Overview

Darwin LNG (DLNG) has been operating in the Northern Territory (NT) for 13 years, processing gas supplied from the Bayu-Undan field located in Timor-Leste offshore waters. The end of field life for Bayu-Undan is expected to occur in approximately 2022.

DLNG is currently in discussions with potential offshore candidates regarding the supply of an alternative source of gas to continue operations at DLNG beyond the end of field life for Bayu-Undan. If approved, this will be the first LNG backfill project in Australia. A successful backfill scenario would essentially be “business as usual” for DLNG, enabling it to operate just as it does today, continuing to provide royalties and taxes, while also creating employment opportunities in Darwin and the NT for 20+ years. A decision is expected in late 2019/early 2020.

DLNG Transition Work Program Scope Details

The DLNG Transition Work Program consists of three main work scopes; (1) Feed Gas Modifications, (2) Preservation and (3) Extending Plant Life. These are further detailed below. Associated pre-transition work scopes will also be undertaken and include installation of a new sanitary treatment plant, connecting the plant to the power grid, temporary offices, a warehouse building, preparation of equipment laydown areas and decontamination facilities.

This activity is expected to be carried out over an approximate 24-month period, dependent on timing of end of field life for Bayu-Undan and the development of the new offshore project. Preparatory work scopes may commence from early 2021 dependent on project approvals. The main work scopes are expected to commence in 2022.

(1) Feed Gas Modifications

Brownfield modifications are required for the plant to accept a new upstream feed gas. The primary modification required is replacement of the existing acid gas thermal oxidiser. The new unit will adopt current best practice technology to optimise performance reliability. Other modifications include amine system upgrades, installation of new analysers, replacement of valves and instruments, and decommissioning of the nitrogen rejection unit. Air dispersion modelling has been completed to confirm predicted emissions [NOx, SO2, CO, H2S] from feed gas changes remain below ambient air quality criteria.

(2) Preservation

Preservation scopes will enable the plant to be placed into ‘warm standby’ for an extended period, to ensure the plant can be restarted with the new feed gas supply without failures. This will include plant ramp down, purging, preservation and executing routine shutdown activities prior to plant restart. Preserved equipment will be unpreserved and re-commissioned prior to re-starting the plant.
ConocoPhillips has strong commitments around sustainable development, including a focus on workforce development and local industry participation. We will continue to work with local industry organisations and the NT Government to identify capability within the NT and maximise opportunities for local contracts and employment through the DLNG Transition Work Program. As part of the tender process for the Transition Work Program, an industry briefing was held during May 2019 to introduce the tendering companies to NT contractors. This capability was then understood and incorporated into the tender process. Following contract award and a final investment decision for DLNG backfill, further updates will be provided to ensure NT businesses are positioned to compete for available opportunities.

Larrakia Content

Darwin LNG operates on Larrakia Country. We acknowledge the Larrakia as the Traditional Custodians of the Darwin region, and pay our respects to Larrakia elders past, present and emerging. Tier 1 contractors will need a Larrakia Content Plan outlining employment and training programs, contracting and business opportunities, and cultural initiatives that will be undertaken as part of the contract.


Darwin LNG has a 24-hour community hotline. Please phone 1800 267 600 if you have any environmental or safety concerns about the facility.