

# Oman looks to alternative fuel for power projects

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Oman is looking for alternative fuel for its planned power projects because its gas production cannot meet rising demand, state-owned Qatar Power and Water procurement Co (OPWP) said on Tuesday.

Oman's current gas demand is 13.6 million standard cubic metres per day and will increase to 20 million by 2015, according to OPWP figures.

"OPWP needs to look for alternative fuel since the country cannot keep up with future demands," it said in a report.

The global financial crisis will affect Oman's oil and gas development projects and may cause delays, its oil minister has said, but the country is still short of supplies.

Coal power and diesel will make up for the gas shortfall as Oman accelerates its efforts to build new projects nationwide, the report said.

An oil and gas ministry official confirmed the government would not be able to meet rising gas demand.

"We are only guarantee to supply gas to the current projects but not new ones planned in areas like Duqm or elsewhere," Sultan al-Hilali, Director of Gas Production Regulation told Reuters.

New production is expected in a few years but it is too early to make predictions, Hilali said.

Oman is building a 1000 megawatt power plant at Duqm and more facilities at Barka, Sohar and Sur. There are also plans to extend power capacity in the capital of Muscat and Salalah.