

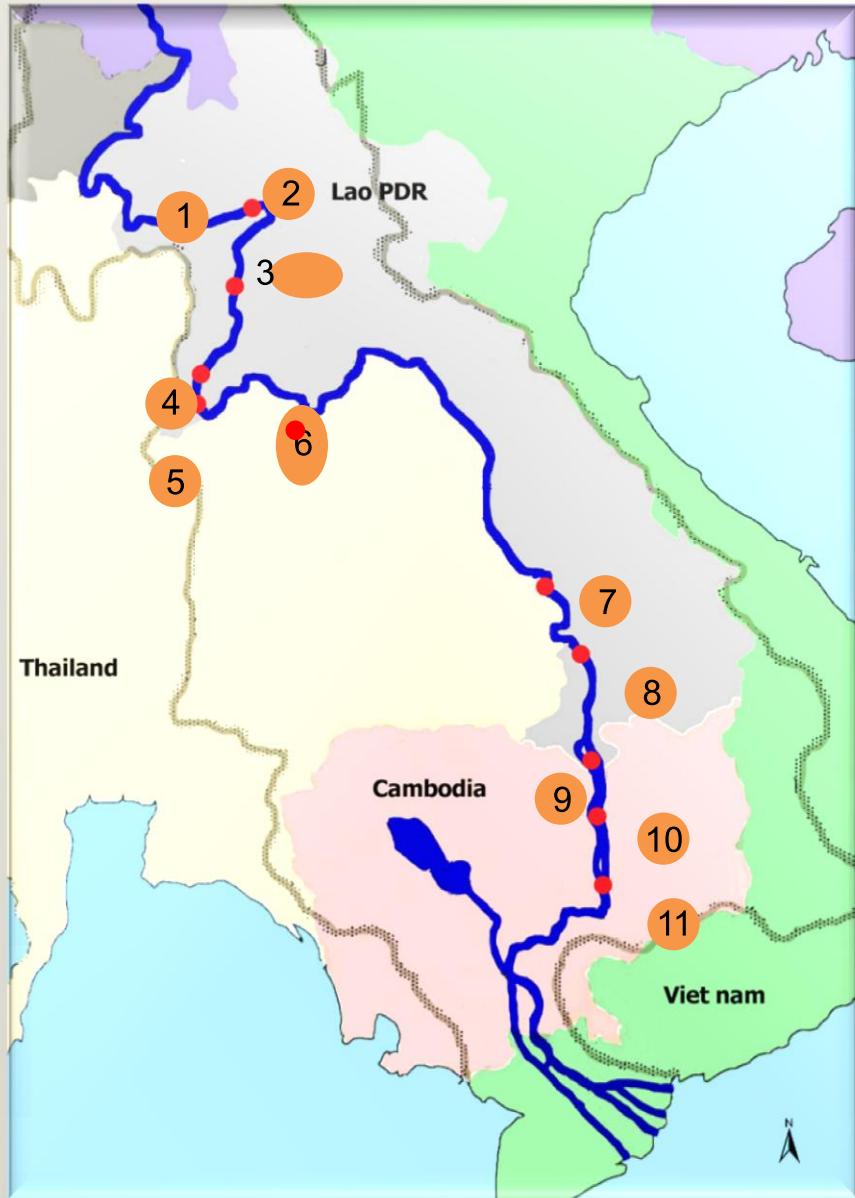
Technical Workshop on Xayaburi HPP

Requisites for Concession Agreement:
Requirements of MRC-1995 Agreement

By: Xaypaseuth Phomsoupha
Director General
Department of Business Energy
Ministry of Energy and Mines

Donchan Palace Hotel
Vientiane, 15 July 2015

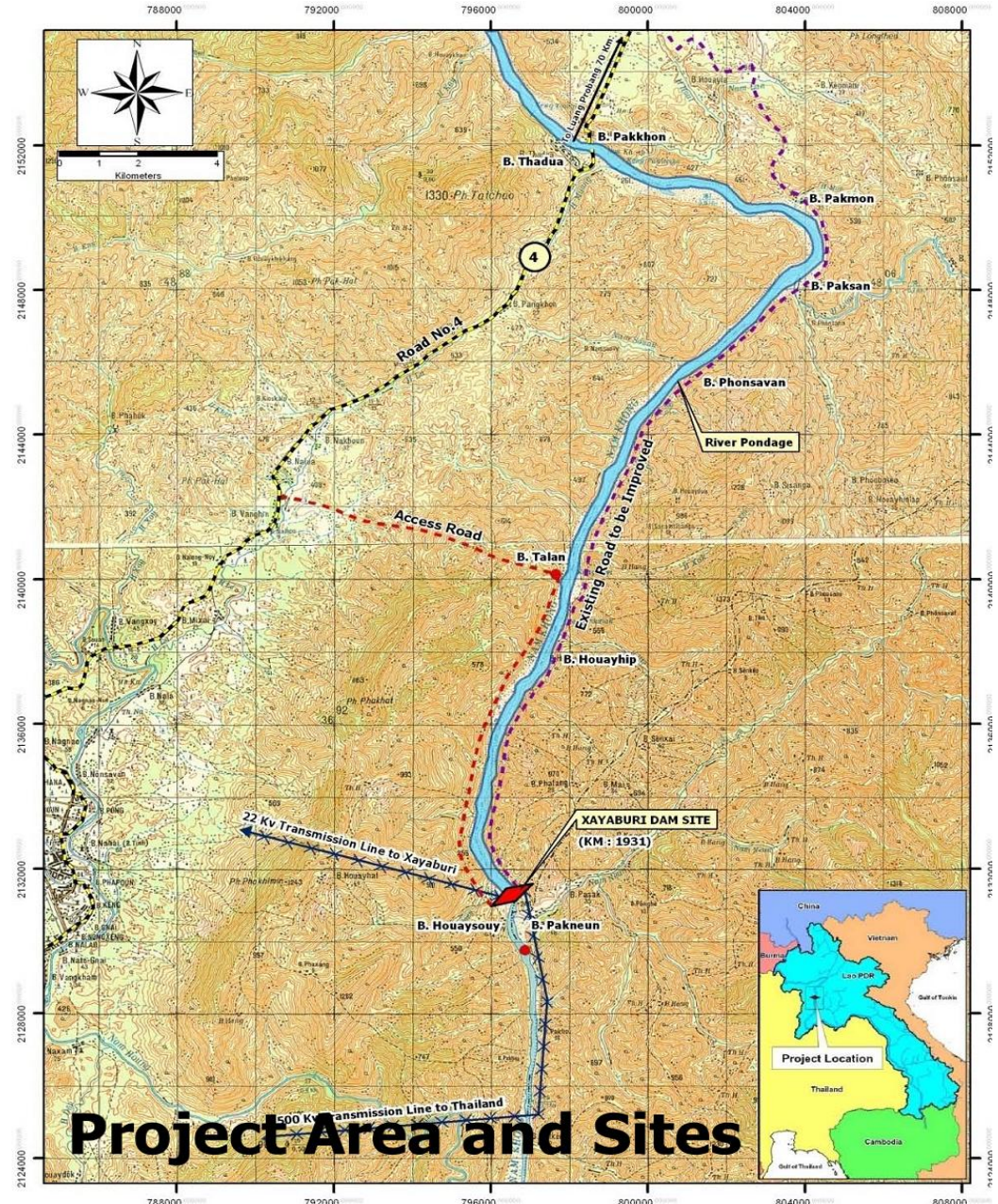
Projects on Lower Stretch of Mekong River



1. Pak Beng	1,230 MW
2. Luang Prabang	1,410 MW
3. Xayaburi	1,285 MW
4. Pak Lay	1,320 MW
5. Sanakham	570 MW
6. Pak Chom	1,079 MW
7. Ban Khoum	2,000 MW
8. Phou Ngoy	800 MW
9. Don Sahong	260 MW
10. Stung Treng	980 MW
11. Sambor	460 MW
Total	11,394 MW

Xayaburi HPP

- Situated in the Lao sovereign territory
- Developed on the mainstream of Mekong River
- Project in the PDP of Laos
- Run-off-river scheme with no reservoir
- 1930 km from Delta



Configuration



- Main Dam
- Navigation Locks
- Spillway
- Power House
- Intermediate Block
- Fish Passage
- Transmission Line

Commercial Details

- Installed capacity: 1,285MW, energy: 7,370Gwh/year
- Domestic/export IPP project with BOOT mode
- Investment cost (original) around USD3.6 billion
- Public-private jointly financed (equity)
- Limited recourse financing (debts)

Qualifications of Xayaburi HPP

- Despite the location inside the Laos' territory, Xayaburi HPP is required to meet international standards
- Be subject to Prior Notification/Prior Consultation (PNPC)-1995 Agreement
- Prior Notification process to apply to Xayaburi HPP
- To meet MRC Preliminary Guidelines

MRC Requirements- 1995 Mekong Agreement

	By informing	Advance Consultation	Agreement
A. <u>Mekong river branch :</u> dry season and rainy season	XXX		
<u>B. Mekong river:</u>			
1. Rainy season			
- No diversion	XXX		
- With diversion		XXX	
2. Dry season			
- No diversion		XXX	
- With diversion			XXX

Road to CA Signing & Effectiveness

2007

- MOU signed between the Government of Laos and CK Group (Thailand)
- Feasibility study (FS) and environmental-social impact assessment (EIA) studies started

2008

- Pre-FS completed by Colenco
- Preliminary EIA completed by TEAM
- Project Development Agreement (PDA) signed
- Negotiation on CA and PPA started

2010

- Final FS and EIA finalized
- Prior Notification Process initiated
- CA and PPA signed

Project Development

2011

- Feedback from MRC member countries/stakeholders received
- Prior Notification Process completed on 22 April 2011

2012

- Concession Agreement effective
- Construction officially started on 7 November 2012
- Engagement GOL Poyry and CNR to carry out studies and designs of additional works

2015

- Post-Prior Notification process works incorporated in Xayaburi HPP
- Construction ongoing

Post-Prior Notification Works

- The completion of PNPC left additional works (post-prior notification) for GOL and HPP
- Post-Notification process works to address concerns of MRC member countries and stakeholders
- Accepting works after the notification process additional to Xayburi HHP's original design means complying with the MRC guidelines/requirements

Additional Works of Xayaburi HPP

- Additional fish passages: fish ladder, fish lift including fish-friendly turbines
- One navigation lock additional to the first one in the original design
- Deeping and widening bottom outlets in order to flush a number of bottom outlets
- Adding sediment transport facility

Addressing MRC Member Countries' Concerns

- Concerns include potential impacts on *inter alias*, Mekong Delta area, water flow, fish migration, sediment flow, and navigation.
- Additional works to address all concerns
- Accepting additional works, GOL incurs nearly USD200 million; more than USD200 million absorbed by XPCL

Reflection of Xayaburi HPP

- Overall construction progress achieved at 45%
- All construction activities are going on smoothly
- Being the first mainstream project-versatile, transparent, and inclusive
- Requirements of 1995 agreement deemed completely satisfied
- Other mainstream projects like Don Sahong and others to follow suit

*Thank you very much for
your attention*

For more information:

Tel: 021 453539-40

Fax: 021 415 626

Mail: energy@deb.gov.la

Web: www.poweringprogress.org