

EGA, Mubadala and Dubal Holding To Build \$272M New Power Block

The UAE's largest industrial company outside oil and gas, Emirates Global Aluminium (EGA), jointly owned by Mubadala and Dubal Holding, is building a new \$272 million (AED 1 billion) power block at EGA's Jebel Ali smelter in Dubai.

Mubadala and Dubal Holding have formed a joint venture to develop the new power facility. EGA intends to buy the facility's output for 25 years following commissioning.

The new power facility is expected to reduce greenhouse gas emissions from EGA's power generation at Jebel Ali by 10%. The emissions per tonne of aluminum produced at Jebel Ali, which includes both power generation and aluminum smelting, are expected to be reduced up to 7%. And the project is expected to reduce EGA's NOx emissions at Jebel Ali by 58%.

Meanwhile, German conglomerate Siemens is to install the UAE's first combined cycle H-class gas turbine at the power block. The project is also the first in the global aluminum industry to use a Siemens H-class gas turbine, a leading technology in efficient power generation.

In a joint statement, EGA announced that the new power block will replace five older, smaller and less efficient turbines at EGA Jebel Ali, which will be put on standby for use only in emergencies.

EGA requires electricity for aluminum smelting and other industrial operations, and has captive power plants at both Jebel Ali and Al Taweelah.

In 2018, EGA produced 2.64 million tonnes of cast metal and the company's electricity generation capacity is 5,450 megawatts.

EGA generated revenues of \$6.4 billion in 2018, compared to \$5.6 billion in 2017, while it reported a decrease of 64% in net income to reach \$325 million, due to higher raw material prices.

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