

Shanghai shipyard to build LNG barge for Andhra Pradesh

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A Shanghai-based firm will build and supply a barge-based floating LNG regasification unit to be installed offshore Andhra Pradesh.

Wison Offshore and Marine said on Tuesday it has signed a binding agreement with Indian-owned Vessel Gasification Solutions (VGS) of New Jersey to supply the unit for liquefied natural gas (LNG) regasification.

The floating regasification unit, to be owned by VGS, would consist of a newly built, non-propelled barge equipped to perform the regasification and send out a maximum 1,000 million standard cubic feet of gas to India's eastern coast market.

The facility would be moored on a jetty structure located approximately eight km offshore Andhra Pradesh, to the north-east of the Kakinada Anchorage Port (KAP), and alongside a permanent floating storage unit that would be used as the LNG offloading point for trading tankers.

The FRU would be adequately sized to allow for the future expansion of the regasification capability by an additional 750 million standard cubic feet per day of gas within the next few years in order to meet the rapidly growing natural gas requirements in the region.

Under the agreement, Wison would be responsible for the turnkey engineering, procurement, construction, installation and commissioning of the unit and would lead the project from its Shanghai operational centre with construction to be performed at Wison's wholly-owned fabrication facility located in Nantong, China.

"With the execution of this agreement, Wison has allowed VGS to significantly increase the first-mover advantage we have established on India's East Coast," said Gaurav Tiwari, President of VGS.

"The FRU will be the integral part of VGS' plan to meet a significant energy need in the Indian market," added L. Dwayne Breaux, President of Wison Offshore & Marine Ltd in a statement received here.