OCTOBER 25, 2023

AVEVA[™] Process Simulation performance of Shell C3-MR LNG plant model

Raghuraman Pitchumani

Senior LNG & Cryogenics Process Engineer



© 2023 AVEVA Group plc and its subsidiaries. All rights reserved.



AVEVA[™] Process Simulation performance of Shell C3-MR LNG plant model

2

¹Raghuraman Pitchumani, Sr. LNG & Cryogenics Process Engineer, LNG & Cryogenics Department
 ²Tirumala Benkali Rao, Process Engineer GWC, Surface Engineer Technology
 ²Asit Mardikar, Manager Process Modelling, Surface Engineer Technology

¹Shell International Exploration and Production, Houston, USA ²Shell India Markets Pvt. Ltd., Bangalore, India

Definitions & cautionary note

The companies in which Shell plc directly and indirectly owns investments are separate legal entities. In this presentation "Shell", "Shell Group" and "Group" are sometimes used for convenience where references are made to Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to Shell plc and its subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this **presentation** refer to entities over which Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations", respectively. "Joint ventures" and "joint operations" are collectively referred to as "joint arrangements". Entities over which Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

Forward-Looking Statements

This presentation contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) concerning the financial condition, results of operations and businesses of Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management's current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Shell to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "milestones", "objectives", "outlook", "probably", "project", "risks", "schedule", "seek", "should", "target", "will" and similar terms and phrases. There are a number of factors that could affect the future operations of Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell's products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (i) legislative, judicial, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (I) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; (m) risks associated with the impact of pandemics, such as the COVID-19 (coronavirus) outbreak; and (n) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Shell plc's Form 20-F for the year ended December 31, 2022 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly audify all forward-looking statements contained in this presentation and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, 25-October-2023, Neither Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation.

Shell's net carbon intensity

Also, in this **presentation** we may refer to Shell's "Net Carbon Intensity", which includes Shell's carbon emissions from the production of our energy products, our suppliers' carbon emissions in supplying energy for that production and our customers' carbon emissions associated with their use of the energy products we sell. Shell only controls its own emissions. The use of the term Shell's "Net Carbon Intensity" is for convenience only and not intended to suggest these emissions are those of Shell plc or its subsidiaries.

Shell's net-Zero Emissions Target

Shell's operating plan, outlook and budgets are forecasted for a ten-year period and are updated every year. They reflect the current economic environment and what we can reasonably expect to see over the next ten years. Accordingly, they reflect our Scope 1, Scope 2 and Net Carbon Intensity (NCI) targets over the next ten years. However, Shell's operating plans cannot reflect our 2050 net-zero emissions target and 2035 NCI target, as these targets are currently outside our planning period. In the future, as society moves towards net-zero emissions, we expect Shell's operating plans to reflect this movement. However, if society is not net zero in 2050, as of today, there would be significant risk that Shell may not meet this target.

Forward Looking Non-GAAP measures

This **presentation** may contain certain forward-looking non-GAAP measures such as **cash capital expenditure** and **divestments**. We are unable to provide a reconciliation of these forward-looking Non-GAAP measures to the most comparable GAAP financial measures is dependent on future events some of which are outside the control of Shell, such as oil and gas prices, interest rates and exchange rates. Moreover, estimating such GAAP measures with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. Non-GAAP measures in respect of future periods which cannot be reconciled to the most comparable GAAP financial measure are calculated in a manner which is consistent with the accounting policies applied in Shell plc's consolidated financial statements.

The contents of websites referred to in this presentation do not form part of this presentation.

We may have used certain terms, such as resources, in this **presentation** that the United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. Investors are urged to consider closely the disclosure in our form 20-F, file No 1-32575, available on the SEC website www.sec.gov.

Contents

Торіс	Slide Nr.
Introduction: Background, Why APS	4-5
Shell C3-MR LNG Process Flow Scheme	6
Simulation Model Scope	7
Component Slate & Thermodynamics' settings	8
 Evaluation Results Refrigerant Loops: Propane, Mixed Refrigerant (MR) Column modelling Sensitivity study MR Loop Optimization 	9-11 12-13 14 15
Conclusions & Future Work	16

Introduction: Background

LNG & Cryogenics CoE (Centre of Expertise) is sponsoring a study to assess AVEVA Process Simulation(APS) as a future-proof simulation platform for the Shell Integrated Gas (IG) business needs:

- For process modelling and optimization needs; to support design, asset support, and technology development of the IG business.
- Capable of integration with Digital engineering workflows and within the Digital Twin ecosystem.

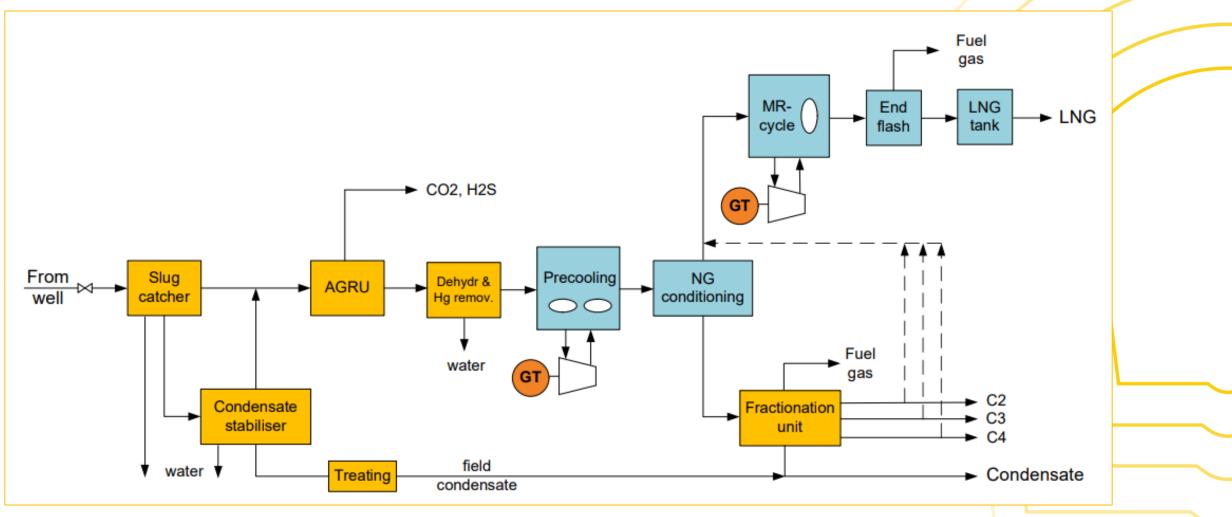
For this purpose, a detailed simulation model for a Shell C3-MR LNG plant was built in APS. The following capabilities were evaluated:

- Modelling of an Shell C3-MR LNG plant model and "closing" the precool and MR refrigerant loops
- Model Convergence, performance
- Sensitivity analysis: running scenarios with the model
- o Design Optimization

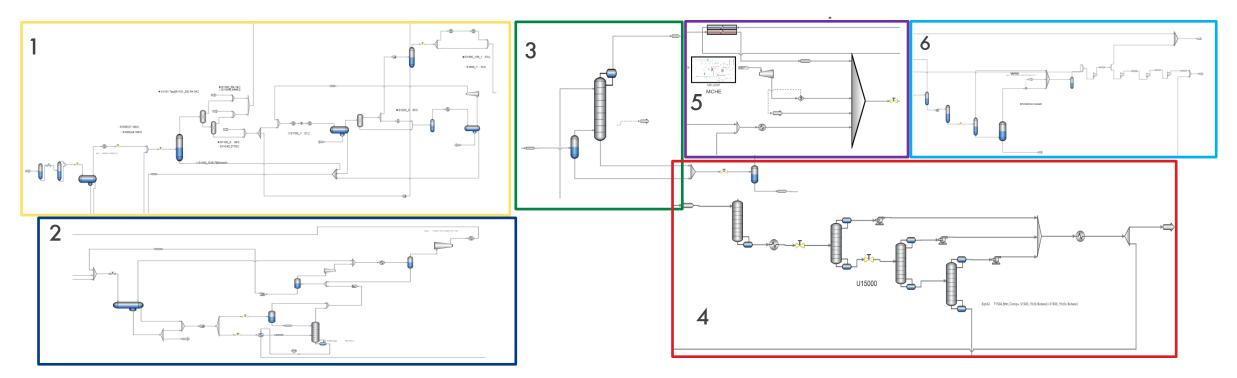
Introduction: Why APS ?

- Next generation open-equation based platform that has the capability to combine steady-state, dynamics, and hydraulics into one simulator.
- Enables faster convergence of complex simulation models with multiple closed process loops/recycles, inherent in LNG process schemes.
- Potential to do design/operation optimization and what-if studies with features like PI Integration and real-time system (RTS).
- Integration with AVEVA Engineering for integrated digital workflows: design, simulation, training, and operations. Build an integrated digital twin for your entire plant lifecycle and use the same process model throughout every engineering phase.

Shell C3-MR LNG Process Flow Scheme



Simulation Process Scope



- 1: Feed gas receiving facilities
- 2: Stabilization Section
- 3: Scrub Column
- 4: Condensate Units

- 5: MR (Mixed Refrigerant) Loop
- o 5: C3 (Propane) Loop
- 6:LNG/Fuel gas production unit

Component Slate and Thermodynamics

Thermodynamic Model Settings

- Phase behaviour, Entropy: SRK Equation of State (EOS)
- Liquid density: COSTALD
- Enthalpy: Lee-Kesler

Pure Component Properties

• Component slate created using APS standard library based on legacy model.

BIP: Binary Interaction Parameters

• Shell CPA (Cubic Plus Association) EOS BIP's in legacy model used as SRK BIPs in APS.

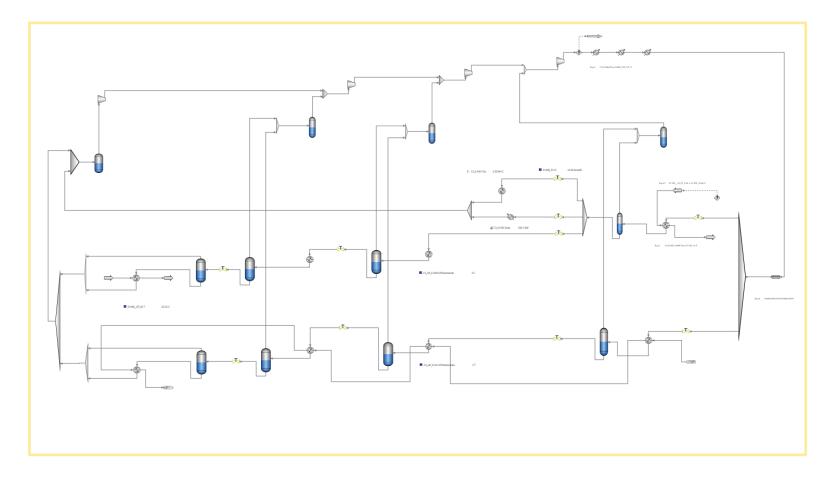
Note: CPA EOS reduces (no association term) to SRK EOS in absence of associating/polar molecules.

	✓ General	
	Fluid Type	LNG
	Library	C3MF
		LNG
	Description	
$\left \right $	Thermo Type	Com
1	🗌 Hide in N	/lodel L
	> Methods	
	 Transport M 	
	✓ Component	List
	Name	7
	H20	~
	Nitrogen	1
	CO2	1
	Methane	1
	Ethane	1
	Propane	1
	i-Butane	1
	n-Butane	1
	i-Pentane	1
	n-Pentane	V
	C6_1	V
	Benzene	1
	Toluene	V
	E-Benzene	V
	m-Xylene	1
	O-Xylene	V
	124MBENZ	V
	C7_1	\checkmark
	C8_1	\checkmark
	C9 1	V
		 > Methods > Methods > Methods > Starting Value > Transport M > Component H20 Nitrogen CO2 Methane Fanae n-Butane i-Butane i-Butane Ge_1 Benzene Toluene 124MBENI C7_1 C8_1

✓ General							
Fluid Type	LNG						
Library		rese Mede	_17052023 - Hea	t late wate d			
Library	LNG Fluid	-	_17032025 - Hea	at integrated			
Description	LING FILIU	Package					
Thermo Type	Compositi	onal	•				
Hide in M	odel Library	based on F	ole				
> Methods							
 Method Data 							
 Starting Valu 							
 Transport Mit Component I 					d= +=	4= GE -	L III
 Component t 	JSC	_	_		CE T-	= 0= .	T
Name	🔽 Stat	tus Type	Full Name	Bank	NBP (K)	SG60F	N
H20		Library	Water	System:SIMSCI			
Nitrogen	V	Library	Nitrogen	System:SIMSCI			
CO2	V	Library	Carbon Dioxide	System:SIMSCI			
Methane	V	Library	Methane	System:SIMSCI			
Ethane	V	Library	Ethane	System:SIMSCI			
Propane		Library	Propane	System:SIMSCI			
i-Butane	V	Library	lsobutane	System:SIMSCI			
n-Butane		Library	n-Butane	System:SIMSCI			
i-Pentane		Library	lsopentane	System:SIMSCI			
n-Pentane	V	Library	n-Pentane	System:SIMSCI			
C6_1	V	Library	C6_1	CPA_Test:CPA_PURE			
Benzene	V	Library	Benzene	System:SIMSCI			
Toluene	V	Library	Toluene	System:SIMSCI			
E-Benzene	V	Library	Ethylbenzene	System:SIMSCI			
m-Xylene	V	Library	m-Xylene	System:SIMSCI			
O-Xylene		Library	o-Xylene	System:SIMSCI			
124MBENZ		Library	1,2,4-Trimethylb	enzene System:SIMSCI			
C7_1	V	Library	C7_1	CPA_Test:CPA_PURE			
C8_1	V	Library	C8_1	CPA_Test:CPA_PURE			
C9 1		Library	C9 1	CPA Test:CPA PURE			v
C9 1			C9 1	CPA Test:CPA PURE			▶

C3 Loop: Propane Condensing Duty

• This model section simulates multi-stage compression, de-superheating and condensing of Propane, integrated with MR Loop and NG process side (through C3-MR and C3-NG kettles)

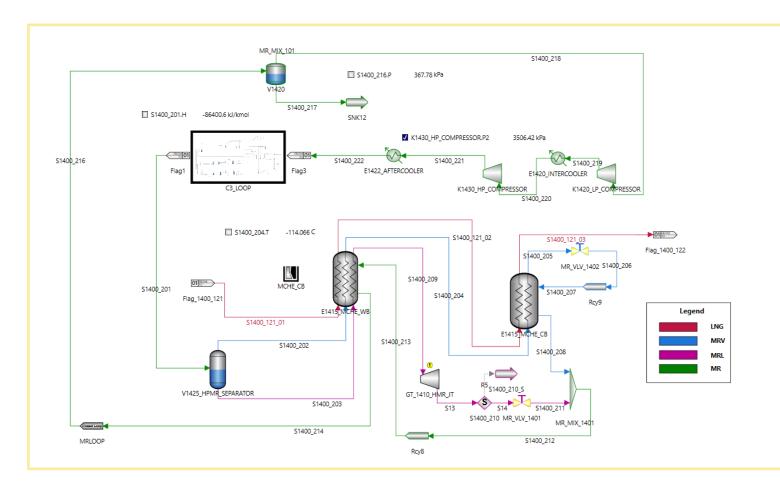


APS vs Reference Model Deviations

СЗ Loop	% Rel. Dev. {APS-Reference}	
HHP compressor exit		
Pressure, bar	-0.01%	
Temperature, °C	0.02%	
Flow rate, kg/h	-0.52%	
Desuperheater		
Duty, MW	-0.99%	
Tin, °C	0.02%	
Tout, °C	0.05%	
Pin, kPa	-0.01%	
dP, kPa {Spec}	0.00%	
Condenser		
Duty, MW	-0.66%	
Tin, °C	0.05%	
Tout, °C	0.06%	
Pin, kPa	-0.01%	
dP, kPa {Spec}	0.00%	

Mixed refrigerant (MR) loop cooling cycle

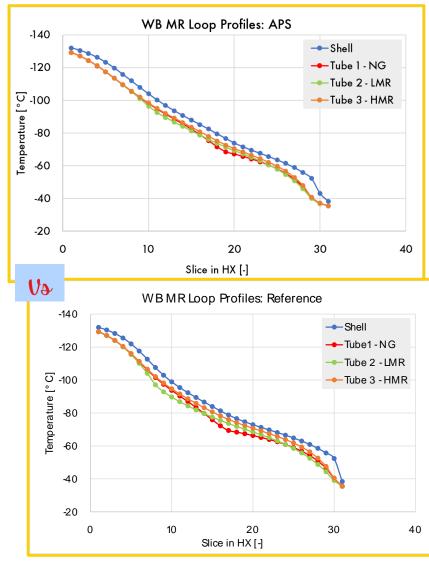
• The cooling cycle with a combined warm & cold bundle of MCHE is modelled and integrated with C3 Loop and Process.

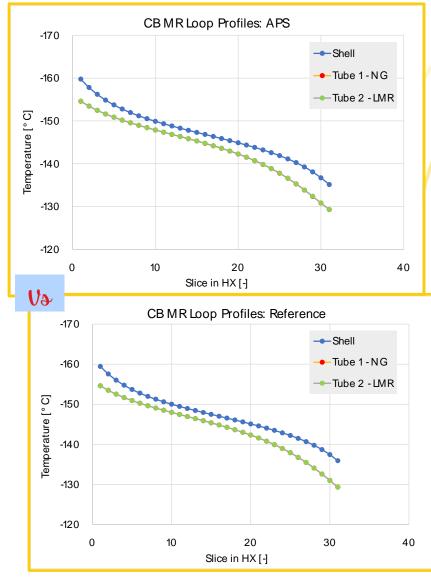


APS vs Reference Model Deviations

MR Loop	% Rel. Dev. {APS-Reference}	
MR Flash Drum		
LMR Flow, kg/hr	5.18%	
HMR Flow, kg/hr	2.01%	
Warm bundle @ -129.28 °C		
Shell		
Tout, °C	0.52%	
Duty, MW	0.25%	
Tube 1 - NG		
Duty, MW	0.19%	
Tube 2 - LMR		
Duty, MW	4.80%	
Tube 3 - HMR		
Duty, MW	4.27%	
Cold bundle @ -154.6 °C		
Shell		
Tout, °C	0.56%	
Duty, MW	0.73%	
Tube 1 - NG		
Duty, MW	0.54%	
Tube 2 - LMR		
Duty, MW	3.59%	

MR Loop MCHE Heating (Shell), Cooling (Tube) curves



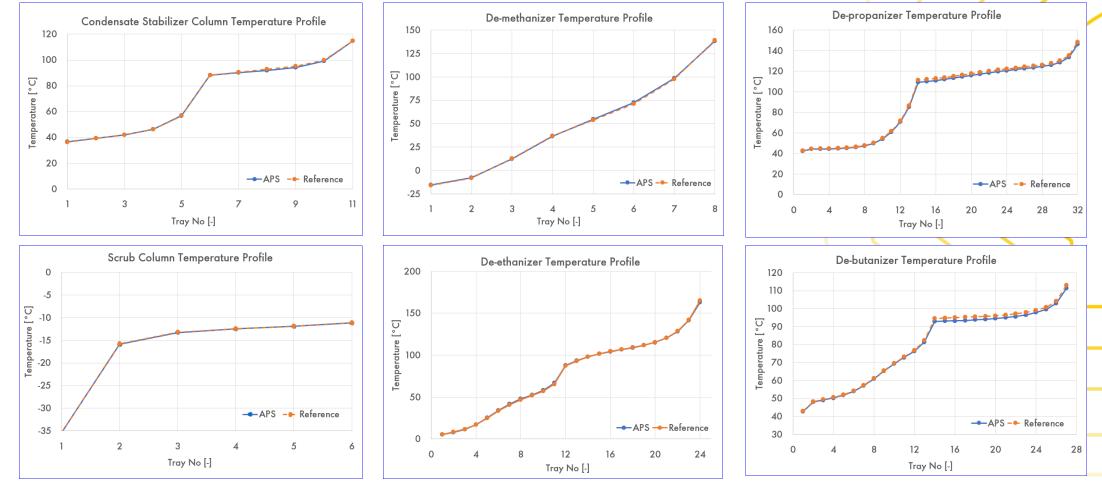


 The heating / cooling curves of the warm bundle (WB) & cold bundle (CB) generated by APS match well with the reference model.

Column Results: Overview of Temperature Profiles

• Profiles: Temperature [shown here], match well for APS against the reference model.

• Other profiles [not shown here] such as Pressure, Column loading, Condenser duty and Reboiler duty also match well.



Copyright of Shell International B.V.

Column Results: Comparison (APS vs Reference) Overview

- Most relative deviations are low (< 2.5%).
- Higher deviations such as duty condenser can be attributed to different thermodynamic methods (Ref: CPA/LKP/SMIRK) and (APS: SRK-COSTALD) and platform flash.

	Relative Deviations{APS-REF} [%]					
Deversetore	Scrub Column	Demethaniser	Deethaniser	Depropaniser	Debutaniser	
Parameters	Rel Dev%	Dev%	Dev%	Dev%	Dev%	
Feed Rate	2.3%	0.7%	1.1%	1.0%	1.3%	
Duty Reboiler	N/A	3.1%	2.3%	1.3%	0.1%	
Duty Condenser	0.8%	NA	5.4%	0.9%	1.1%	
Reflux Rate	6.8%	NA	6.6%	1.0%	0.5%	
Bottom Product Rate	0.0%	1.1%	1.0%	1.3%	2.3%	
Top Product Rate	0.0%	4.2%	1.1%	1.4%	4.5%	
Top Product Composition						
MW	0.0%	0.3%	0.1%	0.0%	0.0%	
C1, mol%	0.0%	0.2%	1.3%	0.0%	0.0%	
C2, mol%	0.0%	1.3%	0.2%	0.0%	0.7%	
C3, mol%	0.1%	2.1%	0.0%	0.0%	2.3%	
i-C4, mol%	0.5%	3.2%	2.5%	0.1%	1.3%	
n-C4, mol%	0.5%	3.8%	3.6%	1.7%	0.8%	
i-C5, mol%	3.3%	6.7%	2.1%	5.9%	0.2%	
n-C5, mol%	6.6%	5.8%	0.4%	9.0%	3.2%	
Bottom Product Composition						
MW	2.0%	1.2%	1.4%	1.4%	1.4%	
C1, mol%	3.8%	1.0%	0.0%	0.0%	0.0%	
C2, mol%	1.2%	1.4%	1.1%	3.5%	1.3%	
C3, mol%	0.8%	1.2%	1.1%	0.0%	1.5%	
i-C4, mol%	0.4%	2.3%	2.2%	2.4%	3.3%	
n-C4, mol%	1.0%	4.0%	3.9%	4.1%	0.8%	
i-C5, mol%	0.2%	4.1%	4.0%	4.2%	2.1%	
n-C5, mol%	2.0%	3.2%	3.1%	3.2%	1.8%	

Sensitivity study

- For better understanding of model convergence and robustness of APS, selected input variables
 - NG Feed rate, temperature and Pressure
 - MR (Mixed Refrigerant) Composition were adjusted as given in Table
- Observation: The APS model converged faster.

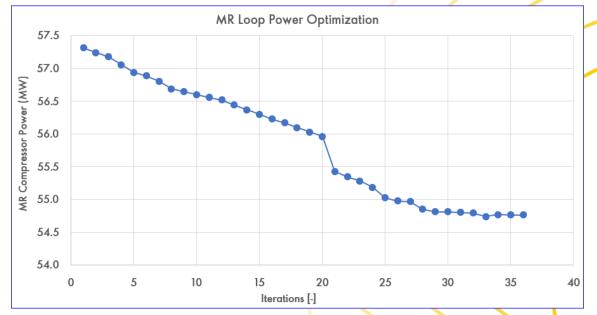
Adjusted Parameter	%Change	Convergen Reference	ice Time APS
	0.1	~2 min	~3 s
NG Feed Rate	0.5	~4 min	~3 s
NO reed Kate	1	~5 min	~5 s
	3	~15 min	~8 s
	0.1	~1.12 min	~4 s
NG Food Tomm	0.5	~2.32 min	~4 s
NG Feed Temp	1	~3.05 min	~4 s
	3	~7.0 min	~5 s
	0.1	~36 s	~4 s
NG Feed Pressure	0.5	~36 s	~4 s
NG reed Pressure	1	~50 s	~4 s
	3	~50 s	~4 s
MR Composition	C1 +/-2	~30 s	~20 s
	C2 +/-1	~20 s	~10 s
	N2 +/-1	~10 s	~4 s

MR (Mixed Refrigerant) Loop Optimization

- Aim of the study is to assess APS capability for process optimization.
- Objective Function: Minimize total compressor power with MR loop composition as optimization handles.

Results

- APS optimizer optimized the MR loop composition to minimize the compressor power.
- Optimizer achieved the solution in 37 iterations within 2 minutes.
- Optimum composition (Delta shown here) resulted in 4.6% reduction in power as compared to reference case, as shown in Table



1					
Optimizing Variable	Unit	Optimization Setting	Low Bound	High Bound	Delta {APS-Ref}
MR Composition:Nitrogen	Mol Frac	Dependent	0	0.1	0.01
MR Composition:Methane	Mol Frac	Independent	0	0.5	-0.01
MR Composition:Ethane	Mol Frac	Independent	0	0.5	-0.04
MR Composition:Propane	Mol Frac	Independent	0	0.2	0.03
MR flow	kmol/h	Dependent			-1626.22
LMR/HMR Ratio	Frac	Dependent			0.03
Compressor Power	MW	Objective Function	52	58	-2.6

Conclusions & Future Work

- APS evaluation of the Shell C3/MR LNG model was positive in terms of performance and functionality.
- Next phase assessment: integration of Shell thermodynamic methods in APS and carry out similar studies.
 - Separate Shell-AVEVA R&D project to integrate Shell Thermodynamic package (SPPTS) with APS, commenced in September 2023.
 - Outcome of study would be further reviewed by LNG & Cryogenics CoE TA-2, TA-1 (technical authorities) for steer.

Other APS Features

- Capability to integrate with PI Server and provide PI Data filtering, as well as read and write access to PI system.
- Real time sequence (RTS) console capabilities for Real Time Optimization (RTO), offline and online studies.
- Convert design to rating model: match model to plant data.
- Currently limited number of Shell users have hands-on experience in APS or even EO modelling.
 - A face to face APS course arranged in Shell WoodCreek Center, Houston to increase interest, familiarity with features of new release: v2023.2.
- This study lays foundation for APS as future platform for LNG dynamic model-Digital Twin integration applications. [Separate Shell-AVEVA PoT (Proof of Technology) commenced in September 2023 to integrate DYNSIM Model with Digital Twin environment for what-if scenarios, troubleshooting, shadow plant modelling for wider user base]
- Potential Future Use Case: Trigger APS with API using LLM models (GPT-3) driven process model benchmarking, design, optimization studies.



