



# Executive summary

**Overview of Statnetts 3 X 60 MW FT8-3 SwiftPac Power plant**

Jan 2022

**Statnett**

# About us

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## **Statnett:**

- The Norwegian Transmission System Operator
- A state-owned company with 1576 employees

## **Our core business is to operate:**

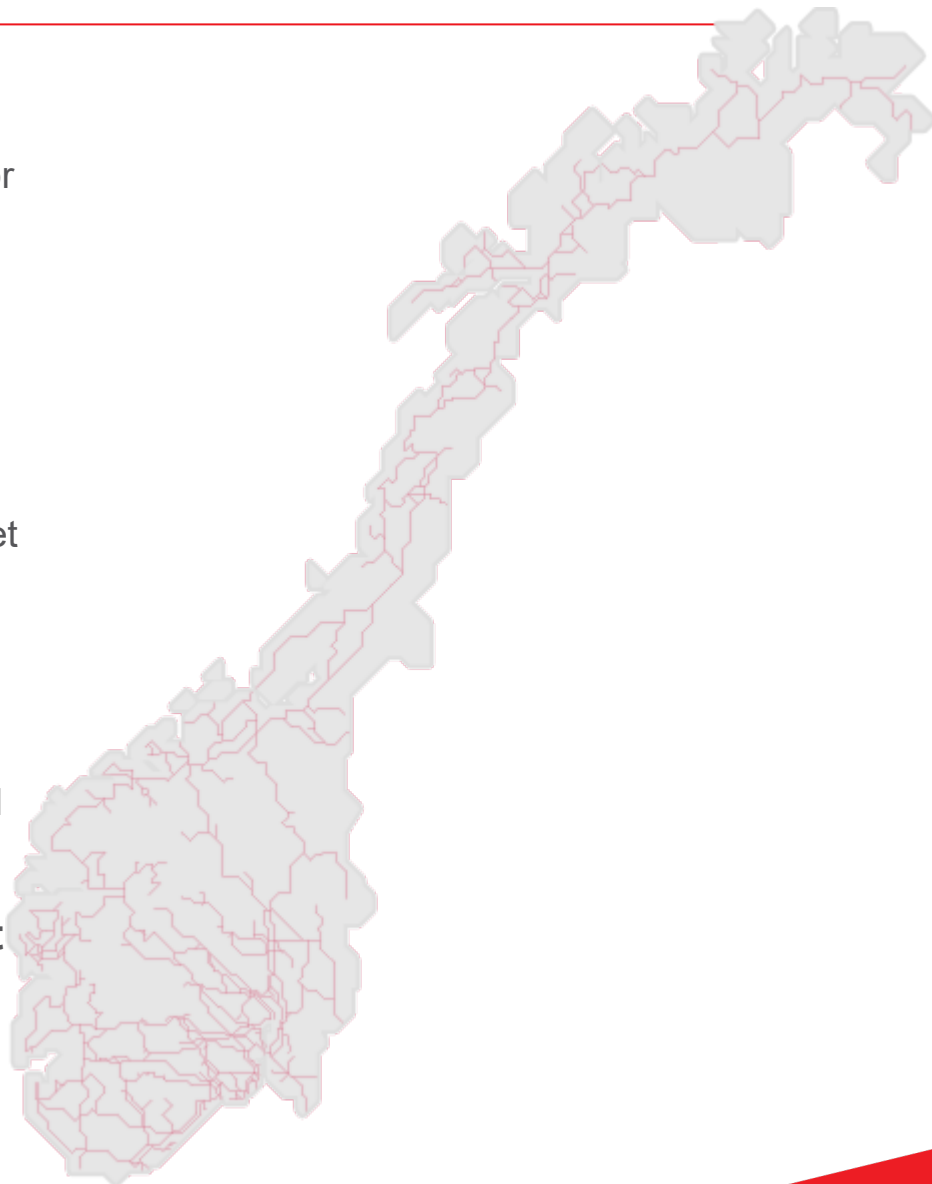
- 11 - 12 000 km of high voltage power lines
- 170 electrical substations
- Interconnectors to Sweden, Denmark, the Netherlands, UK and Germany
- and to balance the norwegian electricity market

## **Our goal is to:**

- Secure supply of electricity
- Facilitate the realisation of Norway's climate objective
- Facilitate value creation for our customers and the Norwegian society

## **M&A/Business development department**

- Responsible for asset transactions, mainly aquisition/sale of existing grid and real estate transactions. 4 employees.



# Background

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- Statnett established the reserve power plant at Nyhamna in 2008 in response to an energy deficit in the region (3 x 60 MW) ("the Assets").
- In 2016 the new transmission line Ørskog-Sogndal was finalized, and the need for reserve power is no longer present.
- Statnett was awarded necessary concession to close down and sell the plant by Norwegian Water Resources and Energy Directorate (NVE) 22. June 2018.
- Statnett accepted a bid for the Assets in January 2020. After a pause in negotiations due to the pandemic, Statnett entered into an agreement for the sale of the assets in July 2021.
- Statnett terminated the agreement for the sale of the Assets on 05.01.2022, due to Sellers non-payment according to milestone payments.
- Statnett is re-initiating the sales process as of 05.01.2022.

# Overview of the Nyhamna power plant

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## Statnetts power plant at Nyhamna (the “Assets”) consists of:

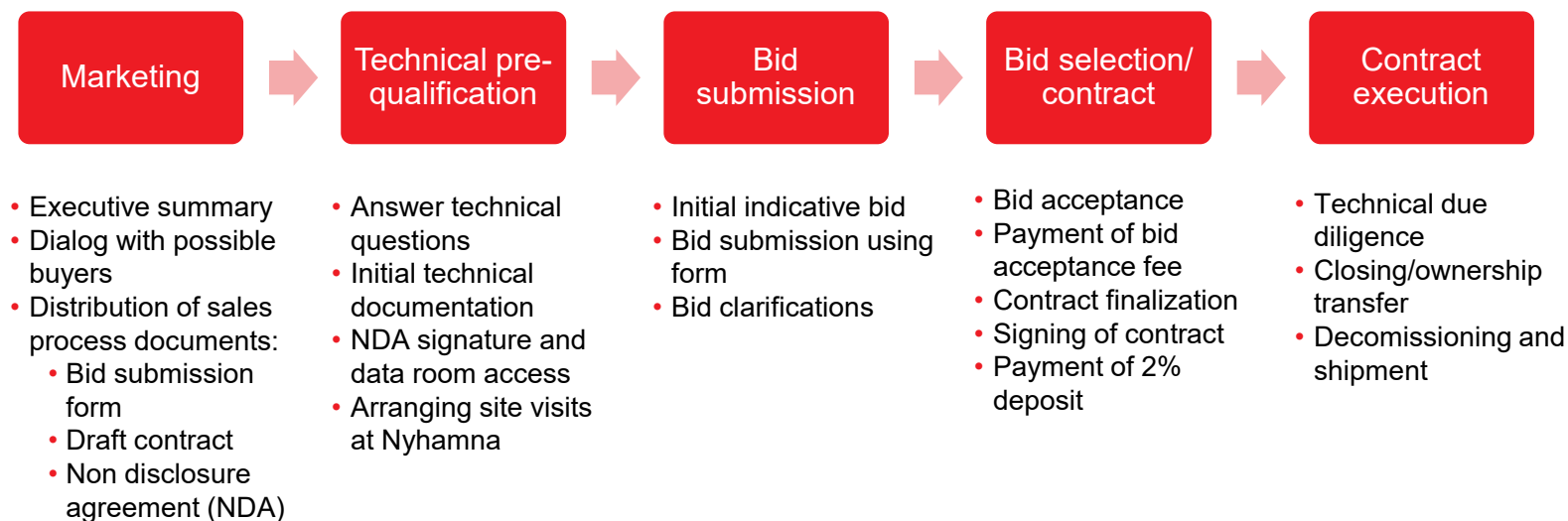
- 3 Pratt & Whitney Power Systems 60 MW FT8-3 SwiftPac dual fuel (gas/diesel) turbine packages
- 2 x water treatment facilities for demineralization of injection water (water is injected to reduce NOx-emissions from 176 ppm to 25 ppm / diesel: to 42 ppm)
- Step up transformer 11,5/132 kV 160 MVA
- Switchgear 11,5 kV / auxiliary equipment

## Operation and maintenance:

- The Plant was delivered and is maintained by PW Power Systems (PWPS - formerly Pratt & Whitney ®) a subsidiary of Mitsubishi Heavy Industries Ltd. (MHI)
- The Plant has provided emergency power capacity since 2008, but has only operated for less than 400 hours -for maintenance purposes – only operated on natural gas.
- The SwiftPacs have undergone a full audit, including a Full Load test and boroscope inspection in 2021, by the OEM.

## Indicative sales process and milestone plan\*

Statnett will facilitate buyer interest on an ongoing basis, with the aim of entering into a contract by the end of Q2\*.



\* Statnett reserves the right to change the timeline, sales process or terminate the sales process at any time

## Bidding framework and bidding rules

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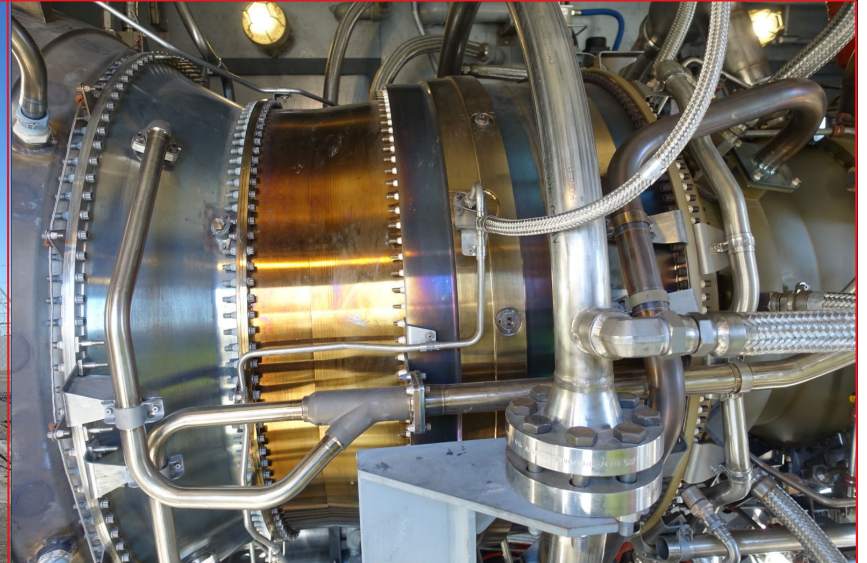
- Indicative non-binding bids are welcome in a mutually exploratory phase to initiate the formal process
- Only bids using "Bid submission form" will be considered with legal effect
- Bids will be submitted within the framework of the following:
  - Conditions stated in the "Bid submission form"
    - Subject to any special conditions stated by the bidder
  - Conditions stated in the "Draft contract"
    - Subject to any special conditions stated by the bidder
- Bidding object: minimum 3 SwiftPacs
- Bids are legally binding, however, the bidder may withdraw from the contract following the technical due diligence

## Main commercial terms

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- The assets are sold "As-Is, Where is" at the Nyhamna site.
- Demobilization, packing and delivery at port may be facilitated at cost coverage (indicative 2 MUSD).
- Expected sales price: 30 MUSD
- Payment structure:
  - Bid acceptance fee: 100.000 USD (Non-refundable), due one week after bid acceptance
  - Deposit: 2% of sales price, upon signature of asset sales agreement
  - Balance of sales price to be paid to an Escrow account prior to demobiliation, transferred to Statnett upon transfer of ownership.

# Pictures of the Plant





## Contact information

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