

Case Study: IPP Projects Iraq



Situation

Following the second Gulf War there was a chronic shortage of electrical power across the country. Our client was an Iraqi entrepreneur who wished to develop a series of power projects to address this need. He retained INDECO to act as the development arm of his company

Approach

On a very tight budget and over a very short time INDECO developed a modular gas fired plant based on GE Gas Turbine generating sets. In parallel we developed the heads of agreement for the Power Purchase Agreement (PPA), the gas supply, the EPC and O&M contracts. Security was a major issue so we also developed a security strategy and supporting contract in that regard. Based on discussions with suppliers we developed project budgets and schedules. We also developed a Business Model to support negotiations on the PPA and project financing. Based on the above INDECO developed a series of proposals for specific opportunities and supported the client in pursuing these with the appropriate authorities.

Impact

The proposals were well received and progressing well. We signed a Memorandum of understanding for a 1,530 MW plant costing \$2 Billion in Anbar province. While this was being pursued the situation in the area deteriorated dramatically and the venture had to be abandoned.