



# Company Profile: CB&I

CB&I has more than 25 years of experience developing and managing leak detection and repair (LDAR) programs that comply with state and federal regulatory requirements, as well as various individual consent decrees. LDAR programs are set up for oil and gas production facilities, chemical and pharmaceutical plants, petroleum refineries, and other industries. The company performs a wide variety of services, such as the development of turnkey LDAR programs, emissions calculations and reporting, full LDAR compliance and efficiency evaluations.

CB&I has a large footprint in LDAR, providing services at 118 sites across 23 states (see Figure 9). Main states served are Texas (27 sites), West Virginia (15) and Louisiana (15). According to Don Kinder, CB&I Operations Manager, about 50% of the company’s client accounts involve service at multiple sites, while 50% are for a single site. Because the natural gas industry is regionally based, a large natural gas operator typically will work with different providers in different regions rather than a single LDAR provider nationwide.

**CB&I QUICK FACTS**

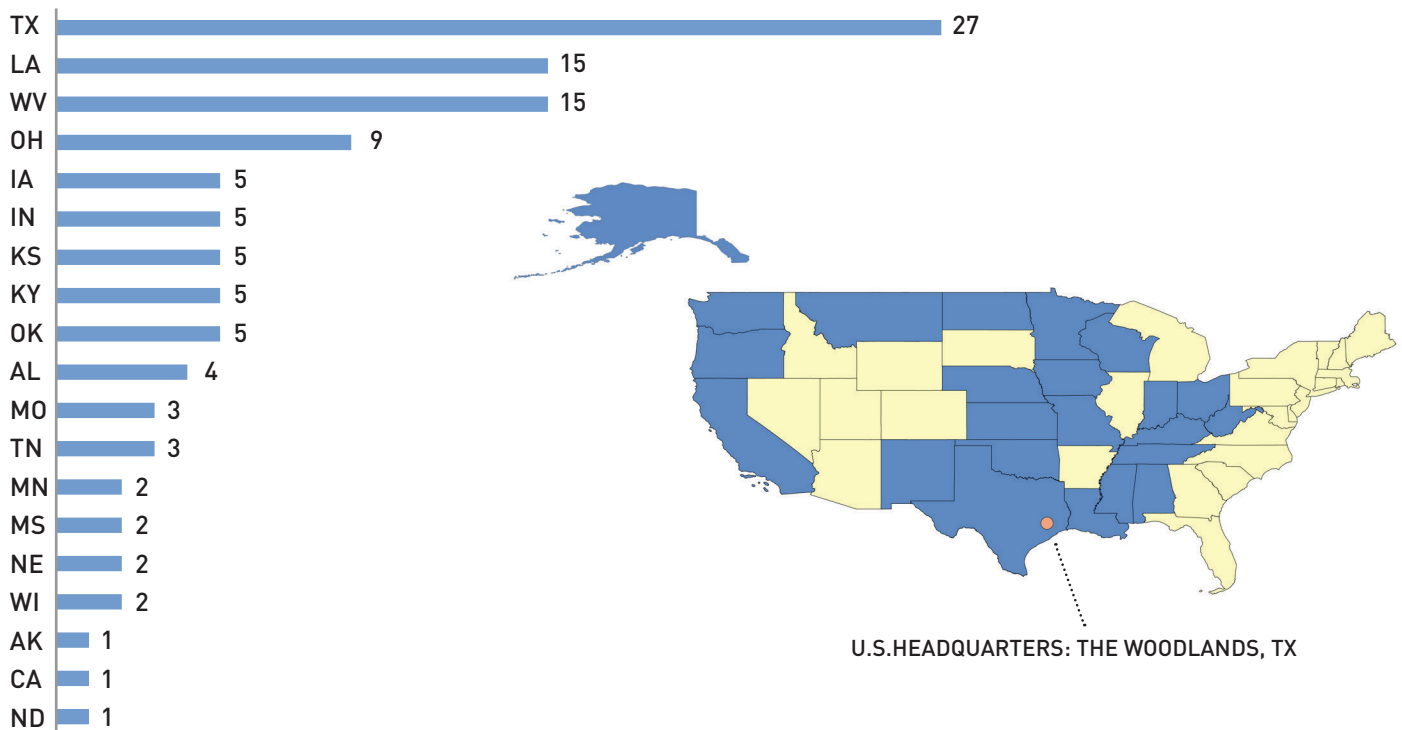
**U.S. HEADQUARTERS:**  
The Woodlands, TX

**LDAR EMPLOYEES:**  
190

**TARGET ANNUAL GROWTH FOR LDAR:**  
10% - 15%

**KEY STATES:**  
TX, WV, LA, OH, IA, KS

**FIGURE 9.** CB&I LDAR Client Sites, 2015-2016



SOURCE: CB&I and U.S. Energy Information Administration

CB&I's extensive geographic reach enables the company to provide clients with cost-effective LDAR services and individualized attention. Because CB&I manages multiple client sites within a large region, customers benefit from the lower travel costs assumed by the managers and technicians. An additional geographic advantage noted by Kinder is the ability to make more frequent site visits based on proximity. "It's easier to give a client outstanding service when you have other sites in his backyard."

## BENEFITS FOR NATURAL GAS OPERATORS

LDAR surveys are increasingly performed by a growing service industry, providing clients benefits they may find difficult to match in-house. Kinder explains that in the natural gas industry, most leaks are about 10,000 parts per million (ppm)—which reflects a leak that could easily go undetected.

"To put this in perspective, even an everyday item such as a felt-tip marker has vapors, so if you took the cap off the marker for just three or four seconds and placed the flame ionization detector (FID) inside the cap, you'd get a reading of 1,200 to 2,000 ppm," Kinder says, referring to the instrument's sensitivity in detecting emissions of any chemical. "Finding a small leak allows you to fix it before it becomes a big, expensive one."

Operational equipment and maintenance is a crucial issue for the vast majority of CB&I's LDAR customers. In the case of the infrared camera, clients prefer not to purchase a \$125,000 device as they may not have the in-house expertise to operate properly, maintain, repair, or calibrate the instrument. CB&I currently owns two infrared cameras, one for their Midwest operations, and one for their East Coast operations. "We spread the cost of our infrared cameras over a large number of oil and gas clients," says Kinder. "This drives down service costs, and spares operators from having to buy expensive equipment."

Perhaps most important, LDAR service providers help operators avoid unnecessary exposure to liability and compliance issues. CB&I's LDAR clients must comply with rules set by various entities, including the EPA, state governments, and operators themselves.

The CB&I LDAR team has enabled a perfect track record of zero "Notice of Violation" issuances from the EPA for the natural gas, chemical and refining sites managed by CB&I. To date, EPA rules focus primarily on volatile organic compounds (40 CFR Part 60, subpart KKK), but Kinder notes that with successful implementation of the New Source Performance Standard requirements for methane emissions, LDAR service providers will similarly be able to help natural gas operators maintain compliance for methane.



## FUTURE GROWTH

Anticipating the natural gas industry's increasing focus on reducing methane emissions, CB&I hopes to grow its LDAR services in the coming years at a rate of 10-15% annually. The company's national presence will enable it to leverage existing locations to seize new opportunities. The aim for new employees is to achieve a mix of 70% technicians and 30% managers. Newly hired technicians will require a high school diploma. Experience in industrial plants is preferred, but it is not required, as all newly hired technicians receive LDAR-specific training.

CB&I is prepared for the possibility that small natural gas operators will increasingly join their larger counterparts in enlisting the services of LDAR service providers. Kinder points out that from a monitoring standpoint, small operators will reap the same benefits as current, larger ones, if their geography lends itself to saving travel costs. Regardless of location, "we welcome the chance to expand our services for oil and gas operators of all sizes."

