

Bridge Power Project

Overview

Bridge Power is a 400 megawatt (MW) greenfield power and liquefied petroleum gas (LPG) import, storage and transportation infrastructure project (the Project) that will be located in Tema, near the Tema Oil Refinery (TOR). The Project will be capable of being fueled by LPG, natural gas, or diesel. It will address the long-term energy requirements of Ghana by providing over 17 percent of the country's reliable generating capacity.

Bridge Power is being developed in two stages by the Early Power Limited (EPL) consortium under a Power Purchase Agreement (PPA) with the Electricity Corporation of Ghana (ECG) for a term of 20 years, with an option to extend for five more years. The EPL consortium comprises Endeavor Energy, a leading independent power development and generation company focused on Africa; Sage, a leading independent energy trading firm in Ghana; and GE (General Electric), the world's premier digital industrial company.

Endeavor is the largest shareholder in Bridge Power and is leading the development together with GE. The Consortium members will collectively be responsible for operations and maintenance of the Project with the support of a long-term service agreement from GE. Endeavor will be responsible for Bridge Power's commercial management and construction management.

Stage 1 will be constructed by Metka, the leading Engineering, Procurement and Construction (EPC) consortium partner. The plant will use five GE TM2500+ gas turbines and one purpose-built GE steam turbine in a combined cycle gas turbine (CCGT) configuration that will collectively generate 200 MW of power. Stage 2 will add another 200 MW through four GE LM6000 gas turbines and one purpose-built GE steam turbine, again in a CCGT configuration.

Sage will be responsible for supplying fuel for the project and has created a gas-to-power fuel solution using LPG as the primary feedstock for the power plant. It is the first such plant in Africa and, when completed, will be the largest LPG-fired power plant in the world.

Bridge Power is structured as a long-term combined cycle IPP (Independent Power Producer) project and its power is priced accordingly. The Project will have positive impacts for Ghana. In the near-term the impact will be through the rapid deployment of initial power that will help Ghana meet its immediate electricity shortages. Later the efficient full 400 MW power plant will help the country meet its long-term power needs whilst lowering the overall cost of electricity generated.

The cost of developing and constructing the 400 MW power plant and the fuel import and storage infrastructure will be borne 100 percent by equity invested and debt raised by the EPL consortium. GE and Metka will collectively provide vendor financing in the form of a bridge loan of up to \$250 million to fast track the start of operations at the plant.

The Project is the first in Ghana to use a Put Call Option Agreement (PCOA). This allows the Government of Ghana to buy the plant and its associated infrastructure in the unlikely event of an early termination. This means any payment under the PCOA will result in the Government getting a valuable asset in return.

The Project will also add to Ghana's energy infrastructure by expanding the existing LPG import infrastructure at the Tema Oil Jetty for TOR. A 12-inch discharge pipeline at TOR will be built as part of the Project (and is included in the overall project costs), but the ownership of the new discharge line will be transferred to TOR at no charge after it has been constructed. This upgrade from the existing 6-inch discharge line will reduce the waiting time of vessels at the jetty, easing the current high demurrage costs associated with LPG imports into Ghana. It will also enable Ghana to import three times more LPG each year – again contributing to the country's fuel diversification and security.

The Project will directly create hundreds of jobs in Ghana during both the construction and operation phases. Crucially, it will bring much needed electricity to Ghana that will have an immediate positive impact on the running of schools, factories, offices, other local businesses, hospitals, and households.

Our understanding of Ghana's long-term vision for its power sector is built on having reasonably priced, reliable, and diversified energy. The Bridge Power project checks all those boxes. When one considers the factors set out above, it is demonstrably clear that the Bridge Power project is destined to have an immediate, transformative, socio-economic impact on the quality of life for individuals, on industry being better able to plan and operate more successfully, and on the country as a whole.

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