

To fulfil the needs for electricity in Myanmar, which is the driving force for the development of the country's economy, Total from France and Siemens from Germany will jointly implement a project to generate electricity from Liquefied Natural Gas (LNG) in Kanbaw, Taninthayi Region. The project will involve installation of a 500 KV grid and sub-power stations. The following is an interview with Mr. Peter Bruder, General Manager of the Yangon Office of Siemens, regarding the investment in Myanmar.

Siemens deepens investments in Myanmar

By Thi Thi Min (Kyemon Daily) and Min Thit (MNA)

Q. It was learnt that Siemens will invest in the energy sector in Dawei, Taninthayi Region. May we know where in Dawei and when the investment will be started?

A. Thank you for that question. Before talking about the project details, let us first have a look at the background and reasons for such development.

In 2015, Myanmar opened itself to the world and their political system to a democracy. The expectations from the society towards national growth are extremely challenging.

Q. What is the basic requirement for growth in any Country?

Ask any investor and he will answer that the most important driver for any country's growth is a sustainable and reliable power-supply.

With an electrification rate of approximately 35 per cent, the power demand in Myanmar is exorbitantly high and we will see it increasing year over year.

To cover the demand, the MOEE (Ministry of Electricity and Energy) plans to double the energy generation within the next two to three years. This is doable only with a new dimension of power generation. The MOEE is fully aware of this, and the recent signing of NTPs (Notice to Proceed) for four power plants is an important milestone to realise the plan of doubling the capacity to serve the growing demand of the country.

I am proud that Siemens is part of this development and we are committed to bring in all our expertise and capabilities to the benefit of the country. We always strive to be a trusted partner and solution provider to our customers. I am convinced that the signing of the NTP last month is a testimony of MOEE's trust in the capabilities and expertise of Siemens and our partner Total.

Q. What is the project all about? What are the details?

A. The project we are involved in is an integrated LNG (Liquefied Natural Gas) to Power project, located in Kanbaw,



Mr. Peter Bruder, General Manager of the Yangon Office of Siemens. PHOTO: MIN THIT

Taninthayi Region. It is a completely new type of project for Myanmar and it is a totally new dimension of power plant. It will generate 1,230 MW of electric power, more than five times the size of Myingyan Combined Cycle Power Plant, with world-class efficiency and highest quality.

It integrates the fuel supply (LNG) for the power plant. For this, a jetty will be built, a floating storage and re-gasification unit (FSRU) provided and the gas will be pumped via pipelines to the power plant.

The third portion of the project is the transmission system. A 450 km-long transmission line is being built which will transport power from the power plant to the load centres in Yangon.

The Notice to Proceed, which has been signed recently, is an important milestone of the project. It is the basis to proceed to further into areas like advancing of studies and permits, but

also to secure financing. We are also going to start PPA (power purchase agreement) negotiations soon and our goal is to sign the PPA within 2018.

I strongly believe that trust and faith in the partner is a mandatory prerequisite for the realisation of such an iconic project.

The combination of Siemens, a global powerhouse in energy, electricity and digitalisation, and Total, a major global player in the gas sector, provides strong confidence to MOEE that this project can be realised and will be delivered as required.

Q. Let us know the purpose of the investment in Myanmar. Why are you doing that?

A. Siemens has been present in Myanmar for 25 years. Hence, this is not our first contribution in Myanmar. Last year, we expanded our social office in

Yangon to establish a broader partner network as Myanmar has a potential growth in infrastructure, energy and industrial development.

Siemens is not simply a foreign investor who comes for one project and disappears again. We are part of the community of Myanmar and it is our commitment and effort to focus on creating value for the country and our customers. Supporting the country's development and growth with all our expertise and experience is our contribution to the community.

The demand for power in Myanmar is extremely high and fast growing. Being a global leader in power generation and transmission and being a part of Myanmar's community we always strive to use these qualities for the development of the country. This is why we develop such a mega-project.

Q. We would like to know how much Siemens will invest in Myanmar and how profit/benefit would be shared between the company and the country.

A. It is too early to mention figures at this moment in time. We have ideas, but shall not talk about at the moment.

Regarding benefits for the country, they are substantial.

First of all, thanks to the world-class efficiency of our turbines and state-of-the-art technology, we have been able to propose a very competitive tariff.

Secondly, besides providing a tremendous amount of eagerly needed, reliable power, we will also build a completely new 500kV transmission infrastructure. This transmission line ranges over 450km from Kanbaw up to Yangon and allows electrification of all regions along its way, benefiting not only Yangon but also local residents.

Lastly, the LNG facility is foremost designed to import LNG and convert it to gas which will be used in the power plant, which means it is designed for the need in Myanmar. However, at a later stage it can be involved in exports of re-gasified LNG as well.

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