

ABB signs US\$ 230 million in contracts with Statoil

Highlight: Norway's first offshore high-voltage direct-current (HVDC) system

Zurich, Switzerland, June 26, 2002 – ABB, the global power and automation technology group, today signed US\$ 230 million in contracts with Statoil, the Norwegian oil company. ABB will receive US\$ 70 million to supply an offshore power transmission system, and US\$ 160 million to design, build and install a compression module for Statoil's Troll A gas platform in the North Sea.

“Our customers are increasingly interested in environmentally friendly technologies,” said Gorm Gundersen, executive vice president and head of ABB's Oil, Gas and Petrochemicals division. “This package, which combines the world's first offshore HVDC system with a new compression module, meets that demand while reducing costs and increasing efficiency.”

The contracts are part of Statoil's long-term program to expand compression capacity on the Troll A gas platform. ABB's HVDC Light™ power transmission system will eliminate emissions from the platform and at the connected onshore plant. Installing the new compression module is necessary to maintain the gas export pressure and the daily processing capacity on Troll A. The compression module will boost current daily processing capacity on Troll A from 85 million cubic meters to more than 100 million cubic meters. Additional compressors are required in future phases when the wellhead pressure decreases further.

Compared to conventional systems, HVDC Light saves weight and reduces the space the system takes up on the platform. Two 40-megawatt high-voltage ABB Motorformers™ will drive the compressor units on the platform, with associated utilities, and will run on electricity transmitted from land. This configuration ensures there are no environmentally harmful emissions from the platform, or from the land-based gas treatment plant at Kollsnes, north of Bergen.

According to the terms of the contract, the work includes engineering, procurement, construction and installation offshore of a 4000-ton module. The work starts immediately and will be completed in October 2005, when the offshore installation period ends.

ABB in May 2002 signed a US\$ 330 million contract with Statoil for maintenance and modification of six offshore oil and gas platforms in the North Sea, as well as the onshore Kollsnes processing plant.

ABB (www.abb.com) is a global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in more than 100 countries and employs about 152,000 worldwide.

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