



Press release

Nexans wins 11 million Euro contract for BP's Skarv field

Direct electrical heating (DEH) will provide eco-friendly and cost-effective heating for production pipeline

Paris, February 4, 2009 – Nexans, the worldwide leader in the cable industry, has been awarded an 11 million Euro contract by BP Norge to supply a direct electrical heating (DEH) system for the Skarv field subsea production pipeline in the Norwegian Sea. Nexans is the only supplier with experience of this unique technology and has already supplied this type of system for 17 subsea pipeline installations. *“DEH is a reliable, eco-friendly and cost-effective method of maintaining flow in production pipelines and there is increasing interest in electrical pipeline heating from a variety of companies and projects”,* says Patrick Barth, High Voltage Activities Managing Director.

A 12” diameter production pipeline will be installed from one of the production wells at the field to the Floating Production Storage and Offloading (FPSO) vessel at Skarv. The distance between the well and vessel is approximately 13 km. At low production and shut down scenarios, a DEH-system will be used thus preventing blockage of the pipe. A number of methods may be used for maintaining flow, such as chemical injection, but DEH has proved to be both a reliable and eco-friendly solution to the problem.

Nexans will supply all cables and dedicated sub-sea equipment for the DEH system. The cables will be manufactured at Nexans’ Halden factory in Norway and should be delivered for installation in the spring of 2010.

The DEH system was developed through a partnership of Norwegian operators and suppliers, and Nexans is the only supplier so far to have delivered these systems. StatoilHydro is a major user of this technology and the Åsgard, Huldra, Kristin, Norne, Tyrihans, Alve and Morvin fields all now have Nexans DEH systems installed.

How does DEH work?

The DEH principle works by sending an electrical alternating current from the FPSO through a dynamic riser cable with two power cores to the seabed and in to the production pipeline. One insulated cable is connected directly to the pipe in the near-end while the other is laid along the pipeline in the direction of the template (far-end) where it is connected to the pipe. AC current is supplied through the cable and returned partly via the pipe walls and partly through the seawater. This causes heat to be generated in the steel pipe which ensures that the well flow is maintained above the critical temperature for hydrate formation.

About the Skarv Field

The Skarv field was discovered in 1998, and it has taken 10 years to mature the field to its current stage. The development will also include the unitized Idun field, discovered in 1999. The Plan for Development and Operation (PDO) was approved by the Norwegian Authorities December 2007.

The Skarv development is located in the Norwegian Sea, around 200 km west of Sandnessjøen, between the Norne field (35 km to the north) and Heidrun (45 km to the south) in water depths between 350 and 450 m. The fields are located in Production Licenses PL212, PL262, PL159. The Skarv Development consists of the development of both gas and oil. The unitized field contain hydrocarbons at three reservoir levels and the total recoverable resource basis is estimated to 16.8 MSm³ of oil and condensate and 48.3 GSm³ of rich gas. There are additional identified resources and prospectivity in the Skarv area. These can be developed as tie-backs to the Skarv FPSO at a later stage.

About Nexans

With energy as the basis of its development, Nexans, the worldwide leader in the cable industry, offers an extensive range of cables and cabling systems. The Group is a global player in the infrastructure, industry, building and Local Area Network markets. Nexans addresses a series of market segments from energy, transport and telecom networks to shipbuilding, oil and gas, nuclear power, automotive, electronics, aeronautics, handling and automation. With an industrial presence in 39 countries and commercial activities worldwide, Nexans employs 22,800 people and had sales in 2007 of 7.4 billion euros. Nexans is listed on NYSE Euronext Paris, compartment A. More information on www.nexans.com

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