CASE STUDY

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- Barney Rafferty, Project Manager, Flo-Max Australia

SANTOS GLNG PROJECT

PROJECT BACKGROUND

The Santos GLNG project, a partnership between Santos and major energy companies PETRONAS, Total, and Kogas, is one of the biggest energy projects in the entire world. The project is an investment in clean energy for the future, with the aim of converting natural gas from Australia's Bowen and Surat basins to liquefied gas for export. The Santos GLNG project also involves construction of a pipeline from these fields to a processing plant to be built on Curtis Island, located off the coast of Queensland near Gladstone.

The overall value of the project is estimated at $18.5 billion.
Because of the high profile of the project and its estimated $3 billion investment into the Australian economy, contractors on the project were working under high pressure and tight deadlines.
Flo-Max Australia, a pipeline operating, commissioning, and maintenance company with over two decades of history and operations throughout South East Asia, was contracted was Clough Downer JV to Clean and dry approximately 20 kilometer of piping within the compressor stations Hub 4 & Hub 5.

AT A GLANCE

- Santos GLNG Project is a high profile Australian energy project involving the construction of a 420-kilometer pipeline from Bowen/Surat Basins to Curtis Island near Gladstone in Queensland
- Flo-Max Australia was contracted to handle a portion of the pipeline drying/testing process
- Because of the lack of equipment available in the Queensland area of the project and the time sensitive nature of the project, Flo-Max Australia called upon APS, whom they had done business with before.
- APS provided eight high-end compressors, desiccant dryers, and lengths of hose, among other equipment
- The biggest challenge was getting equipment from APS in Melbourne to the Flo-Max Australia work site in Queensland on time
- In the end, APS delivered their contracted equipment on time and in working order, allowing Flo-Max Australia to finish their contract successfully

SANTOS GLNG PROJECT

THE PROBLEM: FINDING THE RIGHT EQUIPMENT IN TIME

Flo-Max Australia was under a severe time crunch to get their contracted drying and cleaning work completed. Their portion of the project was especially critical, since the part of the pipeline that they were working on had to reach a specific negative dew point in order for gas to be able to safely flow through it. Due to the large number of energy projects ongoing in Australia at the time, compression equipment used in the drying/testing of pipelines was scarce, particularly in Queensland, where Flo-Max Australia work on the Santos project would take place. Not being able to complete their work on time would have held grave penalties and financial repercussions for Flo-Max

Australia as well as other companies on the project, since Santos had an agreement to start gas flow by a certain date based on arrangements made with their global customers. After multiple project delays, Flo-Max Australia had to work virtually around the clock to meet their deadlines.

THE SOLUTION: REMOTE SUPPORT FROM AIR POWERED SERVICES

Knowing exactly what kind of equipment they would need to fulfill the requirements of the project and having worked with Air Powered Services on previous projects in Victoria, Flo-Max Australia immediately called upon APS to deliver on time: in fact, Flo-Max Australia contract with APS included a premium to account for the speed with which the project needed to be completed. In total, their work with Flo-Max Australia spanned eight months from mobilisation to completion. Some highlights of the equipment provided by APS included eight high-end compressors with an average flow rate of 1600 CFM, as well as four desiccant dryers and hoses.

THE RESULT: FLO-MAX AUSTRALIA DELIVERED, ON TIME AND IN FULL

One of the most significant challenges involved with Air Powered Services' solution was that APS is based in Victoria, while most of the project work took place in Queensland. This distance combined with the time sensitive nature of the project meant that APS would have to perform at a high level and stick to a rigid schedule to get the equipment up to Flo-Max Australia work site on time. The scale of the project meant that Flo-Max Australia would be placing an enormous strain on Air Powered Services' available resources. Barney Rafferty, project manager at Flo-Max Australia, describes the large amount of equipment needed:

"We basically took everything APS had available in stock. They even built another unit while we were working out there."

APS was to be back charged for maintenance and support. To meet maintenance and timing requirements, the idea of flying an APS team up from Melbourne to Gladstone was discussed, but ultimately APS opted to provide remote support to Flo-Max Australia. The equipment itself was transported to the work site by road.

THE CHALLENGES: CLOSING THE DISTANCE AND MEETING EQUIPMENT DEMAND

Thanks to the quick action of APS, Flomax met the project requirements sent down from Santos on time. At the completion of their contract, Air Powered Services had provided approximately $1 million in equipment for the air compression portion of the project. The Santos GLNG project is on schedule as a whole, with first shipments expected to begin in early 2015.

How did APS make the difference? According to Rafferty:

"I wouldn't have any hesitations recommended APS… Their support was good. Straight away they sent whatever it was that was identified as a project requirement up. There was never any issues with delays. Their after-hours service was good…we had no issues at all with their after sale service."

Without help from Air Powered Services, it is very likely that Flo-Max Australia would not have been able to complete their portion of the Santos GLNG project on time, causing delays and financial penalties for many of the contractors working on this high profile project that represents one of the most significant investments ever made into the Australian energy industry.