# Ethanol in Pipelines Roadmap meeting

#### **Producer and End User Perspective**

Dublin, OH October 26, 2007

Chuck Corr Archer Daniels Midland





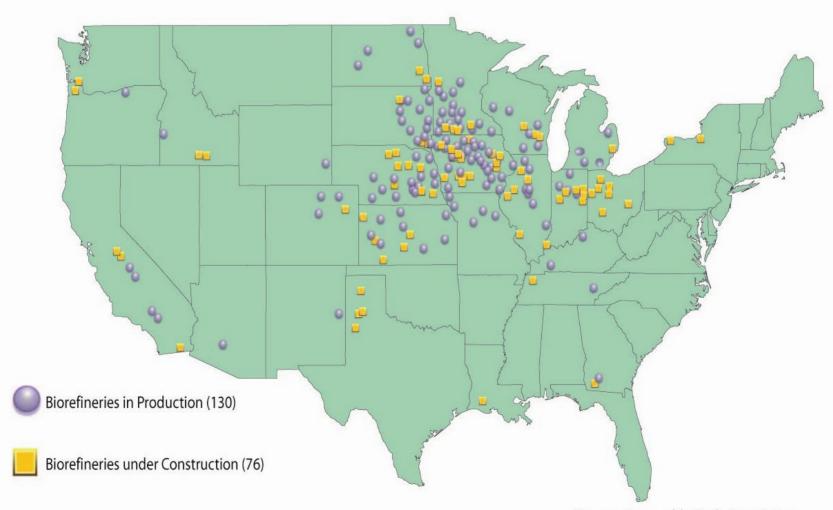
# Industry Objective To Safely Produce & Deliver

- A liquid energy product
- Quality needed
- Volumes needed
- Where needed
- When needed
- Optimum flexibility
- Cost efficiently



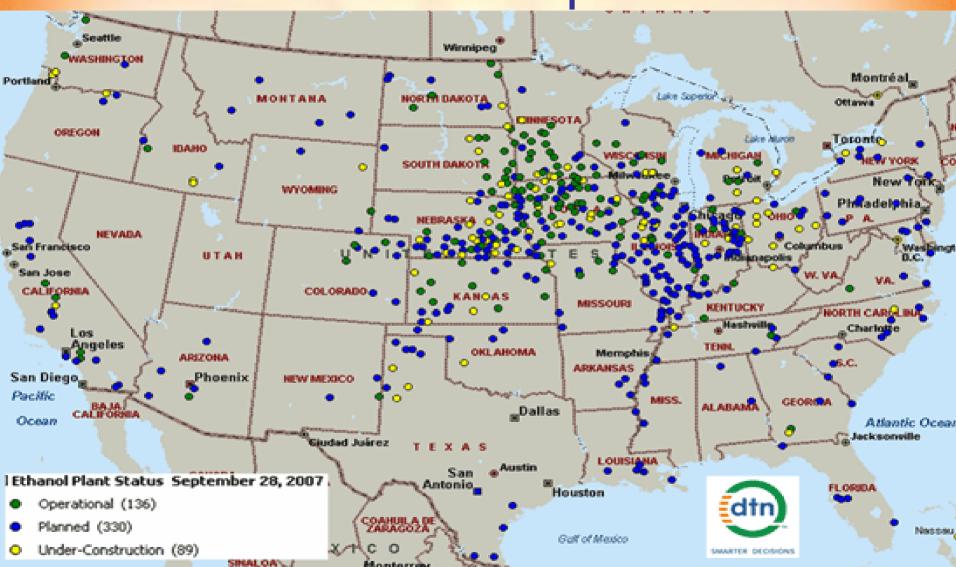
\*Estimated

#### U.S. Ethanol Biorefinery Locations



Source: Renewable Fuels Association

**US Ethanol Expansion** 



"Alaska has one ethanol plant in the planning stage "Hawaii has two ethanol plants in the planning stage

#### Geography

- Most Ethanol produced in Midwest
- Most petroleum refined in the Gulf Coast
- Both away from major markets

 Current refined products pipelines wrong location or flow direction



#### Volume Affects Mode

- Petroleum Transportation
  - Wooden barrels
  - Rail cars of barrels
  - **—** . . . .
  - Rail Tank cars
  - Pipelines

- Ethanol Transportation
  - Tank trucks
  - Rail cars
  - Barges
  - Unit Trains
  - Pipelines



## Pipeline Type

- Multiproduct Pipeline
  - Geographic issues
  - Compatibility of materials, existing products
  - Capacity for ethanol
- Dedicated Pipeline
  - New or existing pipe From and To?
  - Materials (nonmetallic)
  - Sizing of pipeline & infrastructure
- Combination
  - Dedicated feeders to multiproduct trunk



## Stress Corrosion Cracking

- Dissolved oxygen
  - May act as light switch

- Saturated with oxygen some SCC
- Deaerated No SCC
  - Extreme lab conditions
- Can dissolved oxygen be <u>controlled</u> below the <u>critical level</u>?



## Materials Compatibility

- Ask a terminal engineer
- Many terminals currently work with high and low ethanol concentrations

 Midwest terminals have years of excellent experience

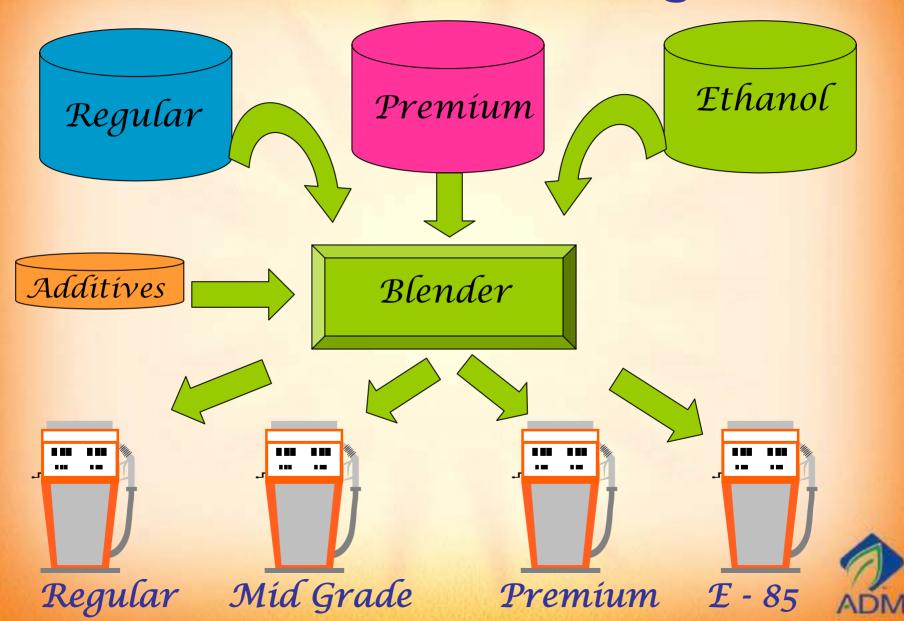


#### Flexibility to Blend

- The US will go beyond E10
- Terminals need the flexibility to blend beyond E10
  - E85
  - Enhanced blends (E10 to E20)?
- Must allow best economics for local markets



#### **Terminal Blending**



# **Ethanol in Pipelines**

There are
No Technical Barriers

to moving ethanol in pipelines.

(But we do need more research to address the <u>operating conditions</u>)

**Ethanol in Pipelines - Economics**