



住友商事

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四国電力株式会社

To whom it may concern

November 26, 2024

Sumitomo Corporation

Shikoku Electric Power Co., Inc.

Commencement of Independent Water and Power Project in Qatar, Including Long-term Power and Water Sale Agreement with Qatar General Electricity and Water Corporation

Contributing to Energy Security and Decarbonization in Qatar

Sumitomo Corporation (Head office: Chiyoda-ku, Tokyo; Representative Director, President and Chief Executive Officer: Shingo Ueno) and Shikoku Electric Power Co., Inc. (Head office: Takamatsu, Kagawa; President and CEO: Yoshihiro Miyamoto; "Shikoku Electric"), alongside Korea Southern Power Co., Ltd. ("KOSPO") and Korea Overseas Infrastructure & Urban Development Corporation ("KIND") (collectively referred to as "the four companies") have jointly won the rights to the Facility E independent water and power project ("the Project") through an international tender organized by Qatar General Electricity and Water Corporation ("Kahramaa"). Sumitomo Corporation, representing the four companies, has signed a long-term power and water sale agreement with Kahramaa. The four companies will jointly establish a project company with Qatar Electricity and Water Company (QEWCo) and Qatar Energy (QE).^{*1}

Project Overview

The project involves the construction and operation of a natural gas-fired power plant (2,400 MW) and a seawater desalination facility (110 MIGD^{*2} (495,000 tons/day)) on the site of an old power plant located approximately 25 kilometers south of Doha, Qatar's capital, in the Ras Abu Fontas area. Compared to existing gas-fired power plants, the new plant will employ high-efficiency gas turbines that consume less gas and emit lower levels of CO₂ and other pollutants, contributing to stable energy supplies and decarbonization efforts in Qatar. In the future, the Government of Qatar and the project company will explore new plans for Carbon Capture and Storage (CCS) ^{*3} to further reduce CO₂ emissions.

This marks the second collaboration between Sumitomo Corporation and Shikoku Electric for an overseas project, following the Hamriyah Independent Power Project in Sharjah, UAE. For Sumitomo Corporation, this is the first power project in Qatar, while for Shikoku Electric, it is the second, following the Ras Laffan C Water and Power Project.

Sumitomo Corporation has previously managed private-sector independent power projects (IPP) and independent water and power projects (IWPP) in the Middle East, including Kuwait and the UAE, and has expertise in maintenance and operations. Through this project, Sumitomo Corporation will contribute to the stable supply of electricity and water in Qatar.

This will be the sixth IPP/IWPP project in the Middle East for Shikoku Electric, which will leverage its technology and knowledge gained from previous domestic and international projects to ensure the smooth running of the project.

Both Sumitomo Corporation and Shikoku Electric will continue to actively engage in power generation projects in countries with growing electricity demand, thereby contributing to economic development and the realization of low-carbon societies in these countries.

Qatar's Decarbonization Initiatives

Qatar has ratified the Paris Agreement, and through the Qatar National Renewable Energy Strategy issued by Kahramaa, plans are underway for the retirement of aging power plants by establishing new gas-fired power plants. The introduction of solar power and Carbon Capture, Utilization and Storage (CCUS)^{*4} is also in the pipeline. The country's electricity demand is projected to increase by 58% by 2040 compared to 2021, and efforts to ensure a stable energy supply are intensifying.

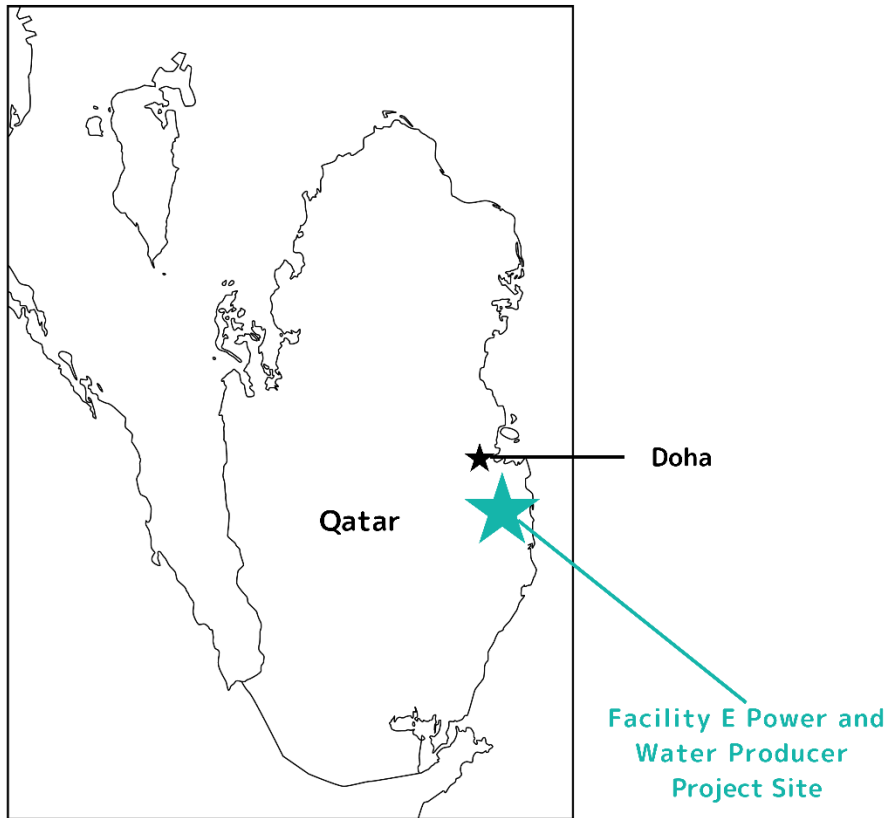
^{*1} The equity distribution will be as follows: Sumitomo Corporation: 17%, Shikoku Electric: 11%, KOSPO: 6%, KIND: 6%, QEWC: 55% and QE: 5%.

^{*2} MIGD

million imperial gallon per day.

^{*3} CCS: Carbon Dioxide Capture and Storage. Refers to the process of capturing and storing CO₂ emitted from industrial activities.

^{*4} CCUS: Carbon Dioxide Capture, Utilization and Storage. Refers to the process of capturing, storing and utilizing CO₂ emitted from industrial activities.



Facility E independent water and power project planned location