



# 20<sup>TH</sup> ERRA ANNUAL CONFERENCE

EN ROUTE TO SUSTAINABLE REGULATION  
UNDER NEW MARKET PARADIGMS

09-10 October, 2023  
BUDAPEST, HUNGARY



# Sultanate of Oman Energy Market Outlook

Abdulwahhab Al Hinai

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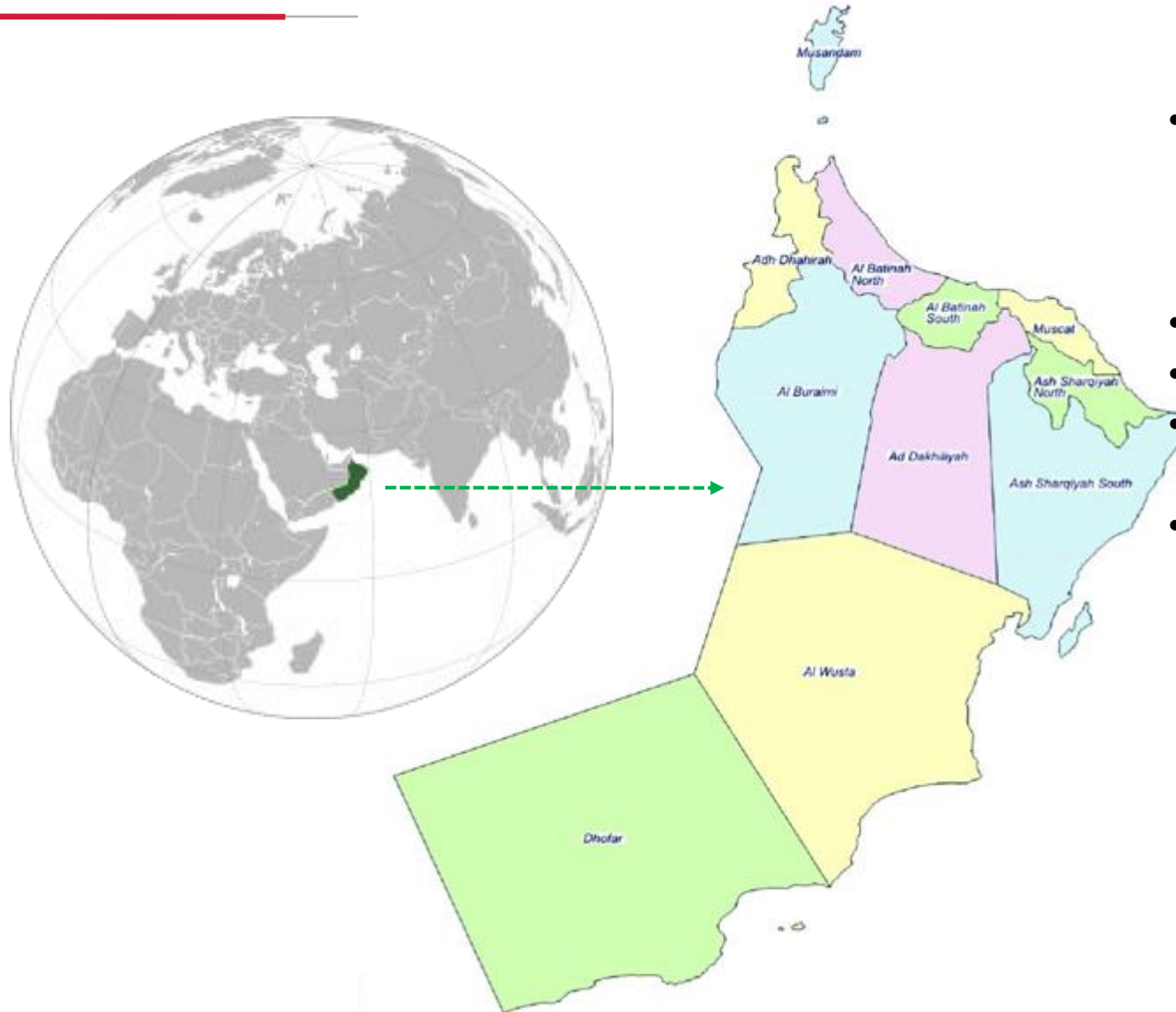
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# Oman at a Glance



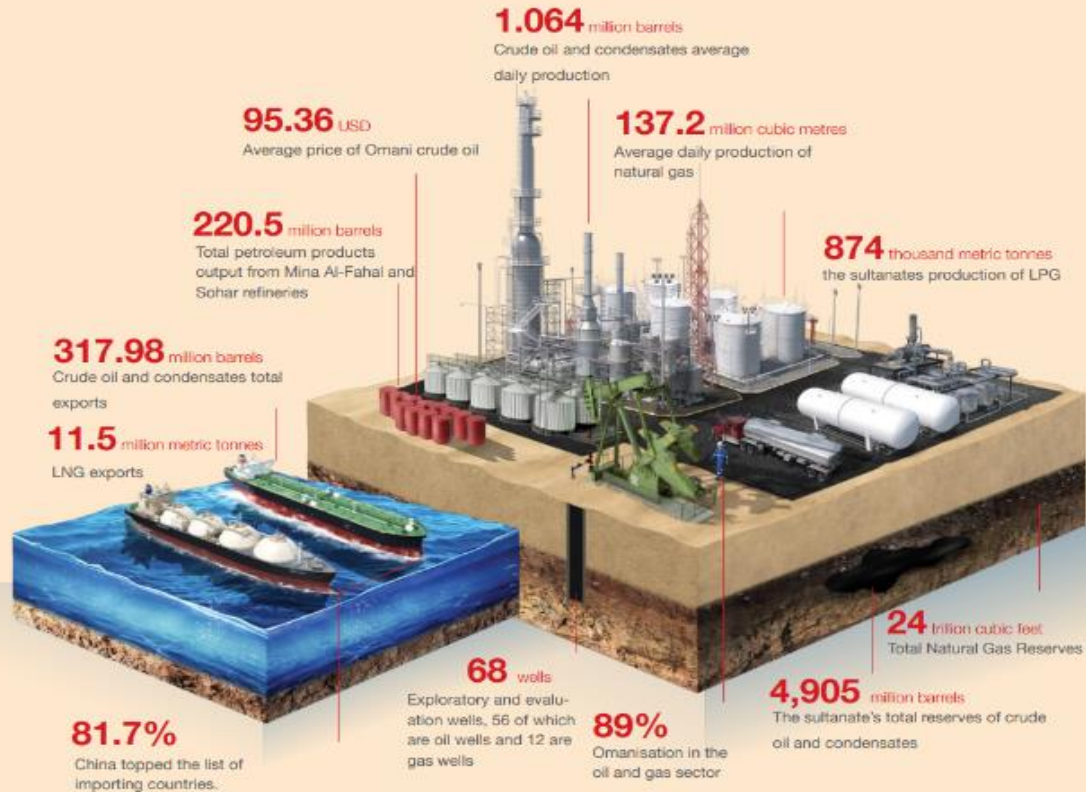
- **Sultanate of Oman** is situated on the southeastern coast of the Arabian Peninsula, from the Strait of Hormuz in the north to the borders of the Republic of Yemen in the South.
- **Net-zero** target by 2050.
- 30% **renewable** energy target by 2030.
- **Population:** 5,136,957 (Omanis 56.7% vs. Expats 43.31%) *(as of 30<sup>th</sup> September 2023)*
- **Age:** > 75% below age 40 years.

# Overview of Oman's Energy Sector

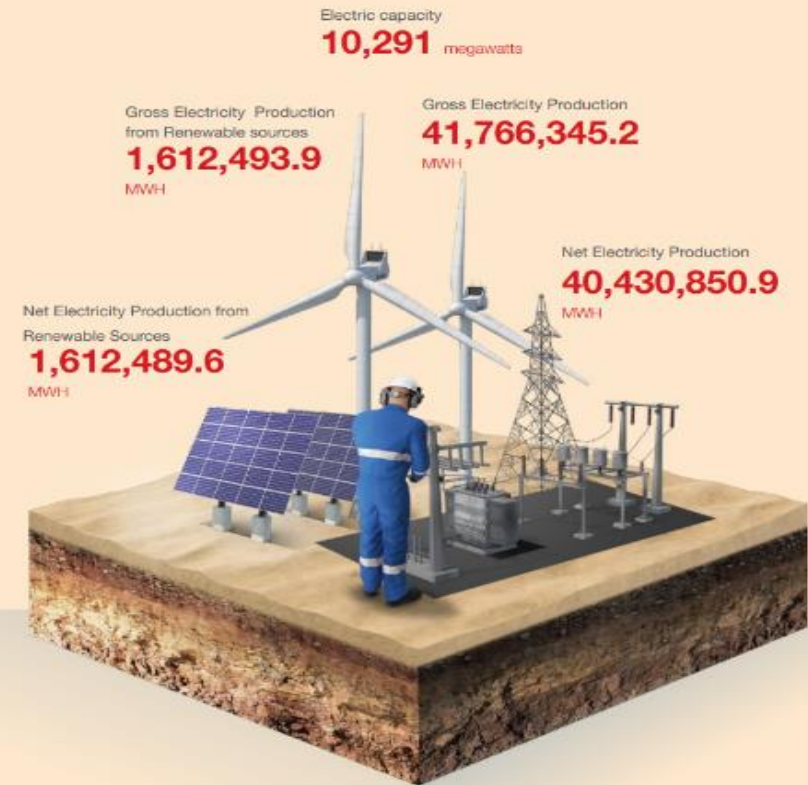


## Energy and Minerals Sectors significant indicators

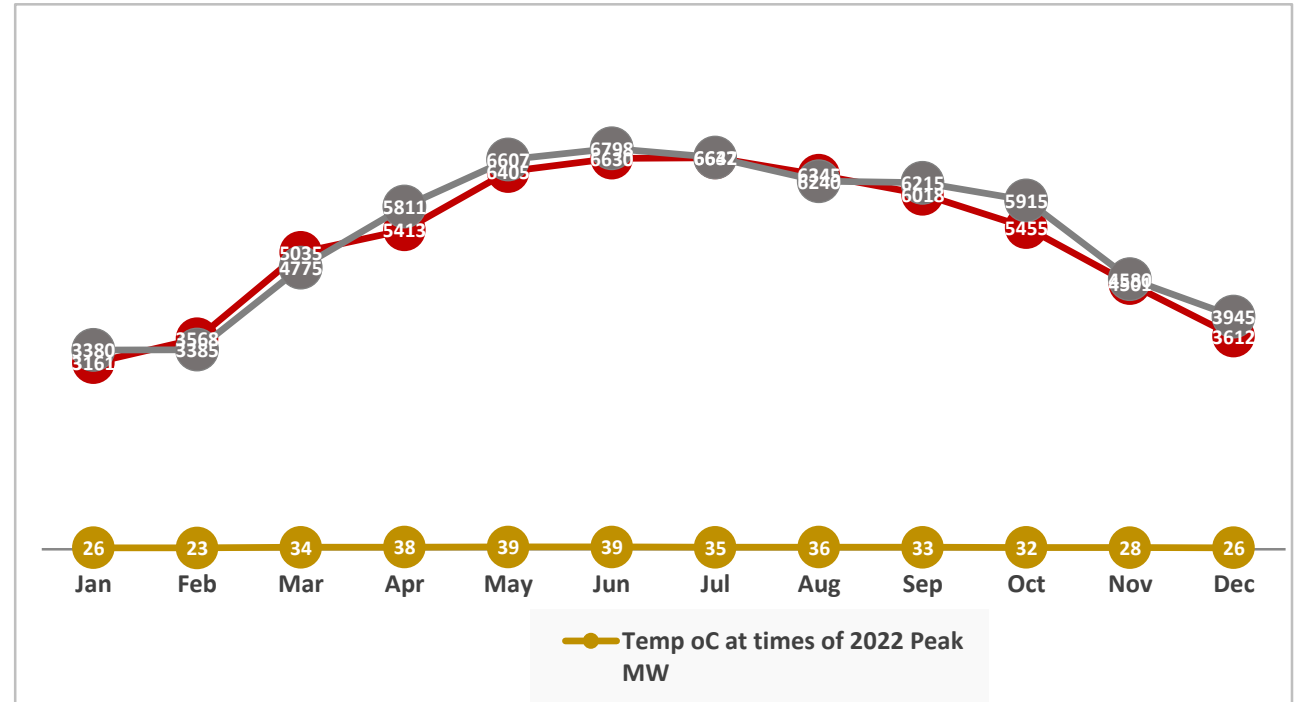
Oil and gas sector indicators



Electricity and Renewable Energy Sector indicators



# Interconnected Peak Demand: 2021 & 2022



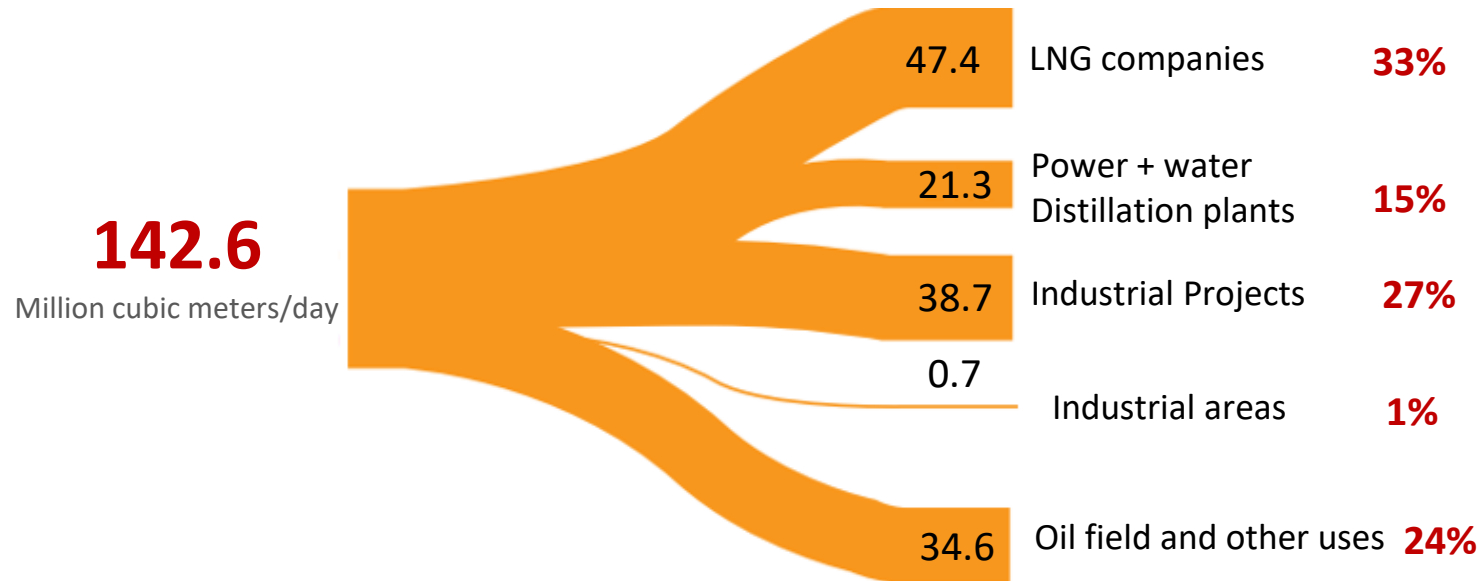
# Gas Sector



	Annual production (million cubic meters )	Daily average (million cubic meters/day )
Associated Gas	10,063.92	27.6
Non- Associated Gas	40,020.79	109.6
<b>Total Production</b>	<b>50,084.71</b>	<b>137.2</b>

## LNG and NGL exports

- Oman’s exports of LNG amounted to around 11.5 million metric tons in 2022, shipped in 176 cargoes.
- The exports of NGL amounted to 0.206 million metric tons in 2022.



# Gas Consumption for Gas & Electricity

The electricity and related water sector consumed

**1% ↓ Less national gas in 2022 than 2021**

Compared to **↓ a decrease of 0.2% in electricity and ↑ increase of 4.6% in water production**

(excluding RAEC Production Facilities).



# Renewable Energy and Hydrogen



- Energy policy will define the roadmap to progress the energy transition strategic objectives and integration with existing energy supply chains in relation to energy transition key drivers including green hydrogen CCUS, Energy efficiency and renewable energy.

Net Production (MWh)	2018	2019	2020	2021	2022
Diesel	730,586	746,676	797,811	575,396	638,414.1
Gas	35,676,091	36,040,182	35,590,301	37,175,673	37,175,064.4
Solar				626,504	1,497,873.6
Wind			103,185	118,909	114,616



# Renewable Energy and Hydrogen



Dhofar wind farm



Renewable Energy Projects:

Dhofar wind farm: 50 MW.

Ibri 2 solar photovoltaic (PV) plant: 500 MW.

Amin Solar photovoltaic plant: 100 MW.

Manah I & II: total 1 GW.

Ibri 2 Solar IPP



The Integrated Interconnection System with 400KV is considered a strategic national project connecting 4 systems across the Sultanate. Facilitates interconnecting renewable projects and enhances system efficiency and stability.

# Renewable Energy and Hydrogen Projects



North-South grid Interconnection



## Green Hydrogen Projects:

A number of potential green hydrogen projects are being considered and in initial development phase (pre-FID) with a number of key international players.

Considerable government support (policy statement, regulatory and investment framework, land allocation, ...etc.).

Still facing challenges.

Amin solar power plant



Blue hydrogen projects also progressing with promising potential.

Significant move towards de-carbonization of industries (heavy industries, mining and metal industries ...etc.).

# The Dynamics continue to shift



## Challenges

High interest rates and tightening financial markets

High gas prices for Downstream businesses – existing assets & growth

Prolonged market weakness leading to potential impairment

Weakening global growth rates and demand in major markets like China

Fragmentation of global economy and trade flow realignment (Russia/Ukraine conflict)

Continuing confusion in the transition towards the new energy world



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**THANK YOU  
FOR YOUR ATTENTION!**

**Abdulwahhab Al Hinai**  
[abdulwahhab.alhinai@oq.com](mailto:abdulwahhab.alhinai@oq.com)