

First signs of revival for the sleeping giant



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Once home to thousands of workers, the dormant Kishorn yard in Wester Ross is waking up.

Late last year it secured its first contract. The two men behind Kishorn Port Limited hope it's the first of many...

IT'S ALL ABOUT scale and size at Kishorn Port Ltd: a dry dock 160 metres in diameter; a quarry containing 6.5 million tonnes of high-grade sand and gravel; warehouses with space for 6,000 pallets.

And, out in Loch Kishorn, another big number: 61,000 tonnes of oil rig.

The Ocean GreatWhite — a world-first in semi-submersible technology — has been moored in the Wester Ross loch since mid-January, en route from Singapore to its final destination west of Shetland. Over the last few weeks KPL staff have been busy ferrying equipment, supplies and crews out to it as part of the first such contract secured by the yard. During a visit, I expected to find a hive of activity; the roar and clang of big machines.

But on Thursday of last week I found the whole site surprisingly quiet. This, I am told, is because most of the activity is now taking place on board what KPL directors refer to as the OGW.

"The rig is crawling with insurance people and regulators right now," says KPL director Simon Russell, as he shows me round. "They are all signing off their bits and pieces before the rig gets the final piece of paper that says it's good to go."

Every weld is being stress-tested. Every item of equipment is being put through its paces.

Before the rig can face the punishing swells of the north Atlantic, such attention to detail is a matter of life and death.

There are also inquisitive guests on board, doing a little window shopping. They've been helicoptered straight on to the rig, the property of US firm Diamond Offshore. These VIPs are potential customers from major players such as Tarka Oil, here to see what the buzz is all about. While doing so, they may also be mightily impressed with Kishorn Port Ltd. That is the hope, anyway.

AS YOU ARE reading this, there is a good chance the Ocean GreatWhite, with a crew of 90 aboard, will be making its way back up the Minch. If the weather is favourable it may even be doing so under its own steam, without the need for a fleet of tugs to tow it to the Blackrock prospect some 80 miles north-west of Shetland.

So advanced is the OGW that each corner-leg contains two enormous thrusters, powered by engines capable of generating 8,000 brake horse power of thrust. For non-petrol-heads, that's 12 Ferraris per engine. A top speed of eight knots is the result. Not bad for a structure that isn't exactly designed to cut through the water.

Stability is the name of game: even in the roughest seas the thrusters are

meant to ensure that the rig doesn't deviate by more than a metre from the drill point. West of Shetland, it may need every Newton of force those thrusters can provide. Once safely in place, the Ocean GreatWhite will be used by Siccar Point Energy and Shell UK to test for oil in an unexplored area of the seabed.

"This is really cutting-edge stuff," enthuses Alasdair Ferguson, the other KPL director in this 50/50 venture involving his own firm, Ferguson Transport and Shipping, and Simon's Leiths (Scotland) Ltd. "The rig can operate in 10,000 feet of water and drill a hole 30,000 feet deep."

In other words, that's six miles into the earth's crust. This is how far down we now have to go to get the black stuff. As the 'Age of Oil' wanes, rigs like the OGW could become the workhorses of the near future.

However, the days of building giant concrete caissons to support them are long gone. Whatever finished products emerge from Kishorn in the next few years, another Ninian Central platform (built in that massive dry dock in the mid-1970s) will not be among them. Deep water is where the action is — and that means floating oil rigs like the Ocean GreatWhite, a sixth-generation model designed specifically to harvest the hard-to-reach hydrocarbons that now makes up much of what the UK still produces. Thankfully for Kishorn, that means west of Shetland. According to Simon, this trend involves the "centre of gravity" shifting away from Aberdeen and towards the west coast.

KPL is ready and waiting for that trend to continue.

"The same thing is happening with offshore wind," says Simon. "If you look at the next round of Crown licences you'll see that most of them are here on the west coast."

"We want to create a multi-use facility," adds Alasdair. "We want to build resilience into this facility so that it is not reliant on any one industry."

Offshore wind turbines need concrete caissons, albeit smaller than the Ninian Central's. That's another box ticked in favour of Kishorn.

FROM about 100 metres away, the Ocean GreatWhite does indeed look like a floating hotel, to use Simon's description.

Unfortunately, this is as close as we are allowed to get. Obtaining insurance cover for non-crew is a minefield; Diamond Offshore also doesn't want any photographs taken of their cutting-edge equipment. So circling the rig aboard the 'Infinity' will have to do for us.

Aside from ferrying crew to and from the Ocean GreatWhite, the 'Infinity' usually takes tourists out to St Kilda from the Stein jetty in Watnish. But that happens mostly in the summer.

"We have been flat out doing this since the rig arrived," says skipper Kenny Mackinnon.

Alasdair Ferguson (left) and Simon Russell with the Ocean GreatWhite in the background



Photograph: WILLIE URQUHART

Regular work over the winter is good for those who don't usually have it.

In fact, the arrival of the OGW has been a boon for the area. Twelve locals have been taken on in various positions. This is the direct benefit. There is a harder-to-quantify knock-on effect for local businesses in what Alasdair refers to as the "downstream supply chain". Everything from additional bed nights to sandwiches bought in the nearest shops are covered by this concept. And there have been quite a few of those over the last six weeks.

Food and lodgings for visiting crews and subcontracted workers might sound like small beer. But the temporary largesse created by the presence of the OGW could be the start of something much bigger.

Nothing like the crazy days of the 1970s and 80s, though, when a town of 3,000 people sprang up in accommodation blocks behind the dry dock. That kind of development, says Simon, will not happen again, partly because of the strain it would place on local infrastructure. Instead, he envisions 300-400 people employed directly at the site.

The prefabs of Kishorn's heyday are long gone but the dry dock is still here — its original concrete floor as good as new, I'm told. The faint imprint of the Ninian Central platform, once the biggest man-made object ever moved across the face of the Earth, is still visible; a spectral impression of the past.

KPL have more modest ambitions than trying to resurrect what was.

Simon and Alasdair are building in small steps. They're making progress, just at a slower pace than many would like to see.

Further investment is required to speed things up. That, however, is based partly on more rigs using the yard. KPL have a few irons in the fire on that front, but nothing definite yet.

"The revenue this will generate will enable us to extend one of the piers out into the deeper water, so we can load and unload directly rather than having to ferry equipment and people back and forth," says Alasdair.

Just 60 metres from the shore Loch Kishorn reaches a depth of around 25 metres, easily enough to accommodate oil rigs which, it should be remembered, need taken apart when they've reached the end of their working lives. Decommissioning platforms is also on the KPL menu.

So: multi-use. Both Alasdair and Simon are confident this approach will future-proof the yard. Theirs is a long-term vision of relative prosperity for a fragile area.

If 3,000 jobs were a flash in the pan, 300 jobs might be the sustainable optimum. By definition, the slow build lasts longer than the quick buck.

In this place of big numbers, 300 might be big enough.