



**Press release**

**Nexans delivers first batch of the world's largest DEH system to BP-operated Shah Deniz Stage 2 development project.**

*Nexans, world leader in DEH, was awarded the contract for complete system design and delivery of the subsea DEH system in 2012 following a comprehensive pre-engineering program.*

**Paris, December 18, 2014** – Nexans has provided to BP the first delivery in what will be the world's largest and most complex Direct Electrical Heating (DEH) system to date. Nexans is supplying a comprehensive subsea DEH system solution including complete system design and 130 km of cables with accessories for installation. This will provide flow assurance for 10 subsea flowlines serving the Shah Deniz high-pressure gas condensate development, located in the Azerbaijan sector of the Caspian Sea.

The Shah Deniz DEH contract, worth around Euro 100 million, forms part of a 10-year frame agreement between Nexans and BP, the operator of the project, to supply umbilical cables, DEH systems, accessories and services for various deep-water oil and gas projects worldwide.

*'The key to Nexans' success as a leader in DEH projects is our comprehensive systems approach that integrates the design of DEH systems, including engineering and manufacture of all the vital elements such as riser cables, piggyback cables, protection and accessories,'* says Krister Granlie, Executive Vice President, Hybrid Underwater cables Division, Nexans Norway. *'We are delighted to have achieved this important milestone in the world's most complex and largest DEH project by completing the first delivery to BP.'*

The first delivery consisted of DEH cables and accessories for four flowlines. The second delivery of the six remaining subsea systems is scheduled for 2016.

DEH provides cost effective and reliable flow assurance and is therefore an important factor in ensuring successful production from Stage 2 development of the Shah Deniz field located in the Caspian Sea. The DEH system for the 10 Shah Deniz flowlines is more complex than previous DEH projects. This is due to the multiple systems in close proximity and the unique operating environment in the Caspian Sea.

The cables and accessories will be manufactured in the Nexans' facility in Halden.

## **Direct electrical heating (DEH)**

DEH is a technology for flow assurance, developed to safeguard the wellstream flow through the pipeline to the platform. Alternating current (AC) transmitted from the DEH cable runs through the steel in the pipe, which heats up due to its own electrical resistance. This allows the pipeline to be operated in a cost efficient and environmentally safe manner.

By controlling the current, the pipeline inner wall can at all times be maintained above the critical temperature for hydrate formation. As a result, problem free and reliable transportation is achieved. Traditional methods for flow assurance, by the use of chemical treatments and pressure evacuations, have considerable operational costs with long down times and may present a risk to the environment.

Nexans has delivered 9 pre-qualified DEH systems in operation to date and has, from involvement of the technology qualification from early nineties, built up internal competence on the design of DEH systems and cables needed for these systems.

## **About Nexans**

Nexans brings energy to life through an extensive range of cables and cabling solutions that deliver increased performance for our customers worldwide. Nexans' teams are committed to a partnership approach that supports customers in four main business areas: Power transmission and distribution (submarine and land), Energy resources (Oil & Gas, Mining and Renewables), Transportation (Road, Rail, Air, Sea) and Building (Commercial, Residential and Data Centers). Nexans' strategy is founded on continuous innovation in products, solutions and services, employee development, customer training and the introduction of safe, low -environmental- impact industrial processes.

In 2013, Nexans became the first cable player to create a Foundation to introduce sustained initiatives for access to energy for disadvantaged communities worldwide.

We have an industrial presence in 40 countries and commercial activities worldwide, employing close to 26,000 people and generating sales in 2013 of nearly 6.7 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A.

For more information, please consult: [www.nexans.com](http://www.nexans.com)

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