

New York firm to build multi-million dollar power plant in Jamaica

A major private equity investment firm here says it plans to build a US\$127 million power plant in Jamaica.

Conduit Capital Partners, which focuses on energy infrastructure investment and development in Latin America and the Caribbean, said that the thermal power plant, to be built in West Kingston, Jamaica, will initially run on oil but can also be fitted to run on natural gas. It said it will be a greenfield project. It said in a statement issued here that construction work for the 66 megawatt plant has begun and that the project is expected to achieve commercial operation in early 2012.

The project is operated and managed by Conduit's Jamaica Energy Partners on behalf of its sister company, West Kingston Power Partners (WKPP), Conduit Capital Partners said. In 2008, WKPP won a public RFP for the supply of power under a long-term power sales contract with the local utility, Jamaica Public Service Co. We have worked closely with the Jamaican government and the independent regulator for more than two years under very difficult market volatility said Juan Pérez, a partner at Conduit Capital. "This project represents a first step for the government under a highly ambitious plan to ensure the country remains globally competitive through the improvement of its existing infrastructure and the reduction of today's high energy costs," he added. "We look forward to building a plant that positions Jamaica on a path for success," Perez continued. Scott Swensen, chairman of Conduit, said the project illustrates Conduit's ability to execute across market conditions. In the Jamaican market, where the government is supportive of foreign investment in infrastructure, developed projects are nonexistent, he said. Greenfield is the only approach here, and we have the local presence to win bids and build, and the financial expertise to secure appropriate financing," he added. Jamaica Energy Partners (JEP) consists of two diesel barges that together produce 124, megawatts, Swensen said.

Conduit's Latin Power III fund repurchased JEP in June 2009 after liquidating its original investment in the company in 2007.