



Azer ISAYEV
Director
CASPIAN PIPE COATINGS

Caspian Pipe Coatings

- Undertook \$200-million contract for pipeline coating work at Shah Deniz Stage 2 with partner ShawCor
- \$25-million plant upgrade completed in 2015
- Capacity to coat 32-inch pipes with 130 millimetres of concrete
- Plants in Baku cover 260,000 square metres

In late 2014, BP awarded Canadian energy service company ShawCor a \$200-million contract for pipeline coating work at Shah Deniz Stage 2. The contract was executed at the Caspian Pipe Coatings (CPC) facilities in Baku and covers the application of anti-corrosion and concrete weight coating to the main trunk lines.

Between March and December 2015, CPC coated 150 kilometres of 16-inch and 32-inch pipes with anti-corrosion and concrete weight. Load-out is expected to be completed in 2016.

FACILITIES AND SERVICES: CPC was established in 2002 as a joint venture between the State Oil Company of the Azerbaijan Republic (SOCAR) and Azerbaijani oil transportation and transshipment companies Azertrans and Azinvest.

The company offers single and three-layer polyethylene internal anti-corrosion coating and concrete weight coating for external hydrocarbons pipes ranging from 4 inches to 48 inches in diameter and from 10.5 metres to 12.5 metres long. It also provides coating inspection services and pipe loading and offloading.

CPC has capacity to coat 32-inch pipes with 130 millimetres of concrete. Its anti-corrosive coating plant's production capacity is 70-120 pipes per shift while capacity of the concrete weight coating plant is 50-140 pipes per shift. Together, the two pipe coating plants in Baku total 260,000 square metres. This includes a railway siding capable of receiving 45 cars simultaneously and a 150 metre-long quay on the Caspian.

KEY PROJECTS: Since 2014, CPC has been contracted by the Azerbaijan International Operating Company, a consortium of nine international operators in Azerbaijan and SOCAR, at the Shah Deniz Stage 2 gasfield project for the application of concrete coating between 40 millimetres and 130 millimetres on 16-inch and 32-inch pipes over a distance of 300 kilometres. The company is also contracted to apply three-layer polyethylene to the pipes.



CASPIAN COMPONENT: Being located in the Caspian means pipe coating is a critical component of the supply chain for the Shah Deniz project, Azer Isayev, director of Caspian Pipe Coatings, told TOGY.

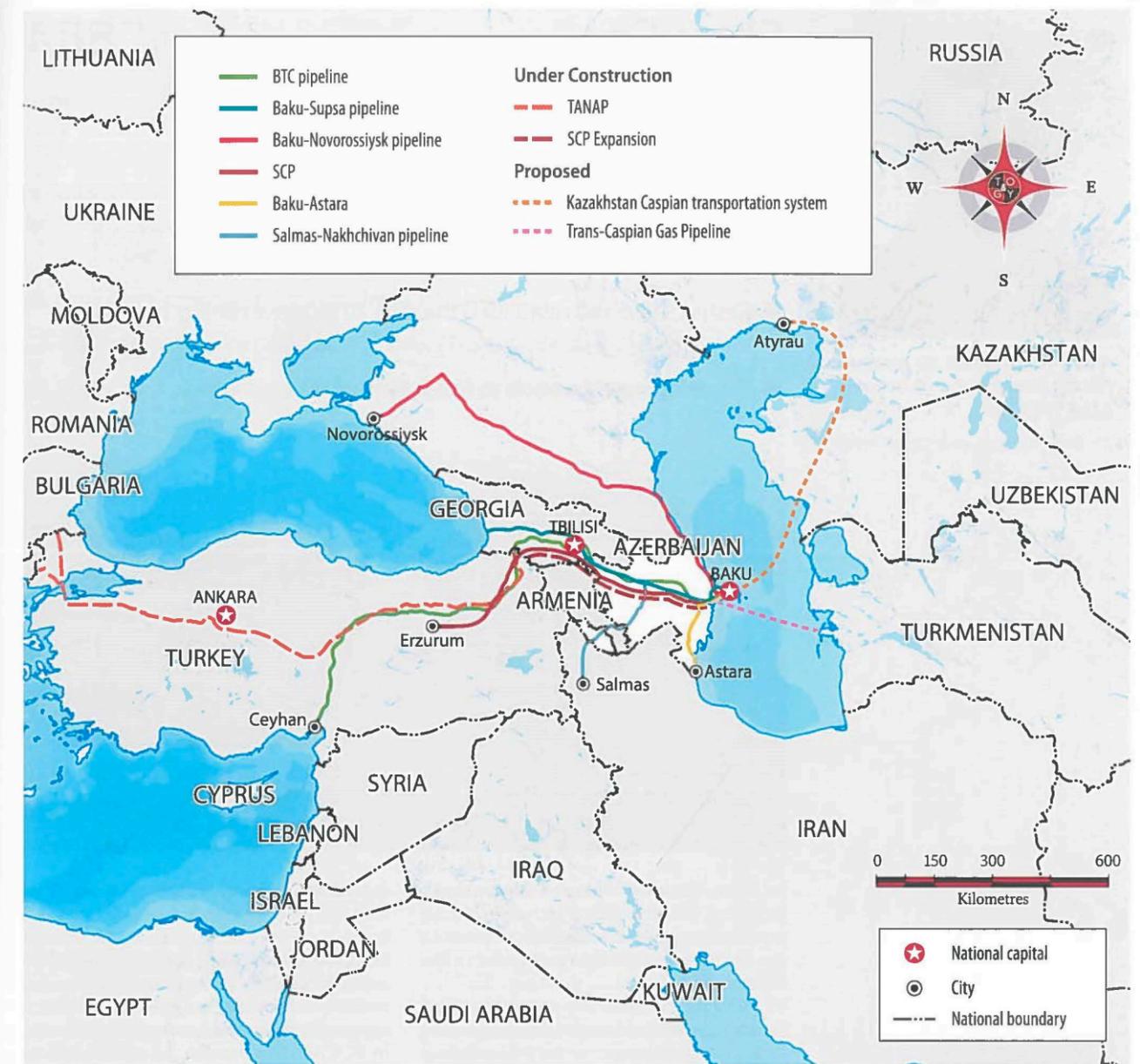
"The Shah Deniz gasfield is deep offshore and very complex. High-quality pipe coating works are essential to the realisation and success of the project," Isayev said.

Despite the low-oil price environment leading to cancellation or slowing of many oil and gas infrastructure projects, Isayev remains confident of the market's buoyancy. "There will be more opportunities in the future in the country, with new offshore developments," he said.

PAST CONTRACTS: In February 2015, an upgrade of CPC's Baku facilities was completed. CPC's partner ShawCor was awarded a \$26-million contract by BP to upgrade the plant in August 2014.

The upgrade included the modernisation of the anti-corrosion and concrete weight coating equipment, the reconstruction of the on-site rolling stock infrastructure and equipment, and the installation of other types of new equipment.

This upgrade was completed for the plant to have capacity to handle 32-inch pipe with 130 millimetres of concrete-coating. ■



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