



CONTINUING DEVELOPMENT OF DEEP-WATER INFRASTRUCTURE



The continuing development of facilities and services at Lerwick Harbour is reinforcing and evolving the port's role in supporting the offshore oil and gas industry across its range of operations.

Highlights of 2011 to date include: more land reclaimed; additional laydown created; construction of another deep-water quay underway; development of a deep-water decommissioning facility progressing; further deepening of quays; increased traffic, with more, larger vessels handled, and a disposal contract mobilised.

"The value of a proactive approach and past investment by Lerwick Port Authority and third parties has been demonstrated time-and-again and it is vital that this strategy continues to meet changing requirements and new opportunities," said Sandra Laurenson, Chief Executive of the Port Authority.

The Port Authority continues to actively market the harbour to the offshore industry, including through membership of Decom North Sea.



On show at Offshore Europe

Lerwick Port Authority is promoting the harbour's services, facilities and potential to the oil and gas industry on the *Lerwick-Shetland* group stand (5D100) at Offshore Europe 2011. The exhibition and conference – which includes a focus on decommissioning – is being held at the Aberdeen Exhibition and Conference Centre from 6-8 September and is the largest yet in the series of biennial events, the second biggest in the industry's calendar.

Reclaimed land and piling operations at the new berth at Greenhead Base.



Quay project progressing

Due for completion around the turn of the year, the latest significant expansion of Lerwick Harbour's already extensive deep-water infrastructure will further enhance facilities servicing the offshore oil and gas industry.

The Port Authority's £5.2 million reclamation-and-construction project is creating 100-metres of berthing at the south end of Greenhead Base to support a range of operations. Along with the deepening of two existing berths, the project will extend continuous berthing with nine metres' water at the Base to 345 metres.

"We're seeing increasing numbers of large offshore construction and diving support vessels using Lerwick," explained Captain Calum Grains, the Port Authority's Harbour-master. "By enhancing the ability to handle these ships though extending berthing with nine metres' water depth, adding another heavy lift pad and complementing existing laydown areas, the new quay will improve services for current operators and help generate further traffic."

Bigger and busier

Lerwick Harbour's position as a hub port for a wide variety of marine services for the offshore oil and gas industry is reflected in increasing traffic this year – with arrivals, vessel tonnage and cargo all up significantly - and the trend ongoing for larger ships to use the deep-water berths and anchorages. Support is provided for the full range of operations, from exploration and development to production and decommissioning.



Subsea support centre

An increasing number of vessels working on subsea-related contracts are using Lerwick Harbour, with operators taking advantage of the port's services, facilities and location to support multiple projects, both in the northern North Sea and west of Shetland.



Raising Dales Voe's profile in decommissioning market

The Port Authority's extended laydown being created at Dales Voe.



A digital impression of the Dales Voe facility.

AF Decom Offshore, the Norwegian-headquartered company which will operate a deep-water decommissioning facility at the port's Dales Voe, has opened an Aberdeen office to support existing clients, target new opportunities in the UK sector and win work for the base.

Kenny Anderson, appointed Project Manager by AF Decom Offshore UK, said: *"The latest moves are designed to place the company in a prime position in this emerging market. Excellent progress is being made towards redeveloping the environmental base at Dales Voe where resources, deep water and strategic location mean it will be ideally placed to meet industry requirements."*

The move into the UK by the company, a leader in the removal, demolition and recycling of North Sea installations, follows an exclusive agreement last year with the Port Authority to develop Dales Voe.

Currently at the design stage, with the Environmental Impact Assessment nearing completion, the facility will be modelled on AF Decom's established base at Vats, Norway, the most advanced deep-water decommissioning centre in Europe.

With deep-water approaches and direct access to the North Sea, when completed Dales Voe will offer a deep-water quay, extensive quayside, very heavy lift capability and over 70,000 square metres of processing area.

Deep-water advantages

Lerwick Harbour's ability to accommodate the biggest heavy-lift vessels and rigs within port limits is central to the capacity and flexibility to handle oil-related projects large and small. Both the north and south harbour areas have water depths over 50 metres, providing optional locations, depending on weather conditions, for deballasting, mobilisation, lifts and support operations.





The new generation AHTS vessel, Skandi Skansen, at Greenhead on the Hess contract.



Load-in of Frigg Modules Support Frame, with a total weight across the quayside of around 11,000 tonnes.

Long-term disposal contract

Work is underway at Lerwick on a significant share of a five-year multi-field subsea disposal contract awarded by Hess Ltd to Veolia Environmental Services (UK) and Peterson SBS, North Sea Decommissioning.

The two contractors will be responsible for the onshore dismantling and processing of over 15,000 tonnes of sub-sea structures and pipelines infrastructure associated with the decommissioning obligation for the Ivanhoe and Rob Roy oil fields, plus the Fife, Flora, Fiona and Angus oil fields, in the central North Sea.

The award is built on the successes Veolia and Peterson SBS have already achieved in jointly undertaking major decommissioning and disposal contracts at Lerwick's Greenhead Base. The partnership are now planning to further develop the facilities to handle future contracts.

Both international companies, the partnership's comprehensive onshore decommissioning solutions includes Peterson SBS providing marine operations, load-in and logistics in support of extensive decontamination and disposal expertise from Veolia, the UK's leading waste management company.

Peterson SBS Director, Murdo MacIver, said: "We and Veolia have built on our experience of the major Frigg Cessation Project at Lerwick, and the Shell Inde Project, enhancing capability across the North Sea and adding to our track record to position ourselves as key players in the market."

Jean-Dominique Mallet, Chief Executive Officer of Veolia Environmental Services (UK) Plc, said: "I am delighted with this new major contract in partnership with Peterson SBS and that we are gaining a strong and proven track record in the expanding North Sea decommissioning market which offers considerable potential for further development."

Britain's top port

The proximity of Lerwick – Britain's most northerly commercial port - to oil and gas activities in the northern North Sea and Atlantic is complemented by the port's deep-water, sheltered location, two entrances and all-weather access, and comprehensive facilities and services, including:

- Deep-water berthing up to 12.5 metres chart datum.
- Over 3,200 metres of quays.
- Sheltered, deep-water anchorages, over 50 metres' depth.
- Laydown areas with load bearing capacity.
- Logistics, cranes & shipping agencies.
- Waste & environmental management.
- Licensed decommissioning facility.
- Project support.
- Skilled workforce.
- Engineering & fabrication.



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