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MNLG-PLANT
MLNG EXTENDS LNG PLANT LIFE AT LOWER COST VIA REJUVENATION

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KUALA LUMPUR, May 5 (Bernama) -- Malaysia LNG Sdn Bhd (MNLG 1) will only have to spend about RM1.0 billion to extend the life of its LNG plant for another 20 years by rejuvenating it, said a company official.

Its senior general manager (plant division), Samsudin Miskon, said rejuvenation would enable the company to spend less than it would have to spend building a new plant costing between RM5 billion and RM 6 billion each.

The MNLG Rejuvenation and Revamp (MRR) project began two years ago with procurement and design and is now in its construction phase.

"This process will extend the plant life by another 20 years," he told journalists recently in Bintulu, where Petronas's integrated LNG complex is located.

The complex, to be opened by Prime Minister Datuk Seri Dr Mahathir Mohamad on Thursday, will be the world's biggest LNG production facility on a single location when Malaysia LNG Tiga Sdn Bhd's third train starts operating in October.

Another advantage of the MRR was that it would only take 120 days to rejuvenate a single train at the LNG plant when compared to three to five years taken to build a new plant, said Samsudin.

The entire MRR project involves three modules, the first of which started last month. The second will start in early 2004 and the third in June-July 2004.

MLNG 1's rejuvenated plant would be fully operational by the end of 2004, he said.

Samsudin said work on the first module would entail some foreign expertise but locals were expected to undertake the entire project towards the later stages.

The complex currently employs about 850 people and 80 percent of them are Sarawakians.

MNLG 1 has a production capacity of 8.1 million tonnes per annum (MTPA), MNLG 2 at 7.8 MTPA and MNLG 3 at 6.8 MTPA.

Most of the LNG is exported to Japan, Taiwan and South Korea, using specially fabricated tankers owned by Petronas subsidiary, Malaysian International Shipping Corporation Bhd (MISC).

Another plant official said that the plants, if well maintained, could last up to 50 years.

He said a short shut down would take only 10 days and the plants would have a major shutdown of up to 25 days once every three years.-- BERNAMA

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