Code - Flowing Well

Inlet Sep Hydrate Forming Jet lift Well No Flow

Jet Pump Power Fluid Rate Decline Left to Right Bank Manifold Compare

Level Transmitter Spiking
Level Transmitters COM Health
Loading Well - Csg Flow
Loading Well - GL Well
Loading Well - Tbg Flow
Louvres out of Range
Lower Pressure Override
Main Bearing Temp Deviation
Max Flow Setpoint Exceeded

Mechanical Auxiliary Issue
Meter Run Needs Blowdown - Cycle Flowing Well
Meter Run Needs Blowdown - Fully Flowing Wells

Negative DP- Check Meter or Blowdown Meter

New Gas Lift Usage No Derived Arrival

Optimization Enabled and Not Running Optimization Status Change - OCC Optimization Status Change - OPTI

Passing Choke

Pipeline SWD Underutilization
Plunger Details Need Review
Plunger High Average Velocity
Plunger Lift - Arrival Time deviation

Plunger MFSP High

Plunger Replacement Frequency Missing Plunger Stopped Freecycling

Plunger Wear

Plunger Well No Flow

Plunger Well without Max SD Enabled Possible Choke Wear MVT DP Possible Debris Catcher Plugged

Possible Frozen Well
Possible frozen Wellhead PT

Possible frozen Wellhead PT - High Possible Highline Restriction

Possible Packing Issue

Possible Under Performing Well
Potential Block Valve Voltage Issue

Pump Barrier Pressure Monitoring

Reset Plunger Mileage Restricted Orifice DP Change Review Plunger Max SD's RPC Well No Flow

RTU Voltage

SCADA Suite Plunger Mode Disabled SCADA Suite Plunger Mode Enabled

SCADASuite Froze Separator Health

Separator-Line Differential Pressure Separator-Tubing Differential Pressure

Setup OPTI SOR Comm Fail SOR to MR DP

Stabilizer Reboiler Below Setpoint Stabilizer Reboiler Fouling Sustained Gas Rate Decline Sustained Missed Plunger Arrivals Sustained Oil Rate Decline (DH) Sustained Production Flare

Sustained Production Flare Event Tank Level Anomaly

Tank Level Anomaly

Tank Level Anomaly (Uinta)
Tank Set Point Health

TGLS Comp Multi Variable Review

Tower Plant - Operating in Hydrate Region Update Artificial Lift Type- Blank Update Artificial Lift Type- GL On

Update Artificial Lift Type- Mismatch

Update CSG FLW to TBG FLW

Update GS FLW to FBG FLW
Update GL Design
Update Lift Detail
VRU Runtime Declining
Well H2S Detection Drifting Up

Well Left in Manual

Well LEL Detection Drifting Up

Well Loading, Casing Pressure Increasing

Well Meter Below Cutoff Well Near High Temp SD Well Near Low Temp SD Well Needs Local Reset

Well Not Flowing - Downhole Issue Well Not Reaching Buildup SP Well Not Reaching Buildup SP-CUT

Well O/P Change Required

Well Short Cycling

Well Status Update Req'd Well Stuck In Buildup

Well Throttling Well Waxing Off



Cost Savings

2023 YTD (end of September)

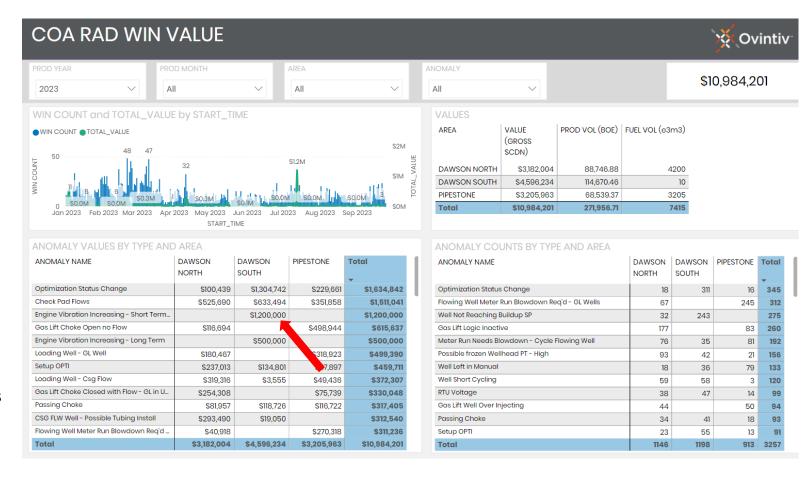
Canada & USA - millions

- Production increase
- Production loss avoided
- Gas lift saved
- People hours saved
- Reduced equipment failures and replacement
- Reduced spill volumes
- Static dollar value

Notes:

- Cost savings are estimated
- Challenges in estimating true costs
 - Anomalies might be caught manually processes in a slower amount of time
 - True impact may vary if left unaddressed

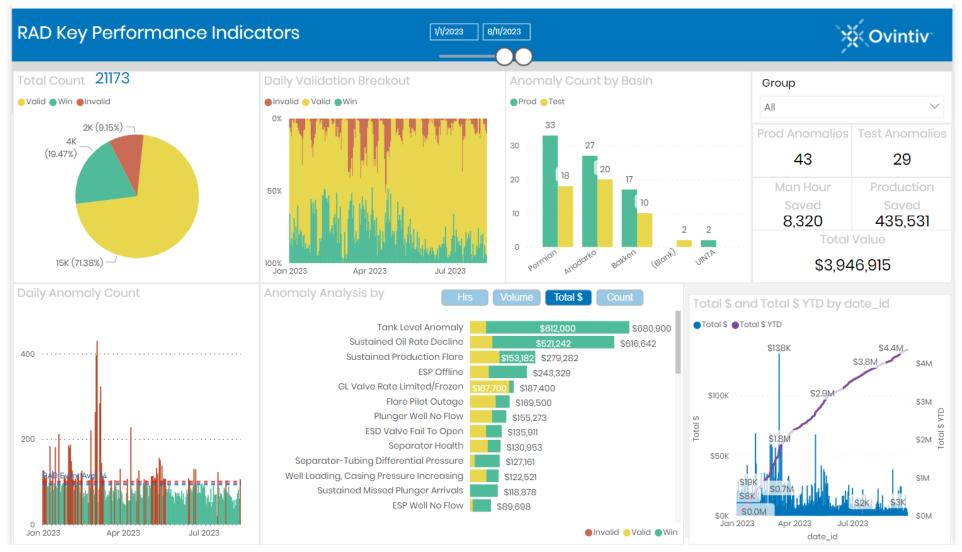














RAD Lessons Learned



Learning from our experience

- Tuning and refinement is biggest key to developing a successful anomaly
 - o Too many anomalies or false positives can lead to missing actual events
- Drive accountability to a small subset of individuals to take ownership of certain anomalies to see the tuning process all the way through
- Define metrics of what is acceptable for users for daily anomaly counts
- Implement a feedback loop to assist tuning of anomalies
- Strong collaboration with a cross-functional team
- Start small with a few anomalies to establish process and procedures
 - Too many anomalies at once can be overwhelming for end users
- Focus on the target user group requirements



Future Plans



The journey continues...

- Continual addition of new anomalies and refinement of current anomalies
- Tying in more data sources to create anomalies
- Phase out anomalies where operational effectiveness eliminated the original anomaly (ie. process improvements)
- Expand to different user groups
 - Production engineering for surveillance and workflow efficiency
- Anomaly suppression
- Further integration of machine learning anomalies





"Rapid Anomaly Detection has allowed Ovintiv's operations teams to expedite our digital transformation.

Utilizing the AVEVA PI System, we leverage multivariable event confirmation in real time eliminating the need for our team to 'hunt' these opportunities. This in turn allows us to focus on the right opportunities as they emerge reducing overall negative operational impact which drives value directly to the bottom line!"

-Tanner Messer (former) Ovintiv Manager, Integrated Operations Center





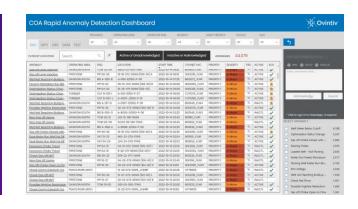


Enabling Rapid Anomaly Detection with Layers of Analytics

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-Tanner Messer (Ovintiv) Manager, Integrated Operations Center



Challenge

- Reactive to operational issues
- Significant lost opportunity costs
- Wasted time looking for information and trying to determine causality
- Challenges in establishing a collaborative environment

Solution

- Leveraged the PI System and PI AF to provide streaming anomaly detection
- Used a multi-technology approach across a hybrid cloud with "layers of analytics"
- Focused on developing a collaborative culture in defining anomalies and approaches
- Evolved and created a "learning" algorithm to refine RAD and minimize false detection
- Facilitated empowering and enabling the SMEs to continue to develop and evolve RAD

Benefits

- Moved from a reactive to a proactive, exception-based culture
- Increased the time to focus, identify and capture higher value opportunities
- YTD savings
 - millions in Canadian & USA operations







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Questions?

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