

# Contents

## Preface — VII

## Units of Measure (UOM) — XV

### 1 Introduction — 1

1.1	Systems view of industrial process plant and plant utility system — 2
1.2	Overview of utility subsystems — 5
1.2.1	Steam subsystem — 5
1.2.2	Fuel subsystem — 6
1.2.3	Electrical power subsystem — 7
1.2.4	Cooling water subsystem — 9
1.2.5	Compressed air subsystem — 9
1.3	The sample utility system and its characteristics — 9
1.4	Overview of optimization — 14
1.4.1	Basics — 14
1.4.2	Optimization in simple terms — 15
1.4.3	Optimization formal definition — 18
1.5	Overview of optimization modeling — 20
1.5.1	Shortcomings of subsystem optimization — 20
1.5.2	Missed opportunities by suboptimizations — 23
1.5.3	Modeling philosophy — 23
1.6	Overview of MILP solvers — 26
1.6.1	Using Excel Solver — 27
1.6.2	Using LINGO — 30
	Summary — 32
	Nomenclature — 33
	References — 34

## Part I: Model development

### 2 Modeling basics — 39

2.1	Enumerate constants — 39
2.2	Enumerate operating modes and degrees of freedom — 41
2.3	Enumerate variables — 42
2.4	Develop relationships among variables — 42
2.5	Component model testing — 44
	Summary — 44
	Nomenclature — 45
	References — 45

<b>3</b>	<b>Modeling boilers — 46</b>
3.1	Boiler #1 modeling — <b>47</b>
3.1.1	Boiler #1: ON/OFF mode considerations — <b>47</b>
3.1.2	Boiler #1: material balances — <b>48</b>
3.1.3	Boiler #1: energy balance — <b>49</b>
3.1.4	Boiler #1 base model: BL1-v1 — <b>51</b>
3.1.5	Boiler #1: model with standby capability: BL1-v2 — <b>54</b>
3.1.6	Boiler #1 model with segmented performance curve: BL1-v3 — <b>57</b>
3.2	Boiler #2 modeling — <b>62</b>
3.2.1	Boiler #2 model consuming two fuels in any proportion: BL2-v1 — <b>64</b>
3.3	Boiler #3 modeling — <b>65</b>
3.3.1	Boiler #3 model: selecting between two possible fuels: BL3-v1 — <b>65</b>
3.4	Boiler subsystem model: BLSS-v1 — <b>68</b>
	Summary — <b>71</b>
	Nomenclature — <b>72</b>
	References — <b>73</b>
<b>4</b>	<b>Modeling rotating equipment — 74</b>
4.1	Modeling electric motors — <b>75</b>
4.2	Modeling steam turbines — <b>78</b>
4.3	Modeling internal combustion engines — <b>80</b>
4.4	Modeling pumps — <b>81</b>
4.5	Modeling a pump with a motor driver — <b>85</b>
4.6	Modeling a pump with turbine drive — <b>86</b>
4.7	Modeling a pump with dual drives — <b>87</b>
4.8	Modeling boiler auxiliary fans and blowers — <b>89</b>
4.9	Modeling compressors — <b>95</b>
	Summary — <b>97</b>
	Nomenclature — <b>98</b>
	References — <b>99</b>
<b>5</b>	<b>Modeling turbogenerators — 100</b>
5.1	Modeling non-condensing, back pressure, steam turbogenerators — <b>100</b>
5.2	Modeling condensing extraction turbogenerators — <b>102</b>
5.3	Modeling gas turbogenerators — <b>104</b>
	Summary — <b>109</b>
	Nomenclature — <b>109</b>
	References — <b>110</b>

<b>6</b>	<b>Modeling the steam subsystem — 111</b>
6.1	Modeling pressure reducing valves (PRV) — 111
6.1.1	Modeling PRVs without de-superheating — 111
6.1.2	Modeling PRV with de-superheating — 112
6.1.3	Modeling a vent — 113
6.2	Modeling blowdown flash unit — 114
6.3	Modeling deaerator unit — 115
6.4	Modeling headers — 117
6.5	Modeling the steam subsystem — 119
	Summary — 124
	Nomenclature — 125
	References — 126
<b>7</b>	<b>Expanding the model — 127</b>
7.1	Available, unavailable, and required specifications — 128
7.2	Modeling fuel subsystem — 130
7.3	Modeling electrical power subsystem — 130
7.4	Modeling cooling water subsystem — 134
7.5	Modeling with general integers — 134
7.6	Compressed air subsystem model — 137
7.7	The integrated utility system model — 137
	Summary — 145
	Nomenclature — 146
	References — 149
<b>8</b>	<b>Modeling purchased energy contracts — 150</b>
8.1	Fuel pricing — 150
8.1.1	Spot market contract — 150
8.1.2	Take or pay contract — 151
8.1.3	Excess penalty contract — 152
8.1.4	Volume discount contract — 153
8.1.5	Multitier pricing contract — 155
8.2	Electrical power pricing — 159
8.2.1	Energy and demand charges — 159
8.2.2	Time of use (TOU) rates — 160
8.3	Flow equalization in equipment operating in parallel — 160
8.3.1	Boiler feed water pump flow equalization — 161
8.3.2	Cooling water pump flow equalization — 163
8.4	Completing the utility system model — 165
	Summary — 173
	Nomenclature — 173
	References — 178

## Part II: Model deployment

<b>9</b>	<b>Offline optimization — 183</b>
9.1	Case management — <b>183</b>
9.2	Work flow for OFLO use cases — <b>186</b>
	Summary — <b>188</b>
	Nomenclature — <b>189</b>
	References — <b>190</b>
<b>10</b>	<b>Online, real-time optimization, RTO — 191</b>
10.1	DRPU concepts — <b>193</b>
10.1.1	Existing automation — <b>193</b>
10.1.2	Process measurements — <b>194</b>
10.1.3	Data reconciliation — <b>196</b>
10.1.4	Parameter updating — <b>197</b>
10.2	Utility system real-time optimization execution cycle — <b>198</b>
10.2.1	Step 1: Retrieve live data — <b>199</b>
10.2.2	Step 2: Data reconciliation and parameter updating (DRPU) — <b>200</b>
10.2.3	Step 3: Send biases to the optimizers — <b>216</b>
10.2.4	Step 4: Continuous optimization: COPT — <b>217</b>
10.2.5	Step 5: Download COPT results — <b>219</b>
10.2.6	Step 6: Discrete optimization: DOPT — <b>221</b>
10.2.7	Step 7: Download DOPT results — <b>222</b>
	Summary — <b>229</b>
	Nomenclature — <b>229</b>
	References — <b>233</b>
	<b>Appendix A: List of models — 235</b>
	<b>Index — 239</b>