



Press release
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Construction begins for new Rumaila electricity plant to supply power into the grid

- Construction work begins after 2 years of planning on a new power plant that could provide up to 235,000kW more electricity per day to the local grid
- Important milestone in much needed redevelopment of the field
- Power station to be powered by captured Rumaila gas.

Basra, Iraq, 15 November: Construction work has begun on a new electricity power plant at the Rumaila oilfield, which is scheduled to become operational in 2017.

Powered by gas captured from the field's own hydrocarbon reserves, the plant will feed power into the electrical grid. Its capacity is equivalent to the electricity consumption of 23,000 typical Basrawi homes. The new plant is part of a process to help balance Rumaila's power requirements with the production of electricity using the field's own resources.

A two-year process of planning and sourcing the best and most cost-effective solution culminated in approval by the Iraqi Council of Ministers in August 2014. Since then, design work has been completed on the project's blueprint. At the same time, component parts were sourced, including five gas turbines manufactured by General Electric (GE) at their plant in Italy. On 22 September 2015, early construction work began on site to develop the plant's foundations.

The power plant will help support the Rumaila Operating Organization's (ROO) work of drilling and producing oil from the field's reserves. Rumaila continues to be Iraq's largest source of state revenue and has increased production over the past five years to 1.35 million barrels of oil per day. The super-giant oilfield employs over 7,000 largely Iraqi personnel working in over 30 facilities over 1,600km², with 22,000 people involved in the wider supply-chain.

The plant will generate up to 235,000kW per day at peak efficiency during the colder winter months and a minimum of 150,000kW in the summer, when the high temperatures affect the efficiency of the gas turbines.

The Rumaila Operating Organization (ROO), which is a joint venture formed in June 2010 between SOC, BP, PetroChina and the State Oil Marketing Organization (SOMO), is the operator of the Rumaila oilfield.

Rumaila General Manager, SOC's Basim Jaleel Mohammed, said: *"The Rumaila power plant has been designed to ensure it will be a reliable and world-class facility. A lot of hard work went into assessing the best solution that would meet Rumaila's specific requirements – technology which has been tested and proven in other complex operations around the world. This is another example of the value of working in partnership with international oil companies to bring in the required expertise and advanced technologies required to help rebuild and transform Rumaila."*

Rumaila Deputy General Manager, BP's Marc Hornbrook said: *"We are delighted that the foundations of the new power plant are now being laid; it marks another important milestone in our mission to make Rumaila a modern operation with a long-term sustainable future."*

Rumaila Special Deputy Manager, PetroChina's Wang Guihai added: *"It is excellent news that Rumaila can help provide additional support to the region in the form of electricity generation, especially by using gas from two degassing stations to do so."*

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Note to editors:

- Rumaila is a South Oil Company (SOC) oilfield. It is the largest producing field in Iraq and one of the top producing fields in the world.
- Since 2010, oil production from Rumaila has risen by over a third (2015: year to end-June average: 1.351 million barrels per day). Over 2.2 billion barrels have been produced in the period, generating some \$200 billion dollars for the State. This has been achieved by training the largely Iraqi workforce – along with introducing new technologies and renovating the field's facilities.
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