

Press Release

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Inauguration of Sur IPP - Oman's largest power plant

MUSCAT: The Sur Independent Power Project (Sur IPP), the Sultanate of Oman's largest power plant currently in operation, was officially inaugurated on 27th April, graced by the presence of His Highness Sayyid Hamad bin Thuwaini bin Shihab Al Said and attended by senior members of key Omani Government bodies and the founding shareholders of the Owner, Phoenix Power Company.

Located in the Sur Industrial Estate, approximately 175 kms south-east of Muscat, the state-of-the-art plant constitutes an investment of OMR 633 Million, and provides around 28% of the Main Interconnected System's (MIS) current contracted capacity.

The project is part of the continuous development of Independent Power Projects by Oman Power and Water Procurement Company (OPWP, a member of the Nama group) to ensure that sufficient power generation resources are available to meet the growing electricity demand in the Sultanate of Oman which is forecast to increase at an annual rate of around 9%. The launch of the project is in line with the Sultanate's strategy which aims at increasing local and foreign investments in electricity generation and at establishing a firm economic foundation that relies on private sector participation.

Pride of Ownership

Owned by Phoenix Power Company, the founding shareholders of which are Axia Power Holdings B.V. (Marubeni Corporation, Japan), Chubu Electric Power Sur B.V. (Chubu Electric Power Co., Inc., Japan), Qatar Electricity and Water Company (Q.S.C.) and Multitech LLC (part of the Suhail Bahwan Group, Oman); and operated by Phoenix Operating and Maintenance Company, the combined cycle power generation plant has a total installed capacity of approximately 2,000 MW. The power plant comprises three blocks, two of around 800 MW and one of around 400 MW and has been in commercial operation since 11 December 2014.

Government Cooperation and Professional Expertise

Phoenix Power Company currently generates its revenues pursuant to a 15-year term Power Purchase Agreement (PPA) with OPWP which is part of the government-owned Electricity Holding Company SAOC (Nama Group Companies). The power produced from the power plant is fully contracted to OPWP and used to meet the growing power demands of the Main Interconnected System (MIS) region during the term of the PPA.

The Ministry of Oil and Gas is the supplier of natural gas while the Authority for Electricity Regulation has granted a Generation License to produce electricity at the Sur IPP facilities.

The power plant's state-of-the-art technology is fortified by the technical know-how, experience and expertise of its solid partners. At the forefront are professionals with years of experience in handling such projects with care, commitment and dedication.

Power to Enrich Lives

With peak demand for power within Oman expected to grow from 5,122 MW in 2014 to 9,530 MW in 2021 and average demand expected to grow from 2,852 MW in 2014 to 5,373 MW in 2021 (an average increase of around 9% per year in both cases), the Sur IPP power plant will play a significant role in contributing to that growth. The Company aims to play an integral part in the ongoing transformation of a modern Oman taking it to further heights of success.

The inauguration event of the Sur power plant provided a platform for Phoenix Power Company to pay tribute and give thanks to all its stakeholders and partners and is seen as a testimony to the ambitious plans of Oman and the promising future of the growth of the Sultanate's industry, communities and economy.