

## Two firms bid for \$2bn Bahrain power plant



Two international companies have bid to build and operate a \$2 billion power and water plant in Bahrain's Al Dur/Ras Abu Jarjur area.

Financial bids by Suez Energy International/GIC and Acwa Power/KEPCOal were opened yesterday at a Tender Board meeting chaired by Oil and Gas Affairs Minister Dr Abdulhussain Mirza. They will now be sent to Electricity and Water Authority for financial, technical and legal evaluation.

The contract is expected to be awarded by the Tender Board within two months and completion of the first phase of the project is expected in 2010.

The Finance Ministry is awarding the contract on a BOO (Build, Own, Operate) basis.

The plant is set to produce up to 600mw of electricity and 48 million gallons per day of desalinated water by 2010.

Capacity will be raised to 1,200mw by the summer of 2011.

Natural gas will be used as a feedstock for the plant but fuel oil will also be used as a second option, said sources.

The lowest financial bid was submitted by Swiss-Saudi joint venture Suez Energy (partnered with the Gulf Investment Corporation), at BD13.972 per mega watt hour (MWh), while Acwa Power's bid was BD14.725 per MWh.

Acwa is a Korea-Saudi joint venture. Technical bids were opened on June 5.

In January, the Bahrain government prequalified 13 companies to bid for the project. -