

GLOBAL visions

DRESSER-RAND PROVIDING EQUIPMENT FOR INDUSTRY'S FIRST FLOATING LNG PROJECT

DRESSER-RAND RECENTLY received a Letter of Authorization to Proceed from Kanfa Aragon to supply the compression equipment for the world's first floating liquefaction plant (FLNG), the Flex LNG Ltd. LNGP1 destined for operation offshore Nigeria. The award is for approximately \$55 million.

The floating liquefied natural gas (LNG) unit will have a liquefaction capacity of approximately 1.7 MTPA. Samsung Heavy Industries Co., Ltd. ("SHI") is the EPCIC contractor for LNGP1, while Kanfa Aragon, a Sevan Marine subsidiary, is the Engineering & Procurement contractor for the topsides facilities of LNGP1 for SHI.

"Over the past three years we have identified LNG Liquefaction as a strategic growth opportunity for the coming 5 to 10 year period. While many of the land-based projects continue to experience delays in permitting and partner funding, it now appears that the offshore

floating projects present a real and present opportunity. We are very pleased to have been selected by Kanfa Aragon, SHI, and Flex LNG to supply the critical service equipment for this, the world's first floating liquefaction unit," said Vince Volpe, Dresser-Rand's president and CEO.

"Dresser-Rand was chosen on the basis of their compressor technology and their gas turbine/compressor packaging concept, which are drivers for minimizing total project risk as well as maximizing the production of LNG."

— Kristian Utkilen,
technical director,
Kanfa Aragon

According to Kristian Utkilen, technical director of the process designer and Engineering and Procurement contractor, Kanfa Aragon, "Dresser-Rand was chosen on the basis of their compressor technology and their gas turbine/compressor packaging concept, which are drivers for minimizing total project risk as well as maximizing the production of LNG."

Floating liquefaction units provide an economic means to develop stranded gas reserves to help meet the world's growing demand for natural gas. While the conventional, land-based LNG projects focus on an estimated 70-80 fields with gas reserves greater than 5 trillion cubic feet ("TCF"), there are more than 1400 small to medium sized fields with reserves between 0.25 and 5 TCF. This provides a target market of approximately 150 TCF, which can be developed using floating LNG technology. ■