

Baker Hughes Announces Major LNG Turbomachinery Order from Qatar Petroleum for the North Field East (NFE) Project

September 29, 2020

- Order for main refrigerant compressors (MRCs) consists of 12 gas turbines and 24 centrifugal compressors, as part of four additional LNG "mega trains"
- Among largest LNG deals for Baker Hughes in the past five years, for both MTPA and equipment awarded
- Project represents a significant step toward boosting Qatari LNG production capacity from 77 million to 110 million tons by 2025, propelling Qatar to global LNG production leadership

HOUSTON & LONDON--(BUSINESS WIRE)--Sep. 29, 2020-- Baker Hughes (NYSE: BKR) announced an order with longtime partner Qatar Petroleum to supply multiple main refrigerant compressors (MRCs) for Qatar Petroleum's North Field East (NFE) project, executed by Qatargas. The total award is part of four LNG "mega trains," representing 33 million tons per annum (MTPA) of additional capacity, which will increase Qatar's total liquefied natural gas (LNG) production capacity from 77 MTPA to 110 MTPA and help to propel the Gulf nation to global LNG production leadership by 2025. This order is among the largest LNG deals secured by Baker Hughes in the past five years, for both MTPA and equipment awarded.

The order reinforces more than two decades of trust and successful turbomachinery collaboration between Baker Hughes, Qatar Petroleum and Qatargas. With Qatargas already operating six existing LNG "mega trains" driven by Frame 9E gas turbine refrigerant compressors provided by Baker Hughes, the NFE project underscores the leadership of Baker Hughes LNG technology in the Gulf region and for the world's most complex LNG projects.

"This milestone deal illustrates the continued strength of Baker Hughes' partnership with Qatar Petroleum, which began 25 years ago upon our delivery of the first LNG train in Qatar," said Lorenzo Simonelli, chairman and CEO of Baker Hughes. "As we look ahead to the next two decades, in almost any scenario natural gas will be a key transition fuel, and likely a destination fuel for a lower carbon future. Building on our track record of delivering proven, reliable and highly efficient LNG technology, we remain committed to taking energy forward in Qatar for more years to come."

As part of the company's commitment to support customers in decarbonizing their operations, Baker Hughes has continuously invested in developing technology that enables customers to reduce emissions, enhance performance and optimize operations. The NFE project will feature the latest compression technology to reduce 60,000 tons of CO₂ per train each year without any reduction in LNG production, representing a ~5 percent decrease versus previous technologies. The compression trains will also be produced using the latest manufacturing techniques, minimizing raw material and emission-intensive processes to reduce CO₂ emissions during production by up to 10 percent.

Each MRC train will consist of three Frame 9E DLN Ultra Low NOx gas turbines and six centrifugal compressors across four LNG "mega trains" for a total scope of supply of 12 gas turbines to drive 24 centrifugal compressors. Packaging, manufacturing and testing of the gas turbine/compressor trains will take place at Baker Hughes' facilities in Florence and Massa, Italy.

The North Field is the world's single largest non-associated natural gas field. The NFE project, owned by Qatar Petroleum and operated by Qatargas, is the first phase of the North Field LNG Expansion Project, announced in 2017, and will increase Qatar's LNG production capacity from 77 MTPA to 110 MTPA, which accounts for an LNG production capacity increase of approximately 43 percent. First gas from the Expansion Project is expected to be produced by the end of 2025. The second phase of the North Field LNG Expansion Project, called the North Field South project (NFS), will further increase Qatar's LNG production capacity from 110 MTPA to 126 MTPA.

Qatargas is entrusted with executing the NFE project on behalf of Qatar Petroleum. As the world's premier LNG company, Qatargas has an established history in delivering such major projects and in operating various onshore and offshore facilities in the North Field with a high degree of reliability and operational excellence. The project is in line with Qatar's National Vision 2030, which aims for more sustainable development by 2030.

About Baker Hughes:

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