

Sakhalin II Onshore Pipelines Construction Cost Estimate

Sakhalin Energy Investment Company LTD.



Willbro's was selected by a consortium of companies (Marathon, Mitsui, Mitsubishi, and Shell) that form Sakhalin Energy Investment Company Ltd. (Sakhalin Energy) to prepare a construction cost estimate for the onshore pipelines and telecommunications cable for the Sakhalin II Project. The project consisted of 157 km (98 miles) of 16-inch gas, and 759 km (470 miles) of 20- and 22-inch oil pipelines in the Piltun Astokhskoye field; 47 km (29 miles) of 12-inch condensate pipeline, and 599 km (372 miles) of 48-inch gas pipeline in the Lunshoye field and 800 km (497 miles) of fiber optic cable. Willbro's has been involved with this project in various roles since 1992.

Willbro's, in cooperation with JSC Rosneftegazinterstroy (RNGIS) of Moscow, Russia, provided engineering services to Sakhalin Energy to develop the following:

- A ±25 percent construction cost estimate for the onshore pipelines and telecommunications cable
- Modifications to the previous construction plan to support the two-year construction schedule, current pipeline diameters and the resulting construction cost estimate
- A mobilization plan that addresses equipment, personnel, construction consumables, fuel lubricants and spare parts, etc. to support the construction cost estimate
- A document addressing areas for Russian content opportunities in construction of the pipeline and telecommunications cable, and in providing support services during the construction activities

The study was completed and submitted to the client in June 2000.

*Project Award
March 2000*

*Project Completion
June 2000*

Russia

