

PRESS RELEASE

For Immediate Release
October 15, 2013
Government of Guyana
Re: Amaila Falls Hydrology

Kaieteur News recently published an aerial photograph showing a limited flow of water streaming from the Amaila Falls which is earmarked to be the water source for the Amaila Falls Hydro Power station.

In August 2013, GoG issued a press release and a 70 page expert hydrology report prepared by Halcrow, a UK based internationally recognized engineering consultancy group. The public is invited to refer to the report located at www.privatisation.gov.gy.

That report clearly indicates that October is in fact one of the driest months of the year and as such, water flow will be limited. It also clearly indicated that the reservoir to be built as part of this project will be used to store water and protect against dry periods such as the one currently being experienced. The reservoir will enable the station to provide a continued source of power. The estimated energy that will be supplied has been based on various expert firms which used multiple sources for their analysis including 40 years of flow data and conclusively demonstrates that the project is entirely feasible and practical. The study clearly shows that the operation of a reservoir allows the supply of energy to be managed to effectively minimize the impact of the dry season water flows.

Using the figures in the Halcrow report (pg. 44), the following energy levels are expected from the base line water flows. Using GPL's average 2012 generation costs of US 19 cents, the equivalent annual savings in US\$ are estimated at:

	Amaila Site Annual Energy Yield (GWH)	GPL Avg. Costs for Generation (US cents)	Equivalent Annual Value in US\$
Minimum	884	19	167,960,000
Average	1,141	19	216,790,000
Maximum	1,343	19	255,170,000

Regardless of the impact of the dry season water flows, based on the hydrology report, the projected costs of the project and GPL's generation costs, Amaila will allow an annual net savings of approximately US\$100 M. At the end of the 20 year concession period, Guyana will own Amaila, a project that can last 75 to 100 years, **free**. Additionally, Amaila will allow Guyana to eliminate approximately 90% of its greenhouse gas emissions from electricity generation.

Kaieteur News deliberately ignored any reference to the August press release and Halcrow report that were covered in various papers, including their own. One can only conclude that the objective of Kaieteur News is to avoid presenting information in a fair, objective and balanced manner and prefer instead, to distort and misrepresent for their personal objectives.

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