

**EPS COMPRESSION****EXPANDING COMPETITION  
IN A DEPRESSED MARKET**

For gas producers in Australia and New Zealand, the choice of compression equipment for gas production and delivery has been limited with only a few suppliers tendering very similar packages.

**G**AS PRODUCERS HAVE been starved of options when deciding on this crucial capital cost item, however one Australia operator, EPS Compression, has set about changing that.

The supply of services and equipment to the Australian and New Zealand oil and gas industry is an exacting business, demanding knowledge and experience as well as proven, reliable and sophisticated equipment.

One Australian-owned company previously provided complete turnkey solutions from project engineering, procurement and construction management (EPCM) to design and operation of oil and gas projects, but has established itself firmly in the compressor supply business in a relatively short space of time.

Energy Process Services was founded in 1985 as an EPCM company to service the oil and gas industry in Australia and Southeast Asia, branching into the operation of oil and gas projects, including subsea and onshore pipelines.

EPS managing director Guy Hodgson told *RESOURCESTOCKS* that while the company had had outstanding success in almost 25 years of servicing the oil and gas industry, its appointment as authorised distributor for Cameron

reciprocating compressors in Australia and New Zealand was a company-changing development.

"We now specialise in projects relating to gas compression through our subsidiary, EPS Compression," he said.

"We recognised that there would be a growing market for gas compression equipment and services in Australia as the coal seam gas industry grew and production projects came online.

"After researching the compression market, EPS recognised that Cameron's range of reciprocating compressors would be ideal for most gas compression applications for the coal seam gas industry's production and transmission requirements.

"Our research also highlighted that there were only a few prime suppliers, tendering the same drivers and compressor packages in the gas compression market in Australia, and that they were not necessarily satisfying gas producers with either their products or service."

Armed with this information, Hodgson discovered while on a business trip to Singapore in late 2007 that Cameron Compression Systems had not had active representation in Australia for their reciprocating compression product range for about eight years.

He immediately initiated

discussions with the US company, resulting in EPS being appointed distributors for Australia and New Zealand the following year.

Through its parent company, EPS Compression is now the authorised distributor of Cameron Compression Systems' Ajax and Superior reciprocating compressors.

The distributorship has created an important avenue for the oil and gas industry to access the Cameron range of compressor products. It not only covers the full range of Cameron reciprocating compressors, but also includes a comprehensive spare parts service for the imported compressors, as well as operations and maintenance services for all compression equipment.

"Cameron Compression Systems has a long and highly successful history," Hodgson said. "The company dates back to 1833 and after 175 years of developing and refining their products, their reciprocating and centrifugal compressors are now renowned throughout the world, particularly in the oil and gas sector.

"EPS's distributorship is more of a joint venture with Cameron in Australia and New Zealand to enable the oil and gas industry in this region to get access to the best compression equipment in the world.

"We are able to provide the full range of Cameron products plus back-up service and maintenance, start-up and commissioning, rehabilitation, troubleshooting, field replacements, retrofits, refurbishments, overhauls and process modules, including tri-ethylene glycol packages. Cameron is fully backing our drive into the Australian market with direct factory support and access to specialist resources."

**"We are able to provide the full range of Cameron products plus back-up service and maintenance."**

**GUY HODGSON**  
MANAGING DIRECTOR  
EPS COMPRESSION

Cameron's reciprocating gas compressors are used by oil and gas operators globally and are universally recognised for their performance and reliability in the transport of natural gas.

The Cameron story emphasises the experience and research and development that has made the company an international name.

Cameron started in Mt Vernon, Ohio, in 1833 when entrepreneurs Charles and Elias Cooper established a foundry and became the licensed producer of Corliss steam engines.

In 1900 the company ventured into the production of natural gas internal combustion engines before merging with the Bessemer Gas Engine Company in 1929 and developing the Cooper-Bessemer engine.

A series of takeovers led to the company forming Cooper Compression, which was renamed Compression Systems in 2005 when the company listed on the New York Stock Exchange.

The attention to detail and emphasis on research and development resulted in Cameron Compression Systems becoming a global leader in the provision of flow equipment products, systems and services to oil, gas and processing companies worldwide.

Through its global manufacturing, sales and service network, Cameron's 11 operating divisions work with drilling contractors, oil and gas producers, pipeline operators, refiners and other process owners to control, direct, adjust, process, measure and compress pressures and flows.

The company generates annual sales in excess of \$US5 billion, with more than 16,000 employees at more than 250 locations around the world. Cameron is headquartered in Houston, Texas, and derives approximately two-thirds of its business from outside the United States.

A reciprocating compressor uses pistons driven by a crankshaft to deliver gas at high pressure. The intake gas enters the suction manifold then flows into the compression cylinder where it is compressed by a piston driven in a reciprocating motion via a crankshaft, before being discharged.

Reciprocating compressors are available in a range of models and are used for many applications in oil refineries, gas pipelines, chemical plants, natural gas processing plants and refrigeration plants.

Hodgson said the Ajax integral

engine-compressor was the premier product for gas gathering and production worldwide, with each model capable of delivering more than 99% availability with minimal maintenance requirements.

"It relies upon a unique, compact integral design and the conservative operating speed with large compressor cylinder valve areas, which permit Ajax integrals to compress more gas per absorbed horsepower than any competitive product," he said.

The Ajax integral units have a very significant operating cost advantage over separable compressors. The lower life-cycle costs are considered by Hodgson to be a huge advantage to coal seam gas producers where operating costs are extremely sensitive.

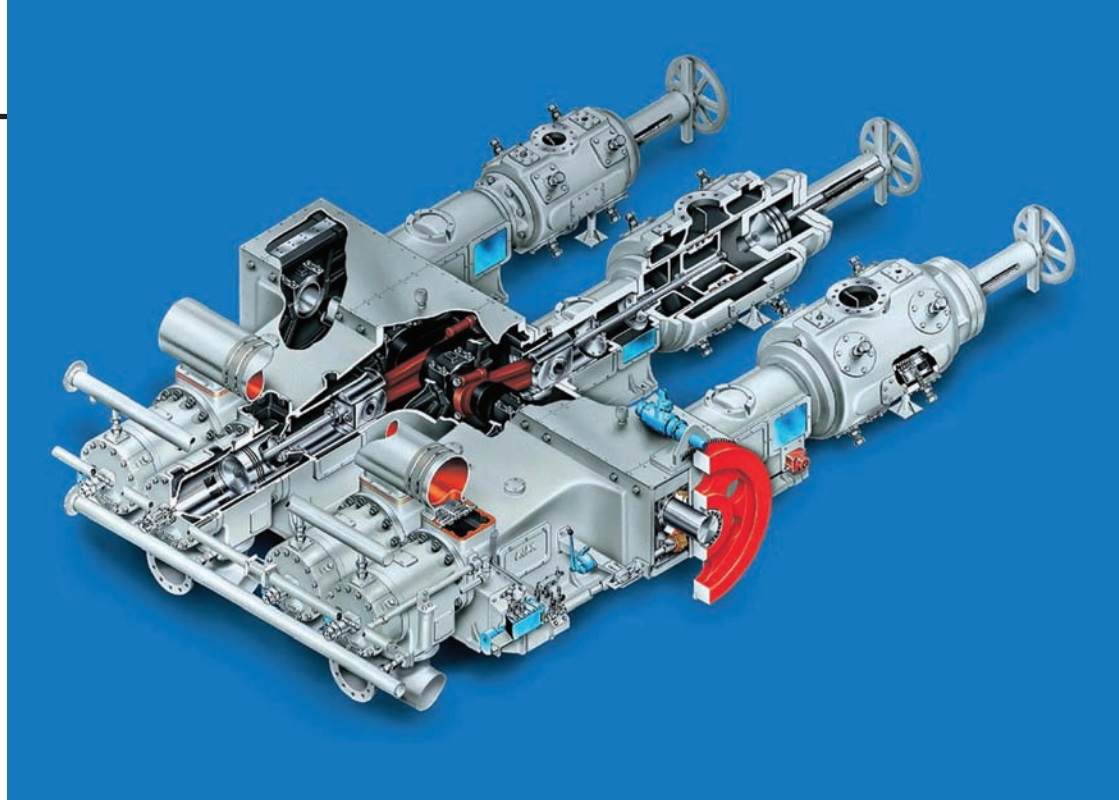
This has been borne out by US coal seam gas producers, some of whom operate fleets of up to 200 Ajax units.

"All Ajax integral engine-compressors for the Australia and New Zealand markets are fabricated, manufactured and packaged in Oklahoma with full Australian compliance," Hodgson said.

"The Superior compressor range is famous for the unique design principle of full-line flexibility, with outstanding operating value as their cornerstone. They are currently meeting performance guarantees in excess of 99% for both availability and reliability."

EPS's position as a service company to the oil and gas industry in Australia and New Zealand has been enhanced by the association with Cameron and its flow equipment products, systems and services. **RS**

A cut-away diagram of the Ajax DPC-3404 integral engine-compressor



## EPS COMPRESSION AT A GLANCE

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