



2<sup>nd</sup> April 2011

To  
The Chairman,  
HIPC.

**Sub: Project Closure /Completion of works for HIPC 75 MW DG Set Based Power Plant**

Dear Sirs,

At the outset, we congratulate our complete team to have closed the Project on a successful note with Plant performance at its optimum. Trust for sure, this Plant will set an example of a Model Plant in Yemen. The meeting recently concluded with Wartsila Finland Team on 9<sup>th</sup> March 2011 at HIPC Site, Mukalla is self explanatory in this regard. Although, we had liked to submit the report immediately after conclusion of the meeting, a little delay on our part owing to our busy schedule for visit to China to attend the Technical discussions/ Inspection Works for the ordered items for the Steel Plant substation.

As you are aware the O & M is being carried out by Wartsila O & M team from 01.07.2010 onwards and the plant is under regular commercial production since then. The Plant is taken over formally on 12<sup>th</sup> August 2010, however, Operation Date has been considered from 01.07.2010 as per the Contract for the 1<sup>st</sup> Phase of Operation.

There are no site activities remaining to be attended to, and hence there is no reporting of progress after the last Progress Report No. 12 for the period upto 31.10.2010, by which time virtually all the works have been completed. Further, all the 10 Nos. DG sets have been taken on commercial production and as such HIPC have been sending power to PEC grid at Al Harshiyat.

The Warranty has been announced and will be contractually complied to. Warranty with respect to the Engines shall begin from the date of Performance Test and Reliability Run completion certificate and ends after 18 months. Warranty with respect to the Equipment, excluding engines begins from the date of Performance Test and Reliability Run completion certificate and ends after 12 months. Enclosed for reference is the Warranty Claim Status as on March 2011.

The complete Payment under the Supply Contract has been effected (Financial Closure) and is reflected in the last page of the Meeting notes concluded at Mukalla on 9<sup>th</sup> March 2011.

All the reports pertaining to the Project viz. the Final Handing Over certificates including the Performance Test & Reliability Test Run Certificates of all the Engines, Complete Report – HIPC Project from Inception including photos, Closure meeting dated 9<sup>th</sup> March at Mukalla, Handover of the Plant Operations to Wartsila O & M team with punch list items, the last Progress Report etc. are enclosed herewith for your reference in a nut shell.

Also enclosed is the information for the Annual operating plan which includes the provisional planning as regards to the Engine Wise Running hours & the routine maintenance at each scheduled intervention falling during such period.



There has been the Induction Training Programme for all the Employees in the month of August/Sep 2010. This training is imparted with the main aim of focusing on how the work should be performed on the complete technical front. This training is apart from the Site training Programme which was conducted by Wartsila with necessary training material.

Above and beyond this

- There is a knowledge sharing training from other O & M plants in operation, conducted parallelly.
- In house training every month to improvise the skill levels of the Operators, Technicians & Helpers.

HSE which is of prime concern has been emphasized & is given utmost importance. Implementation of the Safety Process carried out as per the procedures & being strictly adhered to. Emergency Mock drills are planned once in a month to alert the personnel in case of an emergency besides housekeeping.

Trust , you shall appreciate and place on record the successful commissioning of the HIPC Project and we look forward with enthusiasm to execute many more Projects in the years to come.

Thanking you,

Yours Truly,

For HIPC,  
P.Raja Srinivas.



Encls:

- << Handing Over Docs >> Zip File
- << Mukalla - HO Meeting dated 9MAR2011 >>
- << Handover of Power Plant Operations to Wartsila O & M >>
- << Report, HIPC Project >>
- << Handover Punch List 1 >>
- << Handover Punch List page 2 >>
- << HIPC Warranty Claim Status >>
- << HIPC Image of the Power Plant >>
- << Progress reportno\_12 fortheperiodfrom1\_9\_2010to3 >> Zip File
- << Annual Operating Plan 2011 >>
- << Op\_and\_Maint\_Planning >> Zip File
- << Maintenance\_plan >>