

Floating Production

What's New in June

Jim McCaul – IMA/World Energy Reports

Recent Orders

The LNG sector continues to generate orders for new floating production equipment. In late May an FSRU being built for Hoegh LNG on speculation received a tentative terminal contract. The unit will be used by Octopus LNG SpA as an LNG import terminal in Concepción Bay, Chile. Hoegh then followed up in early June with a speculative order for another FSRU. Like the previous seven FSRUs Hoegh has ordered, the new unit will be built by Hyundai.

Hoegh is very positive about the FSRU business. In placing the recent speculative order Hoegh said the company plans to double its FSRU fleet by 2019.

Petrobras

The ban imposed by Petrobras on more than two dozen major contractors has taken a step closer to being removed. In early June Brazil's Attorney General said in an interview the contractor ban was illegal. According to the AG, Petrobras didn't seek a legal opinion from the government before publishing the list of banned contractors. He said that "in my opinion it is illegal to preempt the declaration of ineligibility. The companies must be allowed to present their defense before they are judged."

Petrobras has also received a letter from Agência Nacional do Petróleo, Brazil's oil regulator, questioning the ban.

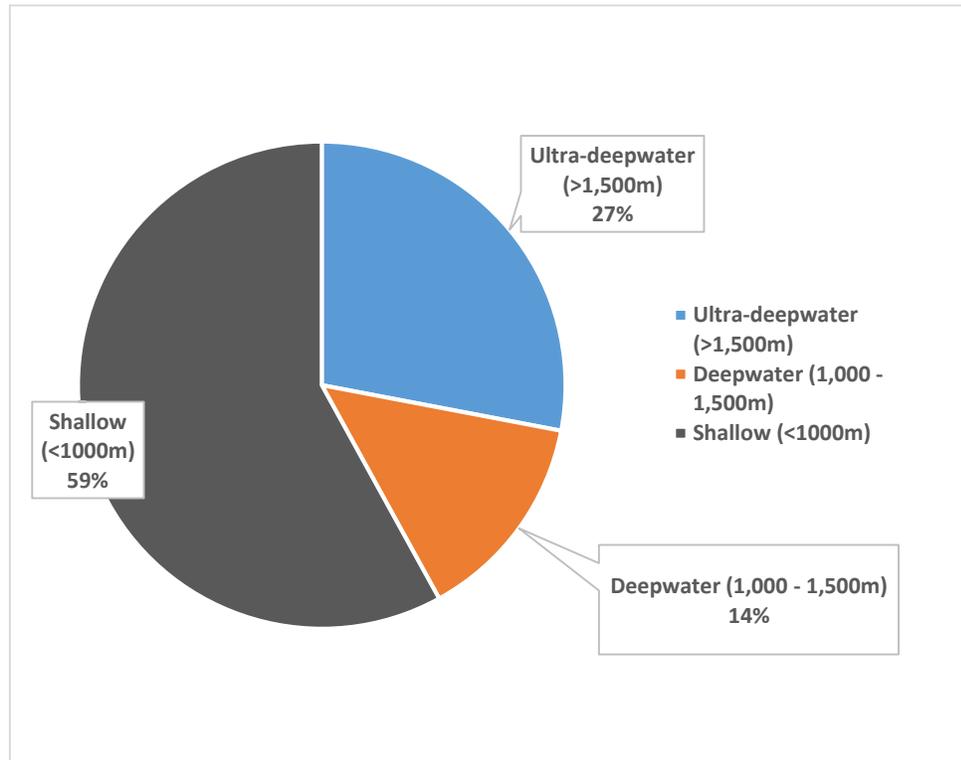
This ban on contractors never made any sense. It was an action to demonstrate that Petrobras would not accept corrupt practices. But in imposing the ban Petrobras closed off virtually all of its established conduits to build new offshore production facilities. The company will not be able to meet its output goals without removing the ban. It also is impacting a lot of workers in Brazil – which under current economic conditions threatens to explode into wide social protests.

Planned Projects

237 floating production projects are in various stages of planning as of early June. Of these, 61% involve an FPSO, 10% another type oil/gas production floater, 22% liquefaction or regasification floater and 7% storage/offloading floater.

Details for all of these planned projects are in the June IMA/World Energy Report.

A breakdown of planned projects by water depth is below.



Complimentary List of Planned Projects Available

If you would like to obtain a list of floating production projects currently in the planning stage, please contact IMA/World Energy Reports at <http://dev.worldenergyreports.com/account/login>. The list includes all the projects we are currently tracking.

Also, you might want to check the short video on the World Energy Reports website that illustrates the capability to search the WER database. There's nothing like this search capability available elsewhere. With the search tools, users can research and analyze 370+ floating production installations, 70+ production units on order, 20+ production units available for redeployment and ~240 floating production projects in the planning stage. Charts can be created from the database and results can be easily transferred to an excel spreadsheet.

The database search video is available at <https://www.worldenergyreports.com/>.

World Energy Reports and Database – WER provides a business intelligence service in the floating production sector. Each month WER publishes *Floating Production Systems--Projects in the Planning Stage, Units on Order, Installed Systems and Available Units*, an on-line 85 to 150 page report with information and analysis need to remain in contact with developments in the sector.

Excel spreadsheets containing data on planned projects, units on order, available units and installed systems are provided with the monthly reports.

WER also has developed an *on-line searchable floating production database* containing information on planned floater projects, floating production system orders and installations currently in service. There is nothing like this database elsewhere! .

For more information, please see <https://www.worldenergyreports.com/reports>.

About Jim McCaul

Jim is the founder and manager of IMA, a consulting firm providing market analysis, competitive benchmarking and business planning support in the maritime and offshore sectors. Over the past 40 years IMA has performed more than 350 business consulting assignments for 170+ clients in 40+ countries.

One of the firm's specialties is analyzing requirements for floating production systems. IMA has published more than 50 reports since 1996 analyzing this business sector and has been engaged by numerous clients to assist in analyzing specific market opportunities in the floating production sector. Please visit www.imastudies.com for more information on IMA.

Jim is also the co-founder of World Energy Reports, a New York based business intelligence service for the floating production industry. Please visit <https://www.worldenergyreports.com/reports> for more information about the new business intelligence service. There's nothing like it elsewhere!

