

Mid-scale LNGs to be fitted with new containment system

Newcomer Saga LNG Shipping has signed a contract with China Merchants Heavy Industry to build a 45,000 cu m LNGC, plus an option for another. The vessel will be fitted with a new containment system.

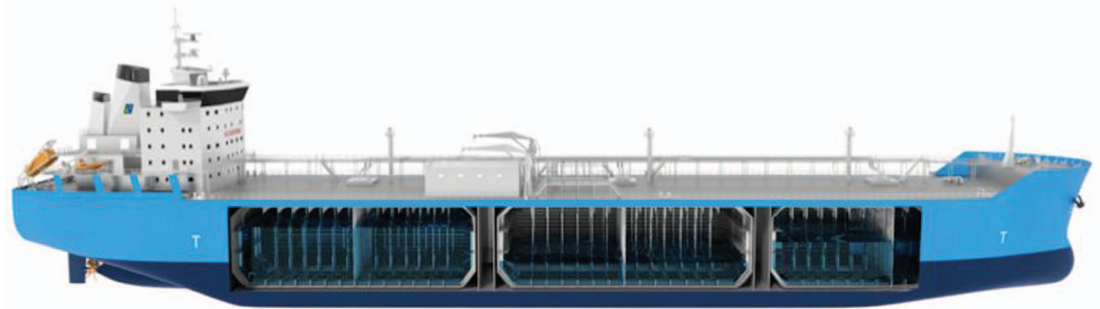
Saga LNG is backed by Landmark Capital, which is aiming to become a leading player in the development of mid-scale LNGCs.

This contract replaces an earlier agreement with Xiamen Shipbuilding Industry. Due to unknown reasons, this project was delayed and in order to meet strict timescales with potential end users, it was moved to another shipyard.

The vessel will now be built at China Merchants Heavy Industry's Haimen shipyard located in China's Eastern Jiangsu province and is due to be delivered in early 2018.

She will be the first LNGC to be fitted with a LNG New Technologies' patented LNT A-BOX containment system. The vessel has been designed for worldwide trading, but with transshipments, local and regional trades in mind.

LNT's containment system consists of an IMO independent tank type A primary barrier and what is claimed to be a truly independent full secondary barrier, supplied by MGI Thermo, which was involved with the design's development. The barriers are separated by an accessible



LNT45 cutaway.

inter-barrier space to allow for ease of inspections.

The self-supporting tanks are fitted with an internal structure, which is claimed to mitigate sloshing with the result that the vessel will not have any partial loading restrictions.

In addition to establishing a dedicated shipping arm - Saga LNG Shipping - Landmark Capital said it was also targeting other floating LNG projects, such as FSUs, FSRUs and FLNGs, all designed around the LNT A-BOX containment system and was participating in various projects involving floating applications. These include smaller projects that require 20,000 cu m capacity applications up to mega projects requiring 200,000 cu m

capacity floating units.

A spokesman for the company told *LNG Shipping News* that the LNT A-BOX can be built in 500 cu m fuel tank size up to multiple 50,000 cu m tanks for large units.

"When looking at the LNGC fleet, we see that there is a serious lack of vessels in the 30,000 cu m to 100,000 cu m range. Rather than competing in a saturated market, we have, up to this point, focused most of our resources on the virtually wide-open mid-sized market, where we also enjoy the strongest cost advantages," he said.

"For the industry to continue to grow and to ultimately allow LNG to truly become a commodity, the value chain needs to be opti-

mised. The clear size break in the LNGC fleet, coupled with the average vessel size, now having climbed to 150,000 cu m, creates a serious bottleneck.

"In areas where pipeline gas is not feasible, emerging small to mid-size end users have neither the financial backing to create such infrastructure, such as seen in large scale LNGC operations, nor the means to absorb LNG parcels of that size.

"The Asian archipelagos are teeming with stranded gas demand and are the key focus areas for us. There is also a marked existing and growing demand in the Caribbean, Central and South America and the Mediterranean," he said. ■

Exmar reviews LNG progress for 3Q15

In a review of the third quarter 2015 results, Exmar said that the LNG fleet contributed \$9 mill to the operating result (EBIT) during 3Q15, compared to \$8.5 mill for the same period in 2014.

All the LNGC's and LNGRV's in which EXMAR has a stake were in service and have contributed to the result under their respective timecharters. They were all expected to contribute to 4Q15.

'Excel' was redelivered after its charter with ConocoPhillips at the end of October. Medium term employment for the vessel is currently being investigated, Exmar said.

The construction of the floating liquefaction unit 'Caribbean FLNG' at Wison Heavy Industry in Nantong, China is progressing as

planned. Delivery is expected in the first quarter next year.

The DC LNG consortium expects to receive a facility permit for the 555,000 tonnes per annum export project by the end of this year. The consortium will be in a position to take positive final investment decision (FID) once the FLNG barge's import duty into Canada and other pending items are resolved satisfactorily.

In addition, the FSRU under construction at Wison reached the important milestone of keel-laying

and will be delivered by the end of 2016 as planned.

Meanwhile, Shanghai-based Wison has been granted over RMB4 bill (\$631.1 mill) line of credit by China Minsheng Bank (CMBC) to support its new order financing.

The financing deal forms an important part of the strategic agreement reached by Wison Group Holding, the parent company of Wison Offshore & Marine, and CMBC.

Cui Ying, CEO of WISON Offshore & Marine, said, "We highly

appreciate the support and trust from CMBC. Our partnership with CMBC will enhance our financial capabilities and reinforce our investment in expanding our strategic and innovative product portfolios, such as FLNG and Buoyant Tower.

"The strong financial support from CMBC also enables us to develop our strategy of becoming a global leader in large-scale modules fabrication to support the large EPC contractors through our world-class fabrication facilities in China," he added. ■