Company Spends $4.5B on Gas Processing in W.Va.

CASEY JUNKINS, The Intelligencer and Wheeling News-Register

MOUNDSVILLE, W.Va. (AP) — The propane, butane, pentane and ethane in West Virginia and neighboring states is so plentiful and profitable that Williams Partners is spending $4.5 billion to process the natural gas liquids.

In Marshall County, the Tulsa, Okla.-based company has three sites of operation: the Fort Beeler processing plant; the Oak Grove processing plant, which is under construction; and the Moundsville fractionation plant. Once all projects are up and running, they will work as a cohesive unit to separate the liquid portions of the natural gas stream from the dry portions. Williams officials believe they will be able to process at least 2.5 billion cubic feet on natural gas per day.

"We did not expect there to be this much liquid in this gas," said Scott Carney, strategic outreach specialist for Williams, during a recent tour of the sites. "We are coming into an area that has been largely rural. We have to be sensitive to that.

"We are determined to be good neighbors."

In April 2012, Williams paid about $2.3 billion to acquire the Fort Beeler cryogenic processing plant — which can be seen along U.S. 250 between Moundsville and Cameron — and the other Marshall County operations of Caiman Energy. Williams is now in the midst of expanding with an additional $2.2 billion expenditure.

Williams has taken over part of the TeleTech building in Moundsville. The large structure near the south end of the city is owned by the Wheeling-based Regional Economic Development Partnership.

In addition to the hundreds of construction workers now employed by Williams, Carney said the company plans to eventually have 250 permanent, full-time workers at its plants. Carney said Williams processes gas for several producers including Chesapeake Energy, Gastar, Chevron, Stone Energy, Noble Energy and Trans Energy.

At the original plant along U.S. 250, Supervisor of Operations Joe Frazzini echoed Carney's thoughts about the liquids-rich Marcellus Shale gas.

"Out west, we are not used to gas that is this heavy. It takes a lot of processing," Frazzini said.

Natural gas is pumped via pipeline from well sites to Fort Beeler. Once on-site, the gas goes through several refining steps to strip the dry methane from wet gases. The methane is then pumped to an interstate pipeline to be sent to market as

natural gas, while the butane, propane and pentanes are piped to the Moundsville fractionator for further processing.

Frazzini said Fort Beeler has a de-ethanizer on site to also remove the ethane from the gas stream. However, he said because there is currently no local market for the product — such as an ethane cracker — his workers are now blending the ethane with the methane to be marketed as natural gas.

"It would be great to see someone build a cracker up here," he said.

Carney said the Oak Grove plant — located on about 170 acres of property off Fork Ridge Road outside Moundsville — will be very similar to the Fort Beeler plant, but much larger.

On a 162-acre site once occupied by the Olin Chemical plant along the Ohio River south of Moundsville, the Williams fractionator receives propane, butane and pentane via pipeline from the Fort Beeler site, in addition to the Oak Grove plant once it is complete.

At this time, fractionator Control Room Operator Dave Nice, a Proctor resident, said his facility typically receives a gas stream consisting of about 62 percent propane and 26 percent butane, with the remainder consisting of pentane.

"Right now, we are shipping out about 25 truckloads of propane per day," he said, noting the facility is also sending out roughly 13 truckloads of butane each day.

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