

\$1.2bn GCC power grid to start trials by year-end

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POWER PLAY: The GCC grid will start trials by the end of this year. (Getty Images)

The Gulf Co-operation Council Interconnection Authority will soon start trial operations of its \$1.2 billion electricity grid that will connect Gulf states and help meet the region's rising energy needs.

Phase one of the GCC grid, which will ultimately link the power networks of all six states, will be fully operational in the first quarter of 2009 once all tests have been completed, Ahmed Ali Ebrahim, Gulf Co-operation Council Interconnection Authority (GCCIA) director for system operation and maintenance, told newswire Zawya Dow Jones.

“By the end of the year we will start the trial operations, which will continue until January 2009. We’re hoping that by the first quarter of 2009 we will start normal operations,” Ebrahim said.

The first phase of the project will see the interconnection of four GCC states - Kuwait, Bahrain, Qatar and Saudi Arabia - with Oman and the UAE to be connected by the end of 2010 in two subsequent phases.

The system is aimed at helping Gulf states meet runaway electricity demand, which is soaring on the back of an economic boom.

Industry estimates put the amount of investment needed for the GCC power and water sectors at as much as \$120 billion over the next 10 years.

The grid will allow the transfer of electricity between GCC states to use excess capacity and limit the need for new investments in additional power generation capacity, Ebrahim said.

The project's second phase, the connection of the UAE and Oman, has already been completed, with phase three, covering the construction of an electrical substation and an overhead line in Abu Dhabi, under implementation, Ebrahim said.