

# CONTRACTOR: ODYSSIAN TECHNOLOGY, LLC CONTRACT NO.: D T R T 5 7 - 1 2 - C - 1 0 0 4 9

# FINAL REPORT

# JULY 26<sup>TH</sup>, 2013

## SBIR PHASE I

"Smart Pipeline Network - Pipe and Repair Sensor System"

Submitted by:

Barton Bennett Odyssian Technology, LLC (574) 257-7555, x-102 Barton.Bennett@Odyssian.com

<u>Submitted to:</u> James Merritt (COR), U.S. DOT PHMSA James.merritt@dot.gov

Ms. Rachael Sack, DOT SBIR Program Director Rachael.Sack@dot.gov

Ms. Jeanne Rossetsky (Contracting Officer), U.S. DOT PHMSA Jeanne.Rossetsky@dot.gov

DISCLAIMER STATEMENT

The views, opinions, and findings contained in this report are those of the author(s) and should not be construed as an official U.S. Department of Transportation position, policy, or decision.

DISTRIBUTION Approved for Public Release

### DISCLAIMER

This information was prepared as an account of work sponsored by an agency of the U.S. Government. Neither the U.S. Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. References herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the U.S. Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the U.S. Government or any agency thereof.

### Final Report

### SBIR PHASE I

### **1.0 PHASE I PROGRAM INTRODUCTION**

Leak detection within the national pipeline network has long been recognized as a much-needed capability to reduce the loss of high value product, improve public safety, and to reduce the emissions of environmentally damaging substances.

In recent years, greater emphasis has been placed on the reduction of green house gas emissions in an attempt to address global warming. Natural gas contains a high concentration of methane gas, which is one of the most potent green house gas elements. Leakage of toxic and hazardous liquids into the environment often results in the long term contamination of ground soil, and in some cases, results in the contamination of aquifers and waterways that are key to sustaining the local habitat. Consequently, the U.S. Department of Transportation (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA), as well as various industry associations such as the Pipeline Research Council International (PRCI), have embarked upon extensive research and development programs aimed at establishing capability to pin point the location of pipeline leakage in real time.

Multiple technologies are being explored that offer various levels of leak detection capability, each with its own set of limitations. Aerial surveillance using advanced optical and computational techniques is being developed. This technology indirectly detects leaks by identifying plumes of airborne dispersed particles using LIDAR (Laser Imaging Detection and Ranging) systems and by detecting resulting vegetation damage using hyper spectral image analysis, that can occur as soon as two weeks after the leak begins. While one could focus on the shortcomings of each technology including the negative effects of cloud and snow cover, Odyssian Technology believes that the correct approach to eradicating or significantly reducing pipeline leaks is a *smart pipeline system* that has a collection of diverse (and evolving) technologies all integrated within a distributed, yet common communication and control platform.

Odyssian Technology was awarded programs for submitted proposals to all three of the DOT PHMSA SBIR topics (in solicitation DTRT57-12-R-SBIR1) to allow for development of a comprehensive set of technologies that will be needed to realize a national smart pipeline system. Technology that is unique to Odyssian Technology was adapted for point-of-source leak detection and state-of-the-system health monitoring of the pipeline seals, pipe repairs, and cased pipes. The three separately proposed SBIR programs are configured to be independent of each other. Yet each provides an important aspect or component of the integrated *Smart Pipeline Network*. In summary, the three related proposed programs that were awarded are distinguished as follows:

1. Focus Area 1 (PH1) – Seal Sensor System: is to develop smart seals capable of leak progression detection and monitoring proper sealing force.

DISTRIBUTION Approved for Public Release

PAGE 2 OF 46

- 2. Focus Area 2 (PH2) Pipe and Repair Sensor System: is to develop concepts for smart pipe and smart pipe repair sensor systems capable of detecting leaks and monitoring structural integrity.
- 3. Focus Area 3 (PH3) Cased Pipe for Monitoring & Sensor System: is to develop new casement and internal support structure concepts that will allow for continuous real time monitoring and network communication along the entire length of the cased pipelines.

The technology developed in these PHMSA SBIR programs take advantage of recent technology advances and shifts in affordability of technology to develop and demonstrate what Odyssian believes will be our future national *Smart Pipeline Network*. Such technology advances include the advent of nano-scale and thin and thick film materials in conjunction with micro machining techniques that allow for the development of very small sensors and multifunctional systems having intrinsically embedded sensing functionality. These small devices and materials are being used to develop highly engineered smart systems that are capable of sensing their environment and often responding to such stimulus.

Odyssian Technology has developed smart pipe and smart seal technology, originally targeted for use on airborne high-energy chemical laser systems. This DOT PHMSA SBIR program further developed and adapt this technology for use on pipelines to allow for the pinpoint location of leaks and in some cases emerging leaks (detecting an imminent leak before leakage occurs). The shift in affordability and proliferation of wireless and wired communication networks makes more feasible a Smart Pipeline Network that provides real-time operational status of pipeline transmission, distribution, and remote facility systems. Communication and signal conditioning circuitry was developed that is integrated within the system to provide a sensor network capable of pinpointing the location of progressing leaks through fittings, joints, valves, pipe, pipe repairs, etc.

As described in the PH3 Focus Area #3 solicitation, the current configuration of cased pipes present a challenge to using pipeline monitoring technologies. Internal support structures within cased pipe are circumferential, blocking access and impeding utilization of the interior space. As with the smart seal and smart pipe technology, Odyssian Technology is uniquely qualified to develop new cased pipe concepts for use in a smart pipeline system. Odyssian Technology has an active patent on structures having internal (truss) support structures with integrated sensors and electronics. This technology and expertise, which is described in Odyssian Technology's proposal to Focus Area #3, was used to develop cased pipe concepts that support monitoring and integrated pipeline sensing.

In Odyssian Technology's related PHMSA SBIR programs to develop *smart seal* (PH1)and *smart pipe and smart pipe repair* (PH2) technology for the pipeline industry, technology was adapted and further developed that was originally developed for the U.S. Department of Defense (DOD) Missile Defense Agency (MDA). This includes smart piping system technology that was developed for the MDA Airborne Laser (ABL) system to detect leak progression of harmful chemicals that are within the ABL high energy laser system. Such technology includes novel seals and piping that detect impending leaks using highly integrated point-of-source leak detection sensors. A wireless Zigbee sensor network was used to communicate state-of-the-system or containment status of the ABL Smart Piping System. This technology has been developed and demonstrated in a laboratory setting through funding under MDA Phase I and Phase II Small Business Innovation Research (SBIR) programs.

### DISTRIBUTION Approved for Public Release

### PAGE 3 OF 46

This PHMSA SBIR is focused on the development of a *Pipe and Repair Sensor System*. When combined with the Seal Sensor System and Cased Pipe for Monitoring and Sensor System (separate projects), this technology will allow for a comprehensive Smart Pipeline Grid having integrated sensor networks that provide for continuous real-time monitoring of leaks and system health. Design concepts for pipe and pipe repair having integrated leak detection sensors were developed for use with oil and gas (O&G) pipeline systems. Concepts and designs were developed for a networked sensing system capable of sensing the pinpoint location of a leak or impending leak, as well as monitoring structural health through impact detection. The Phase I scope included developing Pipe and Repair Sensor System technology for liquid petroleum-based pipeline systems, with the goal of having Phase II expand the scope to include development of a system for use with natural gas.

Once developed, the oil and gas pipe/repair sensor network will be useful for pipeline operators to continuously monitor for leaks and impacts within the pipeline system. Other commercial applications will include gasoline stations, oil storage facilities, methane plants, oil and gas transportation, and offshore oil rigs.

### 2.0 EXECUTIVE SUMMARY

The Pipeline Research Council International (PRCI) provided support to this SBIR program by providing input and advice on the needs and issues related to leak detection within the pipeline industry. It's membership also provided support by reviewing and commenting on Odyssian's conceptual designs and research results.

Design concepts were developed for a smart pipe suitable for use with oil & gas (O&G) pipeline, which included thin film and thick film leak detection sensors embedded near the pipe wall. This design concept includes multiple layers of various materials. When a leak occurs across the pipe wall, the leaking substance causes the sensors to indicate a leak.

Design concepts were also developed for a two-piece sleeve having leak, strain, and impact detection sensors. The two-piece sleeve would satisfy the scope of this project by being applicable to pipe repair. This was achieved by considering two types of smart sleeves for monitoring pipe repair. Type 1 sleeve is designed to provide containment and sealing under maximum operating pressures. Type 2 sleeve is designed for placement over composite wrap repair to monitor its sealing and structural integrity. In this second design, type 2, the sealing and structural containment is provided by the composite repair and the outer sleeve only provides a protective enclosure for the sensor suite and acts as an accumulator of leaked substances to ensure contact with the reactive leak detection sensors located inside the sensor sleeve.

The sensor sleeve was selected for further development and prototyping over the smart pipe designs. Detailed designs of the sensor sleeve were created and a prototype was developed. This device, referred the sensorSLEEVE<sup>TM</sup>, was developed having three type of sensors within the cavity of the sleeve. This included a micro-electromechanical-systems (MEMS) pressure sensor, a reactive fuel sensor, and an accelerometer. The MEMS and reactive sensor are for detecting the leakage of

### DISTRIBUTION Approved for Public Release

#### PAGE 4 OF 46

gasoline and other fuel hydrocarbons, and the accelerometer is for detecting impact and earth movement.

The reactive fuel sensor is proprietary to Odyssian Technology and was modified to improve its use in the smart pipeline system components, include the sensorSLEEVE<sup>TM</sup>. Commercial-off-the-shelf (COTS) MEMS pressure sensors and accelerometers where used to detect pressure buildup from leaks and vibration from impacts, respectively. Testing was performed to establish alarm threshold values, condition the sensors, and to calibrate the MEMS pressure sensors.

### DISTRIBUTION Approved for Public Release

PAGE 5 OF 46

### **3.0 SUMMARY OF WORK PERFORMED**

This program included the following tasks. A summary of work performed under each task is provided in the subsequent subsections.

The work plan of this program included the following four tasks;

Task I – Application and Concept Study Task II – R&D, Prototype, and Lab Scale Evaluation Task III – In-field Evaluation Planning Task IV – Preliminary Cost and Market Analysis Task V – Program Management & Reporting

### Task I – Application and Concept Study

The Pipeline Research Council International (PRCI) in conjunction with Odyssian Technology established the Smart Pipeline Steering Committee, which was made up of several PRCI members to provide support to this SBIR program. This committee, which was made up of key PRCI members who could eventually be users of the Smart Pipeline Network, was formed to provide assistance in identifying applications for the smart pipeline technology, to identify potential issues , and to review concepts. During the Application Study with PRCI members, a broad system level approach was taken that considered the cased pipe for smart pipeline (this program's focus), as well as the related sensor seal and pipe & repair applications (other related SBIR programs).

### APPLICATION STUDY

During the Application Study, multiple discussions were held with PRCI staff and members on the need for leak detection and the areas of greatest opportunity. Below is a list of some of the application concepts that were identified during these discussions

- 1. ISOLATED CASED PIPE SPACERS Development of cased pipe spacers that not only provide full axial access for routing optical fiber, wires, probes, etc, but also provides voltage isolation of the carrier pipe.
- 2. STRUCTURAL CASED PIPE SPACEERS Interest was expressed in seeing the development of smart pipe spacers for use with larger transmission pipes that carry relatively high force loads. These smart spacers would be more structural than the non-metallic voltage isolation spacers.
- 3. EXPLOSION PREVENTING CASED PIPE SPACERS There is a need for cased pipe spacers having embedded sensors that can detect the leakage or buildup of explosive substances. During this program a cased pipe explosion occurred due to the leakage of natural gas from the carrier pipe.
- 4. ENCASED INSULATED PIPE SPACER There is an interest in developing dual walled pipe having embedded sensors, where the outer wall is an encasement that shields insulation from the weather. The embedded sensor network would detect moisture intrusion and monitor pipe temperature and insulation performance. This need could

# DISTRIBUTION

Approved for Public Release

PAGE 6 OF 46

be met by developing spacers having embedded sensors that are designed to secure insulation jackets.

- 5. FLANGE LEAK DETECTION Development of seals for flanged connections having embedded leak detection sensors that are part of a sensor network.
- 6. FLANGE TORQUE SENSING Development of flange seals having sealing force sensing capability that verifies proper tightening of the bolts. It has been stated that a majority of leaks across flange seals is the result of improper installation and tightening.
- 7. PIPE COATING SENSING Development of embedded sensor networks that monitor the integrity of pipe coatings and heat-shrinkable sleeves used to cover uncoated portions of the pipe having welded joints.
- 8. HYDROGEN SULFIDE Development of small embedded sensing technology that is capable of detecting leakage of Hydrogen Sulfide (H<sub>2</sub>S) across seals. H<sub>2</sub>S is a colorless and very poisonous flammable gas.
- 9. WATER CROSSING There is a need to monitor water crossing pipe due to the high consequence of failure. Interest was expressed to develop a water crossing smart piping system that can detect impacts from debris and pipe rising, which can occur during flooding.
- 10. COMPOSITE WRAP REPAIR SENSING Develop a way to monitor the sealing and structural contribution of composite wrap repairs. The sensorSLEEVE<sup>™</sup> developed during this program could house strain and leak detection sensors to monitor composite repair. In this application, the sensorSLEEVE shell would not have to be designed to be a secondary containment structure because of the presence of the composite wrap repair. The shell would be a lower cost and lower weight design that only provides an electronic enclosure to shield the sensor circuitry and to be a collector of leaking substance to ensure contact with the sensors.
- 11. SMART MECHANICAL SEAL Develop a mechanical seal for use in compressor and pump stations that detects leaks and monitors the health of the bearings by measuring vibration levels.
- 12. SMART WELL-SITE SEALS Develop sensor system that is highly integrated within the well-site piping system to monitor temperature, strain, and containment.
- 13. SMART ISOLATION GASKETS Develop flange isolation gaskets with embedded leak detection sensors for use on cathodically protected piping systems. Particular interest in using on flanged isolation fittings that are in remote areas where leaks may go undetected.
- 14. SMART ELASTOMERIC SEALING Further develop elastomeric material and algorithms that can be used to sense sealing force. This technology was invented by Odyssian Technology for use in elastomeric O-rings (patent pending). Characterize behavior and performance of various forms.
- 15. NATURAL GAS Interest was expressed in seals having natural gas leak detection. It was learned that the leakage of natural gas is the prevalent of all leaking substances. Develop smart seals for natural gas that are wireless for easier installation in facilities and plants that have a large number of seals.

DISTRIBUTION Approved for Public Release

PAGE 7 OF 46

The results of the application study are summarized in Figure 1. As shown, this project focused on developing leak and impact detection for pipeline systems containing refined petroleum product, specifically gasoline. The application was initially defined to be long run transmission pipelines. PRCI members expressed a desire for leak detection within facilities near the end of the program. The smart cased pipe technology developed during this program is intended for use outside facilities, but much of the associated technology including the sensor network, cloud based controls, smart seals, and smart pipe would be very useful for leak detection and health monitoring within pipeline facilities. Also shown in Figure 1, is the selection of components or subsystems that would be part of the initial smart pipeline prototype system. The components selected for the prototype system include; (1) smart seals for use in flanged fittings, (2) smart sensor-spacers for use in cased pipe, and (3) sensor-boots or sensor sleeves for use over repaired pipe, fittings, valves, welded joints, etc. The product selected for leak detection is refined liquid petroleum product, specifically gasoline.

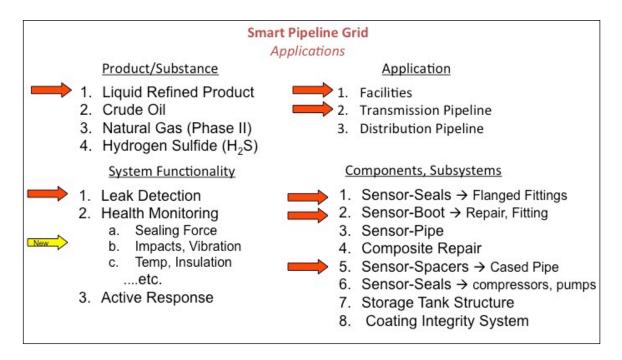


Figure 1 – Odyssian Technology and the PRCI Smart Pipeline Steering Committee defined the scope of the application, product to be contained, functionality of sensor system, and what type of components would be further developed and demonstrated.

DISTRIBUTION Approved for Public Release

PAGE 8 OF 46



Figure 2: Ruptured pipe that occurred in Marshall Michigan and that ultimately led to oil spilling into the Kalamazoo river.

The need for a smart pipe or smart pipe repair is well illustrated by the relatively recent oil spill that occur in Marshall Michigan. As shown in Figure 2, a fatigue crack resulted in complete failure of a pipe resulting in an oil spill of approximately 843,000 gallons into the Kalamazoo river and feeding tributary. Further information is described in the following article:

http://green.blogs.nytimes.com/2012/07/10/prev entable-errors-led-to-pipeline-spill-inquiryfinds/?\_r=0.

The defect that caused the rupture was misclassified in 2005 by Enbridge, five years before the catastrophic failure, as a "crack-like feature."

Investigators said multiple alarms sounded after the rupture, but employees of Enbridge misinterpreted the problem, concluding that a huge bubble was blocking the flow of oil. Twice they restarted the pipeline flow, pumping more crude through the rupture. It took 17 hours and three shifts for Enbridge employees to act, but only after a worker for a local utility company identified the leak. Had a sensor sleeve been placed over the pipe at question, its sensors would have confirmed a breach of the pipe wall.

### CONCEPT STUDY – SMART PIPE & REPAIR

Conceptual designs were developed for both pipe and pipe repair sensor systems for use in O&G pipeline systems. The results of the Application Study, which was performed with input from members of the Pipeline Research Council International (PRCI), provided a basis from which to develop the conceptual designs. Initially, PRCI members suggested that the need for leak detection was greatest in long run pipeline systems where a small leak in a remote area may occur for a prolonged period of time before being detected.

Smart pipe features suitable for use with oil & gas (O&G) were discussed and identified. Unlike smart pipe that Odyssian Technology developed for use on an airborne high-energy laser system, weight is not as much of a concern for on-land pipe and the use of impact tolerant carbon steel pipe is the mainstay of the O&G pipeline system, particularly for long run transmission pipelines that transport liquid product. Another unique feature or attribute of the piping systems used in O&G when compared to airborne piping systems was the use of coatings and impressed current cathodic protection (ICCP) to prevent corrosion of the carbon steel pipeline structures.

The smart pipe design concepts that were created were for a steel pipe having an outer coating for corrosion protection. ICCP was not factored into the conceptual design, but a derivative of the design concept for an ICCP pipeline would employee the same basic conceptual elements with changes made to take advantage of the voltage potential across the pipe and outer environment.

DISTRIBUTION Approved for Public Release

PAGE 9 OF 46

It should be noted that <u>'further research is needed into available and emerging thin and thick film</u> <u>sensors having an extremely small form factor that are capable of detecting the multitude of hydrocarbons that are transported within the O&G transmission pipelines.</u> This research is required to allow for the development of smart systems having embedded sensors that are capable of detecting the presence and levels of O&G product inside and outside the piping system.

Design concepts were also developed for a two-piece sleeve having leak, strain, and impact detection sensors. This was achieved by considering two types of smart sleeves for monitoring pipe repair. Type 1 sleeve is designed to provide containment and sealing under maximum operating pressures. Type 2 sleeve is designed for placement over composite wrap repair to monitor its sealing and structural integrity. In this second design, type 2, the sealing and structural containment is provided by the composite repair and the outer sleeve only provides a protective enclosure for the sensor printed circuit board (PCB) and acts as an accumulator of leaked substance to ensure contact with the reactive leak detection sensors located inside the sensor sleeve.

Both types of the sleeve offer its own set of advantages and disadvantages. Type 1 sleeve does not require the application of a composite repair, and if used over composite repair it provides a level of containment and sealing redundancy that will prevent leakage in the event that the composite repair fails. The disadvantage of type 1 sleeve when compared to type 2 sleeve is a significant increase in weight and cost, as well as much more difficulty and time required to install the heavier sleeve when used on large diameter pipe. The advantage of the type 2 sleeve is that it is lower cost, easier to handle because of its lower weight. Also, if the type 2 sensor sleeve is used in conjunction with composite repair, it can provide a means to seal and structurally reinforce damaged or compromised large pipe without disrupting product flow and without the need for large equipment to move heavy metallic repair sleeves. Government inspectors on a case-by-case basis currently approve the use of composites as a 'temporary' repair of the pipe. Composite repairs have to be dug up and inspected after a pre-determined length of time to verify the continued integrity and effectiveness of the composite repair. The use of a sensor boot over the composite repair would allow the repair to be kept in place until the sensors indicate a failure, ultimately leading to a much longer period of time before the cost of excavation is occurred. Also, the sensor sleeve being used over composite repair would improve the likelihood of composites being approved for high consequence repairs, meaning those repairs that if failed would result in significant environmental damage or risk to human life or property.

Conceptual designs for the sensor sleeves are shown in Figures 3 thru 5. Design concepts were created for both below ground and above ground sensor sleeves. Figure 4 shows a below ground sensor sleeve that is wired to an above ground marker. In this design the sensors are located inside the sleeve and the associated sensor node (sNode) is located inside the above ground marker. The design shows a marker having a low dielectric Radom on the tip where antennas are housed for wireless networking and GPS coordinates (optional). The pipe marker may have a port for direct plug-in to the sNode.

### DISTRIBUTION Approved for Public Release

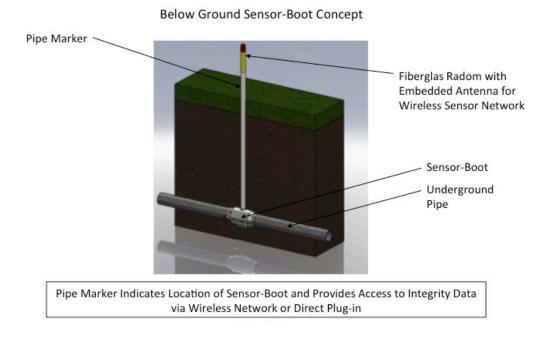


Figure 3: Below ground sensor  $SLEEVE^{TM}$ . The below ground sensor sleeve ties to an above ground marker that houses the sNode.

PAGE 11 OF 46

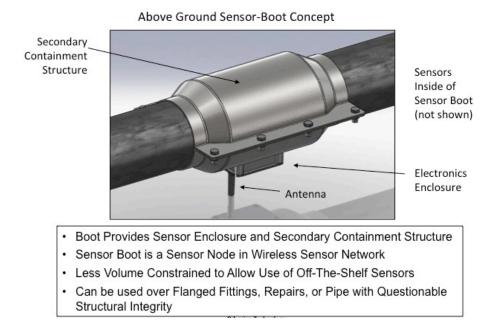
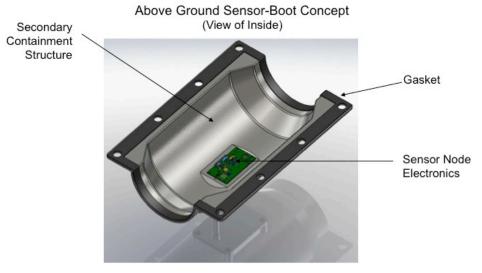


Figure 4: Above ground sensorSLEEVE<sup>TM</sup>. The above ground sensor sleeve may be wirelessly networked if desired.



Boot can be sized to act as secondary containment structure or to minimize dispersion of leaking substance

Figure 5: Inside view of an above ground sensor  $SLEEVE^{TM}$ . Above ground sensor sleeves may house the sensor node (sNode) electronics because of ease of access in the event that the electronics need to be replaced.

DISTRIBUTION Approved for Public Release

PAGE 12 OF 46

A conceptual design for an above ground sensor sleeve is shown in Figures 4 and 5. Because the above ground sensor sleeve is not buried it offers the opportunity to incorporate wireless networking for easier and less costly installation. In addition, being above ground greatly improves access for repair, making it feasible to house the sensor node (sNode) electronics inside the shell of the sleeve. Figure 5 illustrates the concept of having the sNode electronics inside the sleeve, which eliminates the need for a marker or pipe mounted enclosure.



COTS repair sleeves could be used for the shell of 'pressure containing' sensor boots. Their high cost, heavy weight, short length, and lack of immediate availability prevented their use.

Odyssian Technology developed its own sensor boot called the sensorSLEEVE™

Figure 6: Commercial repair sleeves made by Dresser. Conventional repair sleeves such as these could be adapted or modified to create Type 1 sensor sleeves.

Dresser and Plidco, major suppliers of pipe repair sleeves, were contacted to inquire about the possibility of using commercial two-piece expanded body repair sleeves for the shell of a type 1 sensor sleeve prototype. The result of these inquires was a better understanding of the cost and weight of commercially available repair sleeves. Figure 6 shows two repair sleeves made by Dresser. As shown and the weight and cost is very high for the size of the sleeve. It is assumed that this is because the sleeves are designed to seal and contain at high pressures. A quote of \$160,000 was received for a repair sleeves sized for a 30" diameter pipe with a 2" annulus clearance, length of 24 inches, and a pressure rating of 1000 psi.

After development of conceptual designs for the smart pipe and the sensor sleeve, consideration was given to which of these two smart pipeline components would be best to further develop and

### DISTRIBUTION Approved for Public Release

### PAGE 13 OF 46

prototype. The smart pipe offers the advantage of having broad application across a smart pipeline network, but would be limited to new pipe installations. It also offers the advantage of being useful not only in long run pipeline applications, but also in shorting pipe segments found in pipeline facilities. The smart repair sleeve would be useful only to repair pipe in discrete locations within a smart pipeline network. The advantage of the sensor sleeve is that it can be implemented at lower cost without the need to disrupt the flow of product and will be useful for maintaining the existing aged pipeline infrastructure. Another advantage of the sensor sleeve over smart pipe is greater ease in establishing initial manufacturing operations and there is an immediate and long-term financial gain over other repair methods when used with composite repair and product flow is not disrupted.

The sensor sleeve was selected for further development and prototyping over the smart pipe designs. Detailed designs of the sensor sleeve were created and a prototype was developed. This device, referred the sensorSLEEVE<sup>TM</sup>, was developed having three type of sensors within the cavity of the sleeve. This included a micro-electromechanical-systems (MEMS) pressure sensor, a reactive fuel sensor, and an accelerometer. The MEMS and reactive sensor are for detecting the leakage of gasoline and other fuel hydrocarbons, and the accelerometer is for detecting impact and earth movement.

The reactive fuel sensor is proprietary to Odyssian Technology and was modified to improve its use in the smart pipeline system components, include the sensorSLEEVE<sup>TM</sup>. Testing was performed to characterize the reactive fuel sensor when exposed to gasoline vapor, single droplets of liquid gasoline, and complete submersion in liquid gasoline. Test results showed adequate response of the sensor and provided data for determining alarm threshold values.

The commercial-off-the-shelf (COTS) MEMS pressure sensors and accelerometers were tested to establish alarm threshold values and to determine scaling factors required for calibrating the MEMS pressure sensors.

### DISTRIBUTION Approved for Public Release

PAGE 14 OF 46

### CONCEPT STUDY - NETWORK TOPOGRAPHY

A conceptual design of the network topography was developed for a long run pipeline having impressed current cathodic protection (ICCP). This topography, which is shown in Figure 7, has a two level network topography that includes multiple lower level microprocessor-based sensor networks integrated to a higher level TCP/IP – based network. The microprocessor-based sensor networks communicate via a wired network using a controller area network (CAN) protocol or via a wireless network using the Zigbee® protocol. The network topography design is for a voltage-isolated section of piping having a rectifier station for its impressed current cathodic protection (ICCP) system and a flanged fitting having with a smart voltage-isolating gasket.

Each 40 foot pipe segments has a sensor node (sNode) to support all sensor circuits associated with its pipe segment. The sNodes provide signal processing and conditioning and have a micro controller, CAN controller, and wireless modules to support networked data communication to the integration node (iNode). Each microprocessor-based sensor network has multiple sNodes that communicate to one supervisory iNode. The iNodes are the master controllers on the sensor networks and are coupled to a single board computer (SBC) to provide connectivity between the lower level microprocessor-based sensor network and the upper level TCP/IP network. The iNodes have multiple responsibilities including communicating to the multiple sNodes that are a part of its lower level microprocessor network, as well as controlling data handling and transfer between the SBC and the sNodes. The SBC's of each sensor network is responsible for communication to a cloud-based host server and for providing local data storage and management, as well as providing the option to connect locally to the sensor network associated with the SBC. When connected locally a computer device, such as a laptop or smart phone, plugs into the SBC via an Ethernet cable to establish a peer-to-peer connection to the SBC. The webpage of the SBC are accessed much like other internet devices (i.e., routers, wireless access points, etc.) by entering the unique SBC Internet Protocol (IP) address into the address line of a web browser, such as Internet Explorer or Fire Fox.

The energy source needed to power the network comes from the same energy source that feeds the Rectifier Station. Rechargeable batteries are used to provide back up power in the event of lost power. The design includes both wired and wireless networked communication. Similar to security systems, the smart pipeline will operate over a wired network and the wireless networked communication will be used only when connectivity of the wired network is lost.

This particular design shows sensors embedded within heat shrinkable sleeves that go over the welded joints of long run pipelines. These sensors monitor the integrity of the sleeve and pipe.

DISTRIBUTION Approved for Public Release

PAGE 15 OF 46

SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

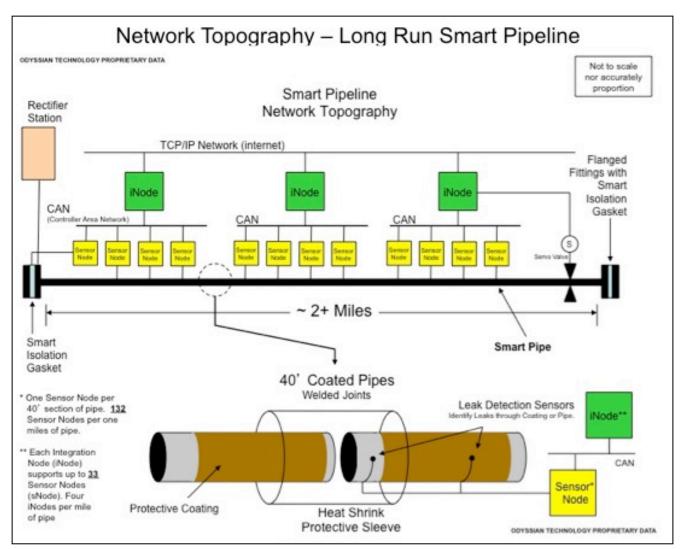


Figure 7: Network Topography Concept. This concept was developed to help communicate to the PRCI Smart Pipeline Steering Committee how a smart pipeline network could be set up for long run pipeline applications. Shown is a topography that includes multiple sensor area networks made up of a master node or integration node (iNode) that serves up to 33 sensor nodes (sNodes). The sensor area networks are integrated via a TCP/IP (internet) network.

DISTRIBUTION Approved for Public Release

PAGE 16 OF 46

SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

### Task II – R&D, Prototype, and Lab Scale Evaluation

SENSOR RESEARCH AND DEVELOPMENT

Odyssian Technology choose to further develop and prototype a sensorSLEEVE<sup>™</sup> having a reactive fuel sensor. To accomplish this Odyssian Technology enhanced a reactive fuel sensor that it had developed years earlier. The reactive sensor was modified to be mountable to a printed circuit board (PCB) and packaged for improved containment of the sensing element. Figure 8 shows three test sensors that are mounted to a small PCB having connection leads. These specimens were tested by exposing them to mid-grade unleaded gasoline while taking electrical readings using the multimeter shown in the figure.

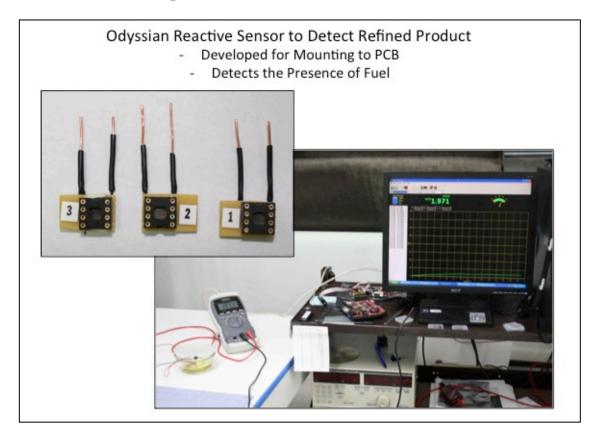


Figure 8: Odyssian Technology's Reactive Gasoline Sensor and initial test set-up. Odyssian Technology developed a sensor that detects the presence of gasoline and other hydrocarbons. During this program this sensor was further improved upon by making it mountable to a printed circuit board. Shown are three sensor test specimens and the initial test set-up used to test and verify sensor response.

DISTRIBUTION Approved for Public Release

PAGE 17 OF 46

Testing included exposing the reactive fuel sensor to gasoline vapor, to a single drop of liquid gasoline, and then completely saturating the sensor in liquid gasoline. The results showed a noticeable response when exposed to vapor and extreme responses when exposed to a single drop and when saturated. Figure 9 shows the response of the fuel sensor when saturated in gasoline. As shown, the sensor reaches 1M Ohm resistance in a little over 8 minutes. Figure 10 shows the response of the sensor when exposed to gasoline vapor. This data shows a significant response is achieved over a longer period of time. Testing showed that the sensor's first 'at-rest' (no gasoline present) electrical signature is different then the at-rest electrical signature of the sensor after it had been exposed to gasoline This showed that there is a need to condition the sensor to other hydrocarbons and it was found that the sensors are capable of detecting a few of these other hydrocarbons. This testing is inconclusive and requires further research.

Lab evaluations included observing if there was a noticeable change in the reactive sensor's sensing element after repeated exposure to gasoline. Visual inspection suggests that the element may be used multiple times without noticeable degradation, but further testing is needed to conclusively determine the useful life of the sensor.

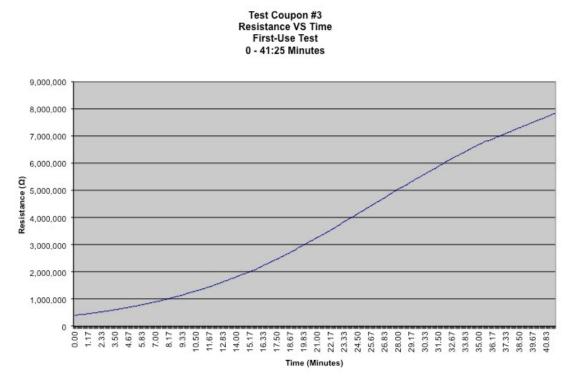
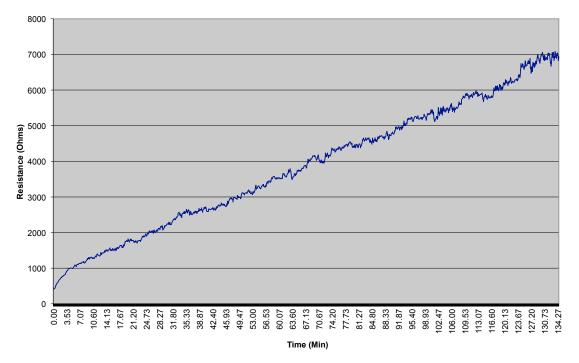


Figure 9: Odyssian Technology has developed a proprietary multi-use sensor that responds to the presence of various hydrocarbon substances including gasoline. Further research is needed to understand what the sensor is capable of sensing under various conditions, and over repeated use.

DISTRIBUTION Approved for Public Release

PAGE 18 OF 46



Test Coupon #2 Resistivity Response to Gasoline Vapor Presence

Figure 10: Shown is the response of Odyssian's reactive fuel sensor when exposed to gasoline vapor over time. This data implies that this sensor technology would be able to sense a gasoline leak without coming into contact with liquid gasoline. Additional characterization and formulation optimization is required to complete development of the sensor system.

The prototype of the sensorSLEEVE<sup>TM</sup> also has a commercially available accelerometer to detect impacts on the pipe and to detect potentially damaging earth movement. The photographs in Figure 11 show two accelerometers that were used in the smart pipeline network prototypes, which includes the sensor sleeve developed under this program as well as the smart seal and sensor spacer developed under the other two related Smart Pipeline Network SBIR programs. The accelerometer shown on the right was used in the sensorSLEEVE<sup>TM</sup> and the accelerometer shown on the left was used in the sensorSEAL<sup>TM</sup>) and the smart spacer (a.k.a. sensorSPACER<sup>TM</sup>). A switch was made to the accelerometer on the right because it was considerably less expensive at low volumes than the accelerometer shown on the left.

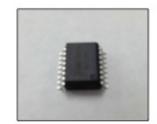
DISTRIBUTION Approved for Public Release

PAGE 19 OF 46

# Commercial-off-the-shelf Accelerometers Used to Detect Impact



- MEMS X-Y Accelerometer in Ceramic Substrate
- Used in sensorSEAL, sensorSPACER
- Made by Measurement Specialties



- Silicon X-AX Accelerometer
- Less expensive
- Used in sensorSLEEVE
- Made by Freescale Semiconductor

Figure 11: Commercial -off-the-shelf accelerometers were used to detect impact and earth movement. The accelerometer shown on the left is a more expensive MEMS accelerometer capable of detecting vibration in the x and y directions.

### PROTOTYPE SYSTEM DEVELOPMENT

The smart pipeline network system, which is referred to as the sensorPIPELINE<sup>TM</sup>, includes a cloud-based controller that is capable of monitoring a large collection of sensor networks. Such a system will ultimately be a provide real time monitoring of the pipeline systems, both long run O&G pipeline and discrete O&G pipeline facility piping systems. Figure 12 shows a schematic of a notional cloud based system that is capable of monitoring large pipeline installations. It is envisioned that this system, which takes advantage of the internet infrastructure, will be a non-biased service that monitors the integrity of our nations pipeline system. As shown in Figure 12, this system will service multiple control centers made up of both private and government entities. The sensorPIPELINE system will have a control architecture involving lower level sensor networks that are integrated within higher level internet networks. In the event of lost connectivity the sensor networks will continue to collect status data at the local level. Once connectivity is regained, the master data bases within the internet network will be updated with status data that occurred during the lost connection. As shown, each sensor network is made up of multiple sensor nodes (a.ka. sNodes) that connect to the various sensor components within the network. The sNodes within each of the sensor networks

### DISTRIBUTION

Approved for Public Release

### PAGE 20 OF 46

communicates to a master node, referred to as an integration node (a.k.a. iNode), which is coupled to a single board computer (SBC). This iNode/SBC acts as the local data management device and provides a gateway to the TCP/IP Internet network.

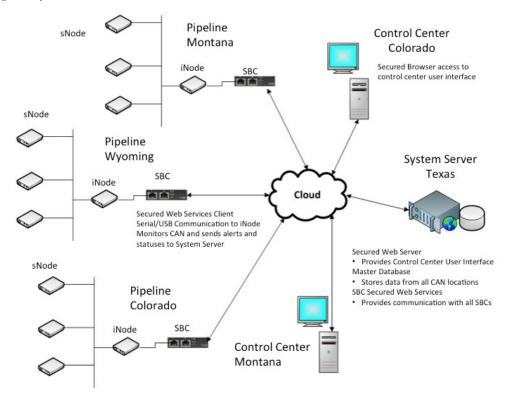


Figure 12: Topography of the sensor PIPELINE<sup>TM</sup> Network. As shown, the sensor PIPELINE<sup>TM</sup> system has web-based controls.

#### sensorPIPELINE Subnet Server

The purpose of the iNode/SBC (a.k.a Subnet Server) is to configure and control the sensorPIPELINE CAN network. The Subnet Server is also responsible for managing local storage of data and for transferring sensor data to the centralized cloud database. A Subnet Server is a small credit card size single board computer (SBC) utilizing a low power ARM8 processor. The SBC has serial port communication capability to the CAN (controller area network) sensor network and TCP/IP access to the Internet. The SBC runs a version of Linux called Ubuntu and is configured with a MySQL database engine for local data storage.

A control and communication software application written in C was developed to manage the serial communication with the CAN sensor network. The C application sends configuration commands to the CAN network and receives back sensor state data that is both stored locally in the MySQL database and forwarded onto the centralized database in the cloud. Communication with the cloud is through REST style web service calls. The C application makes secured https/ssl web service calls to the sensorPIPELINE centralized cloud system utilizing a Linux library called cURL. Through this web service interface the C application receives configuration information and sends out sensor data.

DISTRIBUTION Approved for Public Release

PAGE 21 OF 46

During normal operation the C application simply receives a continuous stream of sensor data from the CAN network, performs sensor specific data conversions, determines status of each sensor (normal, caution, or alarm), locally stores the sensor data and then forwards the sensor data to the cloud in real time. The normal operating mode of the C application can be interrupted by commands placed in its processing queue in the cloud. The C application periodically queries the cloud though the web service interface for new commands to execute. Any new commands found are executed and when there are no more commands in the queue the C application will return to the normal mode of receiving a continuous stream of sensor data.

The C application stores the last configuration commands and other state information so that in case of local power loss the system can return to the last operating state when power is restored. In addition, the C application continues to operate even if communication with the cloud is lost or interrupted. Any sensor data stored locally will be sent onto the cloud system when Internet communication is restored.

#### sensorPIPELINE Cloud System

The purpose of the cloud system is to report on the health status of the overall system, to report on the status of individual CAN sensor networks through their local Subnet Server, manage the configuration of all devices within the system, and to store sensor history data sent from the installed base of Subnet Servers. There are two types of software applications in the cloud, the web user interface and the REST style web services.

The purpose of the web user interface is to provide users with:

- A quick means of monitoring overall system health
- The ability to monitor the state of specific SubNet Servers
- A mechanism to configure all devices within the sensorPIPELINE system
- Mapping capabilities to assist in locating specific devices within the system
- A means to review and export sensor history data

The web interface is designed to be accessed by web browsers such as Internet Explorer, Chrome, Safari, and Firefox. Screen shots of the web user interface are shown in the Appendix I. The web user interface allows access to system features through secured https/ssl communication. The web interface is written primarily in PHP, jQuery, and CSS. It features secured login authentication and uses roles to give individual users controlled access to specific features of the system. As shown in the screen shots in the Appendix, navigation through the web user interface is designed to be simple allowing the user to quickly see the state of the system and if required take action when the system is in the caution or alarm state. Mapping features make use of the Google Maps jQuery API.

The other software developed for the cloud is the REST style web services interface allowing machine-to-machine communication between the cloud and each installed Subnet Server. The web service interface is also accessed through secured https/ssl communication. Each Subnet Server is uniquely identified and access to the web services requires secured login authentication. The Subnet Servers use the web services interface to retrieved commands and configuration data and to send sensor history data to the cloud for long term storage. The web services interface is also written in PHP and messages are passed in JSON format.

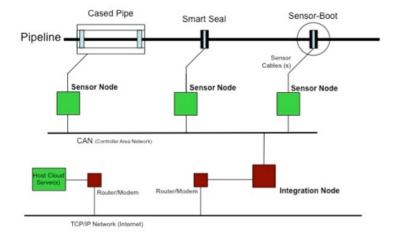
### DISTRIBUTION

Approved for Public Release

#### PAGE 22 OF 46

Both the user web interface and the web services utilize a MySQL database for storage of data and the Apache2 web server. The current system runs within a Linux operating system known as Ubuntu. The components of the cloud system are designed to work with other common cloud services for load balancing and scaling so as the system grows in size it is easy to add resources to handle demand. In addition the design of the system allows for the use of virtual cloud resources and allows for easy maintenance, backup and recovery options.

> DOT PHMSA Smart Pipeline Network



Conceptual Diagram of Phase I Lab Scale Demo

Figure 13: Topography of the Prototype Network.

To demonstrate the sensorPIPELINE a prototype was designed and developed that includes the web-based controls for the full operational system. Figure 13 shows a schematic of the prototype demonstration system and its components. The difference between this prototype and the full system is the limited number of sNodes and attached smart components. The demonstration system includes a smart spacer or sensorSPACER<sup>TM</sup>, a smart seal or sensorSEAL<sup>TM</sup>, and a sensor sleeve or sensorSLEEVE<sup>TM</sup> (developed under this program).

### DISTRIBUTION Approved for Public Release

PAGE 23 OF 46

### sensorSLEEVETM component

As previously stated, the sensor sleeve was selected over the smart pipe for further development and prototyping. Figure 14 shows photographs of the below ground type 2 sensorSLEEVE<sup>TM</sup> that was developed and prototyped. The type 2 sensor sleeve is not designed to be a secondary containment system. Its purpose is to house the sensors and to act as an accumulator of leaked substance so contact is made with the sensors.

The top photographs in Figure 14 show a sealed flex conduit. This conduit contains a sensor wire harness that connects the sensors located in the buried sleeve to its sensor node (sNode) located above ground within a pipe mounted enclosure. The sensors inside the sleeve includes a reactive fuel sensor, MEMS pressure sensor, and an accelerometer. The sensor sleeve's sensors and sNode are part of a sensor network that includes two other sensor laden components, each with its own sNode. These other components are a sensorSEAL<sup>TM</sup> and sensorSPACER<sup>TM</sup> (developed under the related SBIR programs). The sensor network has a master node, called the integration node or iNode. The iNode is connected to a single board computer (SBC). The iNode and SBC together provide a gateway between the microcontroller based sensor network and the Internet. Together the iNode and SBC acts as a subnet server that provides connectivity to a web-based master control system within the Cloud. Figure 15 shows pictures of the prototyped sNode and iNode.

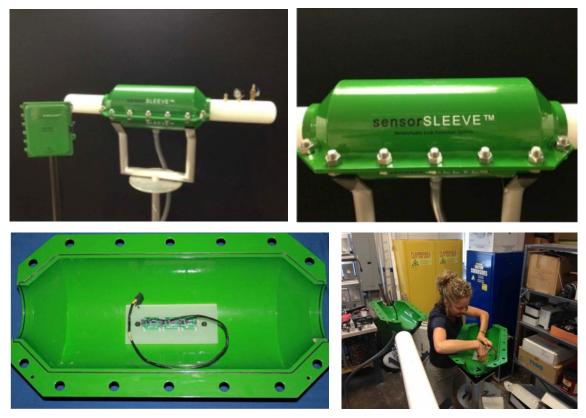
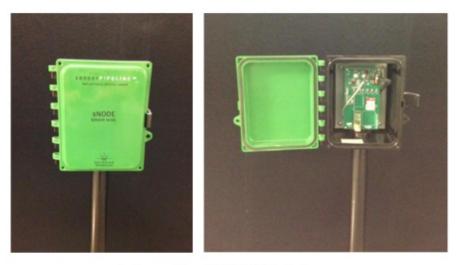


Figure 14: Photograph of the Prototype sensorSLEEVE<sup>TM</sup>

DISTRIBUTION Approved for Public Release

PAGE 24 OF 46

### Sensor NODEs (sNode)



Integration NODE (iNode)



Figure 15: Shown are the sensor node (sNode) and integration node (iNode). Each sensor-laden device (i.e., sensorSLEEVE, etc.) on the sensorPIPELINE system has a dedicated sNode. Each sensor network, which has multiple sNodes has a single iNode that acts as the master node and is coupled to a single board computer (SBC).

DISTRIBUTION Approved for Public Release

PAGE 25 OF 46

### Task III – In-field Evaluation Planning

The in-field evaluation plan includes those activities that are believed to be necessary to validate this technology in an operational setting. To adequately validate this technology the following activities are required;

- 1. Continue to characterize the sensor suite to better understand the performance limits
- 2. Conduct in-field site surveys to better understand the operational environment and installation implications.
- 3. Select a demonstration site by identifying an operational pipe that will be repaired using composite wrap repair methods.
- 4. Work with the pipeline operator and composite repair company to have a sensor sleeve installed over the composite repair. The sensor sleeve should be located in an area with adequate physical access and internet connectivity
- 5. Perform and report multi-year system performance testing and evaluation.

It is preferred that this in-field evaluation be performed on an operational system. But, if pipeline operators are unwilling or unable to put the sensor system on an operation system, then the contingency plan is to simulate such an environment by installing a sensor sleeve in a controlled area, such as at Odyssian Technology's research facility, Stress Engineering's test sight, or other available test facility that is recommended by the PHMSA customer.

### Task IV – Preliminary Cost and Market Analysis

Current system estimates are based on prototype cost at minimum order and developmental cost Projected Future Cost Estimates assume large quantity orders and less engineering time. Installation and maintenance costs have not been reviewed. These numbers will be formulated during the infield evaluation.

Smart Pipeline Network - Pipe and	Smart Pipeline Network - Pipe and Pipe Repair Sensor System (sensorSLEEVE)			
Current Cost Estimates	Projected Future Cost Estimates			
\$18,315.20	\$9,157.60			

Odyssian performed a market study through Dawnbreakers, Inc. it will be attached in its entirety. A brief summary of the will follow. The full report will be available upon request.

### DISTRIBUTION Approved for Public Release

### PAGE 26 OF 46

### Market Analysis Summary

Odyssian Technology has developed a set of proprietary technologies for application in the oil and gas pipeline industry referred to as: (1) Smart Pipe, (2) Smart Seals and Gaskets, and (3) Smart Case Pipe Spacing. The purpose of this customized market research report was to identify potential target markets for the smart seal, discuss competing technologies, and provide data that would assist in understanding how to penetrate the Oil and Gas industry. Sources of potential funding for continued technology development were also identified.

### Leak Detection Systems

In the Oil and Gas industry, the market opportunity for leak detection exists because of a number of federal regulations. Most recently, the Pipeline Safety Improvement Act of 2006 encouraged the continued study of pipeline safety and security practices and mandated a leak detection study. In 2007, this study was commissioned by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) and was issued in 2012 as the Leak Detection Study. Three types of leak detection systems (LDS) were defined and categorized in this report: (1) visual inspection techniques; (2) instrumented monitoring of internal pipeline conditions; and (3) external, instrumentation for detecting leaked hydrocarbons. This comprehensive study defines a leak detection system (LDS) as having three components, all of which must be considered: Personnel, Procedures, and Technologies.

According to operators, "false alarms" are a major concern and are not the result of the LDS not functioning properly. False alarms reflect the fact that normal operational changes on or near the pipeline can cause exactly the same physical effects that the LDS uses to detect leaks. "It is an inherent difficulty with any technology that relies upon any physical side effect of a leak for its detection." Another issue mentioned was that external systems are often quite complex and are difficult to select, engineer, and deploy.

Data on pipeline incidents collected by the Department of Transportation provided an additional perspective on why leak detection systems are viewed as having three components (Personnel, Procedures, and Technologies). Of 5,610 onshore spills reported as *significant* between 1993 and 2012, the main causes were corrosion (19%) and third party generated spills such as those that occur during excavation (22.5%). The primary causes of *serious* incidents occurring during this period resulted from incorrect operation (12.4%) and excavation (33.2%).

A final conclusion was that "Leak detection system complexity or high cost does not necessarily translate to better performance. Without a focus on all three: technology, people and procedures, a single "weak link" can render the overall system useless. In particular even very simple technologies can be very effective, if they are backed up by highly skilled operators and well-designed procedures. Design choices need to be balanced with available and committed operating and maintenance resources."

It appears from the detailed discussion in the Leak Detection Study of how the oil and gas industry operates, that the appropriate focus for Odyssian might be areas of high environmental sensitivity. "Pipelines often have relatively short sections where leak detection is far more critical than in others. Examples include: river crossings (even small emissions are carried long distances); road crossings (vibration, immediate contact with moving machinery); hospitals, schools and other low-

### DISTRIBUTION

Approved for Public Release

#### PAGE 27 OF 46

mobility areas (limited escape capability). There is a need for a certified, *dedicated point solution* that is predesigned and pre-configured for each of these common situations."

### Competing Products

Competing approaches for leak detection were reviewed including: Computational Pipeline Monitoring (CPM), acoustic leak detection, remote sensing using air platforms, strain sensors, pressure and temperature sensors, Supervisory Control and Data Acquisition (SCADA) Pressure Point Analysis, and External Sensors. A summary table briefly describes how each contrasting technique works, provides illustrative names of companies that provide that approach and provide additional information that highlights the value proposition. In pursuing the Oil and Gas industry it will be important that Odyssian contrast the feature, advantages, and benefits of its technology relative to other solutions that exist. If the Odyssian system can greatly reduce false positives, this should be highlighted.

### Other industries where leak detection is important

Apart from the oil and gas industry, it is reasonable to assume that leak detection in other industries is important. A quick review of leak detection in the water, wastewater, renewable and alternative energy industries was provided. In a study conducted by The Fredonia Group, it was projected that the demand for water and wastewater pipe in the U.S. is estimated to rise 5.8 percent annually to \$19.6 billion in 2014. Advances will reflect renewed activity in the residential building construction sector, the growing obsolescence of sewer and drainage systems and upgrades of municipal water systems. Another study conducted by Frost and Sullivan indicated that the global leakage levels of water average 25-30 percent. In areas where water is treated as a precious commodity the interest in leak detection is highest. For example, the Las Vegas water district implemented a PermaLog remote leak detection system.

Specialty pipelines are required for renewable and alternative energy substances as their chemical composition is often corrosive or destructive to the existing, conventional pipeline infrastructure. A 2010 report prepared by SBI Energy estimates that the total global market for specialty pipelines will show year over year increases of 30% through 2015. A summary of the growth rate of pipelines needed for the transport of carbon dioxide, ethanol, biodiesel, biogas, and biomethane are included.

Leak detection is also an issue with pipes that carry water, wastewater, and alternative fuel. However, just as with the oil and gas industry, it is suspected that there are selective areas along the distribution network where an alternative to current methods may be required. To determine the specific niche where Odyssian's technology will be valued, will require primary market research. This section of the report concludes with an illustrative approach for collecting feedback from individuals who are responsible for leak detection in highly sensitive areas such as river crossings, road crossing, hospitals, and schools. Sample questions are included.

#### Seals Market

Odyssian anticipates using a licensing strategy to bring its patented products to market. Therefore, in this section insight was provided into selected players that manufacture mechanical seals. Of particular interest is EnPro Industries, a leading manufacturer of high-performance

> DISTRIBUTION Approved for Public Release

#### PAGE 28 OF 46

industrial seals, bearing, and compressor components. Since 2003, EnPro has made 28 acquisitions including Pipeline Seal and Insulator Inc. (PSI). "The company complements Garlock's Pikotek line of products offered to the oil & gas production market, providing it with a more comprehensive offering in this space, and 2) it represents Garlock's initial presence in water and wastewater transmission, a market that is likely to grow in the coming years due to the need to replace aging infrastructure throughout the U.S. and Europe." A summary of sealing product segment subsidiaries is included which highlights whether sales to OEMs and/or aftermarket.

Highlights from a 2010 Frost and Sullivan report on the global mechanical seals market are also included. The top three players: EagleBurgmann, FlowServe, and John Crane account for 74.8% of the global mechanical seals market.

#### Potential Sources of Funding

Odyssian is looking for additional sources of funding to continue the maturation of its technology. Although the technology has been tested and has performed well in laboratory environments, it needs to be tested in the field. Within the Small Business Innovation Research (SBIR) program, it was recommended that Odyssian reach out to the Department of Energy SBIR Program Manager, Manny Oliver. In addition other initiatives conducted at the National Energy Technology Laboratory (NETL) may be appropriate. Other initiatives funded through the Department of Defense, the Environmental Protection Agency, and the Department of Transportation were discussed.

# 4.0 SIGNIFICANT FINDINGS, PROBLEMS, TRENDS & IT'S IMPACT ON FURTHER DEVELOPMENT

The preliminary market analysis and relatively recent pipeline accidents emphasizes the need to establish continuous real time monitoring of pipeline integrity. In particular, there is a growing awareness of the hazards and environmental impacts of small leaks that are currently undetectable. Multiple technical solutions are being explored for improving leak detection, yet most are not focused on continuous real time monitoring capable of pinpointing the source of leaks or the precise location of damaging impacts. Meanwhile, information technology and the associated networking infrastructure needed for a Smart Pipeline Network continues to proliferate. The trend is that many consumer and industrial products are increasingly taking advantage of the benefits of being networkable devices. It has become evident to most consumers that significant advances are made when information and communication systems, as well as sensor-laden devices are networked using well-established Internet protocols.

While networkable smart systems continue to evolve and become evermore affordable, there appears to be reluctance by the O&G pipeline operator community to embrace smart pipeline technology that will provide significant insight into the magnitude of leaking systems. The current market dynamics appear to provide inadequate financial incentive for the pipeline operators to incur the significant cost of correcting unsatisfactory containment conditions of some of the aged pipeline infrastructure. The enforcement of federal laws and subsequent regulations may be needed to provide the incentive to adopt smart pipeline and other leak preventative technologies. The Pipeline

### DISTRIBUTION Approved for Public Release

PAGE 29 OF 46

and Hazardous Material Safety Administration (PHMSA) will most likely have to continue to be the primary source of funding to continue the advancement of smart pipeline technology until the time that regulatory consequences are high enough to provide the incentive needed.

The time required to achieve adequate market demand will depend upon how incentivized the pipeline industry becomes, as well as what perception the pipeline industry has toward the level of technology maturation of the smart pipeline technology. Further federal funding is needed to characterize and validate the technology to the level needed to entice early adopter's.

### 5.0 FURTHER DEVELOPMENT NEEDED

Further development is needed to commercialize the smart pipeline technology. Specifically, the components (sensorSLEEVE, etc.), sensors, and the cloud control networking require further evaluation and demonstration to characterize and validate the technology. Engineering and manufacturing development and validation is needed to demonstrate consistent product performance and to prove adequate in-field operation. Sensors need to undergo prolonged testing under environmental and operational conditions to prove adequate life-cycle performance.

Further research is needed into available and emerging thin and thick film sensors having an extremely small form factor that are capable of detecting the wide array of hydrocarbons that are transported within the O&G transmission pipelines.

Odyssian Technology's ROM estimate is that approximately \$2M to \$3M over 2 to 3 years is needed for adequate development, testing, and validation.

### 6.0 REQUIRED GOVERNMENT ASSISTANCE

Government assistance is needed to establish and enforce regulations that will incentivize the O&G pipeline industry to adopt and promote smart pipeline and related technology. Additional government funding is needed to further develop, characterize, and validate the smart pipeline network technology. Mechanical seals are a great source of leaks and further funding is needed to develop smart mechanical seals that detect leaks and monitor performance. Small sensors that lend themselves to integration within components of the smart pipeline (i.e., smart pipe, etc.) need to be further developed, tested, and validated.

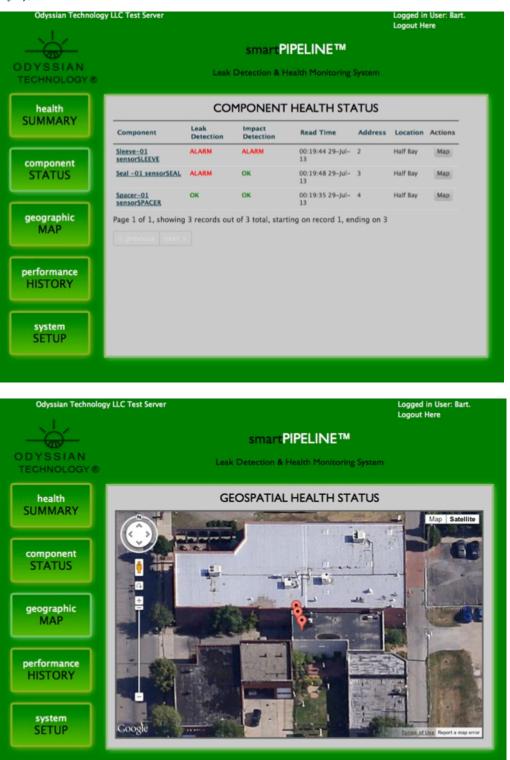
SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

Odyssian Technolog	y LLC Test Server
	- Asimpting -
	Bart
	Parameter*
	Login
Odyssian Technology	
S.L.	Logout Here
$-\widetilde{\otimes}$	smart PIPELINE™
ODYSSIAN	Leak Detection & Health Monitoring System
TECHNOLOGY ®	
health	SYSTEM HEALTH SUMMARY
SUMMARY	
	LEAK DETECTION SENSORS ALARM
	LEAK DETECTION SENSORS ALARM
component	
component STATUS	
STATUS	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions
STATUS geographic	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sieeve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map
STATUS	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map
STATUS geographic MAP	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map
STATUS geographic	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map
STATUS geographic MAP performance	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map
STATUS geographic MAP performance HISTORY	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map
STATUS geographic MAP performance	IMPACT DETECTION SENSORS         ALARM           Component         Leak Detected         Read Time         Address         Location         Actions           Sierve-01 sensorSLEEVE         ALARM         00:16:56 29-jul-13         2         Half Bay         Map           Seal -01 sensorSEAL         ALARM         00:17:00 29-jul-13         3         Half Bay         Map

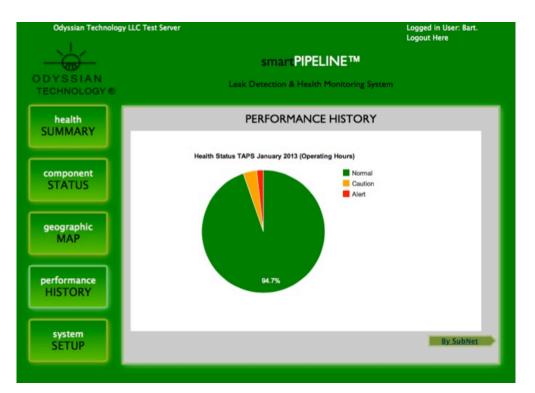
Appendix A: Screen shots of the sensorPIPELINE<sup>™</sup> webpages

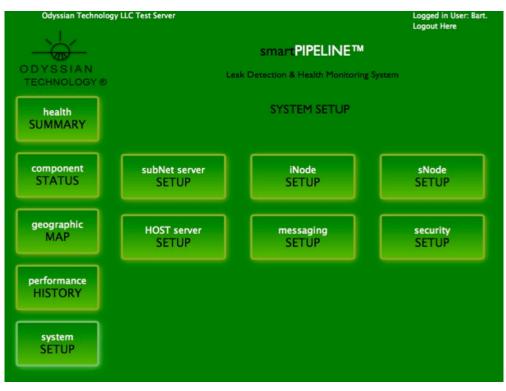
DISTRIBUTION Approved for Public Release

PAGE 31 OF 46



PAGE 32 OF 46





PAGE 33 OF 46

Odyssian Technolog	gy LLC Test Server							.ogged in .ogout H		: Bart.
$\rightarrow$				martPIPE						
DYSSIAN										
TECHNOLOGY ®			Leak Det	ection & Health	Monitori	ng Syster	n			
health			2	SUBNET SE	RVERS					
SUMMARY	ld subNet ↓ Server	Location	Latitude	Longitude	Configurat Cycle (se		abled		Action	IS
	1 SBC0001	Pumping Station 1	70.256959	-148.433931	120		2	View	Edit	Delete
component STATUS	2 SBC0024	TAPS Line Seg00432	67.461676	-150.038613	120		2	View	Edit	Delete
	3 Odyssian Test Bed	Half Bay	41.678261	-86.24396	0		ಷ	View	Edit	Delete
geographic MAP	Page 1 of 1, sho		ds out of 3	total, starting o	n record 1,	ending o	n 3			
	< previous ne New subNet	List Comm	ands 1	ist IP Addresses	List Use	are.				
performance	New Subiver	New Com	_	lew IP Address	New Us					
system SETUP										
	y LLC Test Server							gged in		Bart.
SETUP	ry LLC Test Server			PIPEI	INETM			gged in gout He		Bart.
Odyssian Technolog	y LLC Test Server			mart PIPEL		g System	Lo			Bart.
SETUP	y LLC Test Server			ction & Health	Monitorin	g System	Lo			Bart.
Odyssian Technolog			Leak Dete		Monitorin	g System	Lo			Bart.
Odyssian Technolog	Select subNet Ser Id subNet		Leak Dete	ction & Health	Monitorin	g System ZigBee	Lo	gout Her		
Odyssian Technolog	Select subNet Ser Id subNet	ver: Please s	Leak Dete elect. 0	iNODE	Monitorin; S		Lo	gout Hei	ctions	
SETUP Odyssian Technolog	Select subNet Ser Id subNet 4 Server	ver: Please s Name	Leak Dete	e Longitude	Monitorin; S Enabled	ZigBee	GPS	gout Her	ctions Edit	
SETUP Odyssian Technolog ODYSSIAN TECHNOLOGY® health SUMMARY component	Select subNet Ser Id subNet Server 1 <u>SBC0001</u>	ver: Please s Name INode001P	Leak Dete elect. • Latitud 5 70.25695 6 67.46167	e Longitude 9 -148.433931 76 -150.038613	Monitorin; S Enabled	ZigBee	GPS C'	gout Her A View View	ctions Edit Edit	Delete
SÉTUP Odyssian Technolog OD Y S S I A N TECHNOLOGY & health SUMMARY component STATUS	Select subNet Ser Id subNet Server 1 <u>SBC0001</u> 2 <u>SBC0024</u> 3 Qdyssian	ver: Please s Name iNode001P iNode0024 Odyssian	Leak Dete	e Longitude 9 -148,433931 76 -150.038613 8 9999999	Monitorin S Enabled C C	ZigBee J J	GPS Z	gout Her A View View	ctions Edit Edit	Delete
SETUP Odyssian Technolog	Select subNet Ser Id subNet Server 1 SBC0001 2 SBC0024 3 Odyssian Test Bed	ver: Please s Name iNode001P iNode0024 Odyssian	Leak Dete	e Longitude 9 -148,433931 76 -150.038613 8 9999999	Monitorin S Enabled C C	ZigBee J J	GPS Z	gout Her A View	ctions Edit Edit	Delete
SETUP Odyssian Technolog U Y S S I A N FECHNOLOGY & health SUMMARY component STATUS	Select subNet Ser Id subNet Server 1 SBC0024 3 Odvsian Test Bed Page 1 of 1, show < previous ne	ver: Please s Name iNode001P iNode0024 Odyssian	Leak Dete	e Longitude 9 -148,433931 76 -150.038613 8 9999999	Monitorin S Enabled C C	ZigBee J J	GPS Z	gout Her A View	ctions Edit Edit	Delete
SETUP Odyssian Technolog OD Y S S I A N TECHNOLOGY & health SUMMARY component STATUS	Select subNet Ser Id subNet Server 1 SBC0001 2 SBC0024 3 Odvssian Test Bed Page 1 of 1, show < previous ne New iNode	ver: Please s Name INode001P INode0024 Odyssian ving 3 record xt >	Leak Dete	e Longitude 9 -148,433931 76 -150.038613 8 9999999	Monitorin S Enabled C C	ZigBee J J	GPS Z	gout Her A View	ctions Edit Edit	Delete

PAGE 34 OF 46

Odyssian Technol	ogy LLC Test	Jerver							ged in User: Bart. out Here
				sr	nartPIPEL	INE™			
DYSSIAN FECHNOLOGY®			Le	ak Detec	tion & Health	Monitoring Sy	stem		
health SUMMARY	Select iN	Node: Pleas	se select. 🗘		sNODE	S			
	Id ↓	iNode	sNode Type	Name	Node Address	Close Valve		Action	5
component	1 1	Node001P5	sensorSEAL	VCS001	1	0	View	Edit	Delete
STATUS	and the second second	Node001PS	sensorSEAL	VCS002	2	0	View	Edit	Delete
		Node001P5	sensorSEAL	\$003	3	0	View	Edit	Delete
		Node001P5	sensorSEAL	\$004	4	0	View	Edit	Delete
geographic	and the second second	Node001PS	sensorSEAL	5005	5	0	View	Edit	Delete
MAP		Node001PS	sensorSEAL	\$006	6	0	View	Edit	Delete
	and the second second	Node001PS	sensorSEAL	5007	7	0	View	Edit	Delete
	and the second second	Node001PS	sensorSEAL	5008 5009	8	0	View	Edit	Delete
performance HISTORY		Node001P5	sensorSEAL	\$009 \$010	10	0	View	Edit	Delete
HISTORT	-	Node001PS	sensorSEAL		total, starting o		View	Edit	Delete
system	< previ	ious 1	2 next >						
SETUP	New s	Node L	ist iNodes	List sNo	de Sensors				
SEIGI									
JETOT		N	lew iNode						
SETO		N	lew iNode						forward
JETO		N	lew iNode	1					forward
Odyssian Technolo			lew iNode						gged in User: Bar
			lew iNode						
			lew iNode	sr	nart PIPEL	-INE™			gged in User: Bar
Odyssian Technolo	ogy LLC Test				mart <b>PIPEL</b>		System		gged in User: Bar
Odyssian Technolo	ogy LLC Test				tion & Health	Monitoring S	iystem		gged in User: Bar
Odyssian Technolo Odyssian Technolo Odyssian Ddyssian ECHNOLOGY® health	ogy LLC Test					Monitoring S	System		gged in User: Bar
Odyssian Technolo Odyssian Technolo Odyssian Ddyssian ECHNOLOGY® health	ogy LLC Test		L		tion & Health	Monitoring S	iystem		gged in User: Bar
Odyssian Technolo Odyssian Technolo Odyssian Ddyssian ECHNOLOGY® health	ogy LLC Test Change	Server	1		tion & Health	Monitoring S	System		gged in User: Bar
Odyssian Technolo DYSSIAN ECHNOLOGY® health SUMMARY	ogy LLC Test Change Change	Server to Scenario	L. 1 2		tion & Health	Monitoring S	iystem		gged in User: Bar
Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY	Change Change	Server to Scenario to Scenario	La 1 2 3		tion & Health	Monitoring S	iystem		gged in User: Bar
Odyssian Technolo DYSSIAN ECHNOLOGY® health SUMMARY	Change Change Change Change	Server to Scenario to Scenario to Scenario	Le 1 2 3 4		tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY	Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Scenario	Le 1 2 3 4		tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo	Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Scenario to Odyssian yystem Data	Le 1 2 3 4		tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo	Change Change Change Change Change Change Activate	Server to Scenario to Scenario to Scenario to Scenario to Odyssian system Data a Valve	Le 1 2 3 4	iak Detec	tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 Test Bed	iak Detec	tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS geographic MAP berformance	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	ÿstem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS geographic MAP berformance	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	System		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS geographic	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	ystem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS geographic MAP berformance	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	ystem		gged in User: Bar
Odyssian Technolo Odyssian Technolo D Y S S I A N ECHNOLOGY & health SUMMARY component STATUS geographic MAP berformance	Change Change Change Change Change Change Change Change Change Change Change Change	Server to Scenario to Scenario to Scenario to Odyssian system Data a Valve ubNet Serve	Le 1 2 3 4 • Test Bed	iak Detec	tion & Health	Monitoring S	ÿstem		gged in User: Bar

PAGE 35 OF 46

$\rightarrow$				smart	PIPELINE™			
DYSSIAN ECHNOLOGY®				Leak Detection & I	Health Monitoring Sy	stem		
health				ι	JSERS			
SUMMARY	ld ↓	Username	Role	Created	Modified		Action	5
	1	todd	admin	2013-05-15 21:58:29	2013-05-15 21:58:29	View	Edit	Delete
common ant	2	Bart	admin	2013-05-15 22:01:50	2013-05-16 21:47:16	View	Edit	Delete
component STATUS	3	jimp	admin	2013-05-20 23:46:56	2013-05-22 21:00:22	View	Edit	Delete
STATUS	4	PHMSA	admin	2013-05-25 09:16:29	2013-05-25 09:16:29	View	Edit	Delete
	6 W	ebserviceapi	user	2013-06-13 20:04:19	2013-06-13 20:04:19	View	Edit	Delete
geographic MAP			-	rds out of 5 total, star	ting on record 1, endi	ng on 5		
erformance HISTORY								
system SETUP								

PAGE 36 OF 46

			Attachment J.1 (DEC 2010)
	SUMMARY	REPORT	
Topic No:	DTRT57-12-10049		
Project Title:	Smart Pipeline Network – I	Pipe and Pipe Repair Sensor	System
Phase II: Phase II B:			
Firm Name	Odyssian Technology		
Address:	511 East Colfax Avenue		
City, State, Zip:	South Bend, Indiana 46617		
To best of my knowledge and belief	the data provided below is a	ccurate, complete, and cur	rent as of the date of signature
below.			
PRINCIPAL INVESTIGATO Name <u>Barton Bennett</u> Title <u>Co-Founder &amp; CTO</u>	R ATE JULY 25, 2013	CORPORATE/BUSIN PROJECT DIRECTO Name <u>Barton Bennett</u> Title Co-Founder & CTO () () () () () () () () () () () () () (	DR
Telephone No. <u>574-257-7555</u> E-mail <u>Barton.bennett@odyssian.ce</u>	om	Telephone No. <u>574-257</u> E-mail <u>Barton.bennett(</u>	
PERIOD OF I	PERFORMANCE: AUG	GUST 15, 2012 TO JU	LY 26, 2013

The Pipeline Research Council International (PRCI) provided support to this SBIR program by providing input and advice on the needs and issues related to leak detection within the pipeline industry. It's membership also provided support by reviewing and commenting on Odyssian's conceptual designs and research results.

Design concepts were developed for a smart pipe suitable for use with oil & gas (O&G) pipeline, which included thin film and thick film leak detection sensors embedded near the pipe wall. This design concept includes multiple layers of various materials. When a leak occurs across the pipe wall, the leaking substance causes the sensors to indicate a leak.

Design concepts were also developed for a two-piece sleeve having leak, strain, and impact detection sensors. The two-piece sleeve would satisfy the scope of this project by being applicable to pipe repair. This was achieved by considering two types of smart sleeves for monitoring pipe repair. Type 1 sleeve is designed to provide containment and sealing under maximum operating pressures. Type 2 sleeve is designed for placement over composite wrap repair to monitor its sealing and structural integrity. In this second design, type 2, the sealing and structural containment is provided by the composite repair and the outer sleeve only provides a protective enclosure for the sensor suite and acts as an accumulator of leaked substances to ensure contact with the reactive leak detection sensors located inside the sensor sleeve.

The sensor sleeve was selected for further development and prototyping over the smart pipe designs. Detailed designs of the sensor sleeve were created and a prototype was developed. This device, referred the sensorSLEEVE<sup>TM</sup>, was developed having

	Attachment J.1 (DEC 2010)
	SUMMARY REPORT
Topic No:	DTRT57-12-10049
Project Title:	Smart Pipeline Network – Pipe and Pipe Repair Sensor System
Phase II: Phase II B:	
Firm Name	Odyssian Technology
three type of sensors within the ca	with of the sleeve. This included a micro-electromechanical systems (MEMS) pressure sensor a

three type of sensors within the cavity of the sleeve. This included a micro-electromechanical-systems (MEMS) pressure sensor, a reactive fuel sensor, and an accelerometer. The MEMS and reactive sensor are for detecting the leakage of gasoline and other fuel hydrocarbons, and the accelerometer is for detecting impact and earth movement.

SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

	Attachment J.2 JAN 2011
	PHASE I COMMERCIALIZATION REPORT
Topic No:	DTRT57-12-C-10049
Project Title:	Smart Pipeline Network – Pipe and Repair Sensor System
Firm Name	Odyssian Technology LLC
Address:	511 East Colfax Avenue
City, State, Zip:	South Bend, Indiana 46617 The 2012 Leak Detection Study conducted by the PHMSA points out that 44% of these old, over 170,000 miles, hazardous liquid pipelines are in High Consequence Areas —which means that peoples' lives are at risk if they leak or spill. Thus, it is important that leak detection systems are used to promptly identify when a leak has occurred so that appropriate response can be initiated quickly. Analysis of historical incident data reported
Provide Narrative and Relevant Statistical Data.	by US pipeline operators allows calculation of the financial consequences of leak scenarios. US Pipeline & Hazardous Materials Safety Administration (PHMSA) data and statistics for distribution and transmission pipelines show 730 hazardous liquid pipeline accidents between Jan. 1, 2010, and August 2012 with 241 involving at least 10 bbl. Average cost/accident was \$1,343,041. Average cost/bbl released was \$4,263. This analysis excludes fines, damage to the company image, imprisonment, and other consequences more difficult to quantify. Costs include: • Product loss.
	Property damage and repair.
	Emergency response.
	Environmental damage
	History has shown that leaks often occur at the location of a previous repair or where pipes have eroded, cracked or been hit by machinery. The Smart Pipeline Network Pipe and Repair Sensor System (sensor sleeve) provides not only a repair but also continued monitoring to prevent future leaks. The 2010 pipeline leak in Romeoville Illinois leaked 250,000 gallons of oil beneath a warehouse complex in the city. This spill came six weeks after the major spill in Kalamazoo Michigan that spilled 877,000 gallons of Bitumen into the KalamazooRiver.
	http://www.nytimes.com/2010/09/17/us/17cncoilspill.html?pagewanted=all&_r=0 Though these spills took place in very different locations they affected many lives and the toll on the environment is yet to be seen. These leaks, just as with all leaks, require costly clean up efforts and very costly repairs. With this in mind, installation of the Smart Pipeline Network - Pipe and Repair Sensor System at the same time as the repair makes perfect sense to provide the future leak detection assurance. This system will sense and notify operators if the repair does not continue to work before another major spill occurs. With new pipelines the Smart Pipeline Network Sensor System will prevent the damage seen at Romeoville and the Kalamazoo River. Every year oil spills cause huge property damage, water contamination and loss of life. Unfortunately the operator errors and lack of action compound the problem. Odyssian
	Technology's Smart Pipeline Sensor Network System offers a viable solution to the growing problem of leaking aging pipelines through out the world and the added benefit of Odyssian

### DISTRIBUTION

SBIR Data Rights. Distribution authorized to US Government agencies only. Other requests for this document must be referred to the U.S. Department of Transportation (DOT). This document in whole or in part is subject to the SBIR Data Rights Notice at beginning of this document

### SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

	Attachment J.2 JAN 2011
	PHASE I COMMERCIALIZATION REPORT
Topic No:	DTRT57-12-C-10049
Project Title:	Smart Pipeline Network – Pipe and Repair Sensor System
Firm Name	Odyssian Technology LLC
Address:	511 East Colfax Avenue
	Technology installing and maintaining the system will reduce costly operator training and operator error
	f interest made by third parties, other Federal agencies, state and local governments, as well as private products or services developed under this contract.
Odyssian Technology expec	ts to use a licensing strategy to bring its patented products to market.
that the immediate need is for	TransCanada toward the Smart Pipeline Network Pipe and Repair Sensor System. It was mentioned or the sensorSLEEVE <sup>™</sup> . This was early in the development of the Smart Pipeline Network system and time. Communication will continue with TransCanada as the system progresses through its final
Please describe the potential other commercial markets.	market for the products or services developed under this contract for the purpose of applying it to
of leak detection in the wate by The Fredonia Group, it w annually to \$19.6 billion in 2 growing obsolescence of sev and Sullivan indicated that t industry, it is suspected that be required.	ndustry, it is reasonable to assume that leak detection in other industries is important. The importance r, wastewater, renewable and alternative energy industries is a growing concern. In a study conducted ras projected that the demand for water and wastewater pipe in the U.S. is estimated to rise 5.8 percent 2014. Advances will reflect renewed activity in the residential building construction sector, the ver and drainage systems and upgrades of municipal water systems. Another study conducted by Frost he global leakage levels of water average 25-30 percent. However, just as with the oil and gas there are selective areas along the distribution network where an alternative to current methods may ater is treated as a precious commodity the interest in leak detection is highest.
or destructive to the existing global market for specialty p year increases of 30% throug Odyssian's Smart Pipeline N oil and gas industry but also	red for renewable and alternative energy substances as their chemical composition is often corrosive a, conventional pipeline infrastructure. A 2010 report prepared by SBI Energy estimates that the total pipelines, transport of carbon dioxide, ethanol, biodiesel, biogas, and bio methane, will show year over gh 2015. Network-Pipe and Repair Sensor System will lend itself well in not only repair and sensing leaks in the water, wastewater and renewable and alternative energy applications. Humidity sensors and various led to the sensorSLEEVE <sup>TM</sup> as the need requires.
Please describe the potential Government requirements.	market for the products or services developed under this contract for the purpose of applying it to
effective and approved way.	epends upon the availability of funding and the ability of a provider to address the need in a cost- The 2012 Leak Detection study concluded with a discussion of operator opinions regarding budgets which indicates that budgets are limited and driven be a desire to meet regulation. Technologists
0	<u>DISTRIBUTION</u> ibution authorized to US Government agencies only. Other requests for this document must be referred to th ortation (DOT). This document in whole or in part is subject to the SBIR Data Rights Notice at beginning of this document

SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

	Attachment J.2 JAN 2011
Р	PHASE I COMMERCIALIZATION REPORT
1	DTRT57-12-C-10049
Project Title:	Smart Pipeline Network – Pipe and Repair Sensor System
	Odyssian Technology LLC
	511 East Colfax Avenue
included in this study indicated that regul	lations were key to enabling their technologies to be adopted.
<ul> <li>honest desire to meet retthe board, a case has to</li> <li>The interviewees [white that leak detection was</li> <li>The personnel intervie actual investment in less SCADA, Information 7</li> <li>They are all regularly large number reported internal procedures. For a statement in the section of th</li></ul>	arge majority of interviewees was that that overall leak detection budgets are driven by an eegulations and industry standards, <u>but no more</u> . In order to secure a program budget from the be made that it is necessary to meet an external standard or obligation. The did not include representatives from the corporate risk analysis group] did not think a significant consequence mitigation measure at the corporate level. The week were given working budgets for a period of between on and five years. Therefore eak detection has to be taken out of additional departmental responsibilities (metering, Technology). Technology). The asked to rank potential technical options in terms of costs and benefits. Despite this, a that even very cost-effective options are often excluded if they do not follow accepted following a tried and tested approach is usually valued more highly than cost-benefit.
	opers considered that regulation alone is largely responsible for the adoption of their
recently, the Pipeline Safety Improvemer and mandated a leak detection study. In 2 Hazardous Materials Safety Administrati detection systems (LDS) were defined an of internal pipeline conditions; and (3) ex defines a leak detection system (LDS) as Technologies. According to operators, "ff properly. False alarms reflect the fact tha effects that the LDS uses to detect leaks. of a leak for its detection." Another issue engineer, and deploy. Leak detection syst a focus on all three: technology, people a even very simple technologies can be ver	opportunity for leak detection exists because of a number of federal regulations. Most in Act of 2006 encouraged the continued study of pipeline safety and security practices 2007, this study was commissioned by the U.S. Department of Transportation Pipeline and ion (PHMSA) and was issued in 2012 as the Leak Detection Study. Three types of leak and categorized in this report: (1) visual inspection techniques; (2) instrumented monitoring sternal, instrumentation for detecting leaked hydrocarbons. This comprehensive study having three components, all of which must be considered: Personnel, Procedures, and false alarms" are a major concern and are not the result of the LDS not functioning at normal operational changes on or near the pipeline can cause exactly the same physical "It is an inherent difficulty with any technology that relies upon any physical side effect e mentioned was that external systems are often quite complex and are difficult to select, tem complexity or high cost does not necessarily translate to better performance. Without and procedures, a single "weak link" can render the overall system useless. In particular ry effective, if they are backed up by highly skilled operators and well-designed alanced with available and committed operating and maintenance resources.

The Smart Pipeline Network - Pipe and Repair Sensor System needs to be established as a requirement when operators are making repairs. The added security of being able to monitor a repair will benefit not only the operators but also society and the environment.

### DISTRIBUTION

SBIR Data Rights. Distribution authorized to US Government agencies only. Other requests for this document must be referred to the U.S. Department of Transportation (DOT). This document in whole or in part is subject to the SBIR Data Rights Notice at beginning of this document

#### SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

	Attachment J.2 JAN 2011
	PHASE I COMMERCIALIZATION REPORT
Topic No:	DTRT57-12-C-10049
Project Title:	Smart Pipeline Network – Pipe and Repair Sensor System
Firm Name	Odyssian Technology LLC
Address:	511 East Colfax Avenue
it will exceed these requirements and wi monitor the Smart Pipeline Network Sys harm to the environment and fines and/c working to meet government requirement Pipeline Sensor Network System is a via just as has been seen with many other te	Network System will not only satisfy current government regulations and requirements but Il establish a standard for clean pipeline systems. Odyssian's plan to install, maintain and stem will prevent costly maintenance error, damaging leaks, loss of product, loss of life, or penalties. In light of the oil and gas industries current standard practice of merely nts and regulations change will not occur without additional regulation. The Smart able solution for leak detection suited for installation on both new and old pipelines. But chnologies and as was stated by the interviewees no change will be made within this 'regulations and shorter timelines to implement. These industries must not merely react to

View of more oil spills since the 2010 Gulf of Mexico disaster that spilled 210,000,000 gallons of oil over an 87 day period. http://www.huffingtonpost.com/2013/07/05/crow-reservation-gasoline-spill\_n\_3550728.html#slide=2097848

#### DISTRIBUTION

SBIR Data Rights. Distribution authorized to US Government agencies only. Other requests for this document must be referred to the U.S. Department of Transportation (DOT). This document in whole or in part is subject to the SBIR Data Rights Notice at beginning of this document

SBIR Data Rights. Distribution authorized to U.S. Government Agencies only.

Patents & Patents Applied for have has been reported in accordance with H.12.	No Patents have been filed, as of yet, that have been developed from program related technology. Previously held patents related to the Smart Pipeline Network technology as listed below. 1. Seals with Integrated Leak Progression Detection 11/090,527 Granted/Registered –United States 2. Seals with Integrated Leak Progression Detection 08 727 381.9 Examination Report - Received European Patent Office – United States 3. Gaskets and Seals with Integrated Leak Detection Capabilities PCT/US09/65695 Examination Report Received – Patent Cooperation Treaty 4. Seals with Integrated Sensor 8,601,211 Granted/Registered–United States 5. Composite Repair for Pipe and Monitoring Assembly 13/396,294 Application Filed – United States 6. Compostie Repair for Pipes 8,113,242 Granted/Registered – United States
Have you issued a press release or media for publicity?	Odyssian Technology is in the process of updating its website. Upon completion of the website press releases will be issued.

### DISTRIBUTION

SBIR Data Rights. Distribution authorized to US Government agencies only. Other requests for this document must be referred to the U.S. Department of Transportation (DOT). This document in whole or in part is subject to the SBIR Data Rights Notice at beginning of this document

Attachment J.3 (April 2010)							
SBIR Phase I CONTRACTOR REPORT OF GOVERNMENT PROPERTY							
1. Contract Number: DTRT57-12-C-10049							
2. Report Period Ending: July 25, 2013							
<b>3. Contractor (Name and Address)</b> Odyssian Technology 511 East Colfax Avenue South Bend, Indiana 46617				<b>4. Contracting Office (Name and Address)</b> USDOT/RITA/Volpe Center Contracts & Tech support Services 55 Broadway RVP-32 Cambridge, MA 02142-1001			
5. Name and location of Government-Owned, Contractor-Operated Plant (if applicable) NONE							
6. Any Government property located at a subcontractor's plant? Yes X_No. If yes, give the name and address of the subcontractor(s) on an attached sheet to this report.							
7. Property Class (See FAR 45.5)	Item/ Description	Unit Price In dollars	Quantity	Total Acquisition Cost	Invoice Date	Required for Phase II.B or Phase III (yes/no)	
Plant Equipment							
Special Test Equipment							
Special Tooling							
Materials in Stock							
Other Real Property							
NOTE: This report shall include all Government property (i.e., property furnished by the Government, or acquired or fabricated by the contractor or subcontractors). By signature hereon, the contractor's property administrator declares that the report was prepared from the contractor's records.							
8. Typed Name of Contractor Property Administrator Susan Bennett				9. Signature and Date Deanelt			

DOT SBIR Phase I Contract No: DTRT57-12-C-10048 DTRT57-12-C-10049 DTRT57-12-C-10050

Assertion of Data Rights

#### Required Data Rights Assertion FAR 52.227-20

Technical Data to be Furnished With Restrictions*	Basis for Assertion**	Asserted Rights Category***	Name of Entity Asserting Restrictions****	
Concepts, technology, and data related to multifunctional or smart seals, smart gaskets, rubber sealing sensors and custom pressure sensors.	Developed under non-federal funds	Limited Rights	Odyssian Technology	
Concepts, technology, and data related to hydrocarbon sensing.	Developed under non-federal funds	Limited Rights	Odyssian Technology	
Concepts, technology, and data related to sensors to detect leaks in water distribution, gasoline piping and storage tanks.	Developed under non-federal funds	Limited Rights	Odyssian Technology	
Concepts, technology, and data related to multifunctional sandwich electronic structures including dual wall truss electronic piping.	Developed under non-federal funds	Limited Rights	Odyssian Technology	
Concepts, technology, and data related to smart collar (sensor boot).	Developed under non-federal funds	Limited Rights	Odyssian Technology	

July 17, 2012

Odyssian Technology Page 1 of 1