

Sea NG zeroes in on CNG firsts

Calgary company hopes to finalise CNG ship orders by end of year

LUCY HINE London

Calgary-based Sea NG Corp and its partners expect to finalise orders for three of the world's first compressed natural gas (CNG) newbuildings before the end of this year as they home in on securing their first working project.

Sea NG president and chief executive David Stenning said the company is currently working on three CNG projects in parallel and expects to be able to announce details of at least one of these this year.

He said Sea NG, working closely with its partners

Teekay and Japanese trader Marubeni, has secured three shipyard slots at a small Korean yard.

He declined to name the shipbuilder. Previously the company has been linked to Samwon Shipbuilding Company in Gunsan City.

Each of the projects would require three of Sea NG's C25 ships.

These 140-metre vessels would be fitted with 25 of the company's patented Coselles (pictured), the coiled pipeline units that hold the CNG.

Each Coselle is capable of holding 3 million cubic feet of gas in total allowing the vessels to ship some 75 MMcf.

Stenning would not give any details of the three projects the company is working on.

In the past it has been linked to a project in the Caribbean to bring CNG to

Image: SEA NG



Jamaica and two others in the Mediterranean.

Sea NG has already secured and started work on a site in the Gunsan Free Trade Zone on the west coast of South Korea where it will construct the facilities it needs for the automated building of the Coselles.

The facility is due to be in full production of the CNG containers by late 2009.

Vice president of operations Robert Dick explained that it was

difficult to find land in Korea near enough to the sea.

He said the 10-hectare site is within a mile of the terminal where the Coselles, each weighing 550-tonnes, would be transported along industrial roads to the sea. The weight of the units means they cannot be moved by rail or along normal highways.

Stenning said: "The reason we leased the land is because we believe we will

need to start building the ships soon." Coselles consist of 17 kilometres of 168 millimetre diameter steel pipe arranged in a coil.

The system is designed to transport volumes of natural gas of between 30 to 700 MMcf per day over medium distances of 200 to 1500 miles.

In the past the rising cost of steel has been a prohibitive factor for the development of CNG.

But Stenning said Coselles have an advantage over other CNG transport systems because they use small diameter pipe which, although not cheap, is less expensive than the larger variety used in other designs.

He added that rising energy costs mean CNG is still competitive for those looking to shift small or stranded gas to regional markets.

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EVENT WEBSITE <http://www.lngweek.org> CONTACT Benjamin Chen TEL (0086) 21 6652 3700 - 3661 EMAIL benjamin.chen@araworldwide.com