

Power and Energy Sector

Colombia's total installed electrical generation capacity in 1994 amounted to 10,107 MW, of which 7,873 MW (78%) was hydro-generation; the remaining 2,234 MW (22%) was from thermal plants. The generation system includes 70 stations: 37 are hydro, 9 are coal-fired and 24 operate on gas and fuel oil.

With Colombia's economy growing annually at an estimated rate of between four and six percent during the rest of this century, it will be necessary to initiate projects that would add at least 2,050 MW to the country's installed capacity in the period 2000-2005 as follows: four to five plants for a total of 1,200 MW in gas-fired plants, 150 MW in coal-fired units, and 700 MW in hydroelectric projects. Some of these projects are to be initiated in the period 1997-2000 to allow time for unexpected delays in their implementation (mainly in the case of hydroelectric projects). Many of these new initiatives will be undertaken and/or implemented by private investors.

At the moment, several electric generation plants are being planned or are in the advanced preparation stage. These are:

- ▶ gas fired - the 360 MW Cartagena project
 - the 480 MW Barranquilla project

- ▶ coal fired - the 150 MW Paipa IV project
 - the 150 MW Tasajero II project
 - the 300 MW Tibita project
 - the 300 MW San Jorge project
 - the 150 MW Zipa VI project
 - the 150 MW Amagá project
 - the 300 MW La Loma project
 - the 150 MW San Luis project

- ▶ hydroelectric - the 340 MW Urrá I project
 - the 392 MW Porce II project
 - the 375 Miel I project
 - the 90 MW Riachón project
 - the 240 MW Calima III project

The privatization of the electrical generation sector will provide abundant opportunities to Canadian utilities and equipment suppliers not only in terms of equipment, but there exists the possibility of investment and joint venturing in the sector. New projects coming on-stream, primarily on the thermal side, will also be of interest. The Government is committed to avoiding the rationing which occurred throughout 1992 due to a lack of rainfall to fill the hydro reservoirs. In addition, as natural gas is now more readily available in the interior of the country, the number of gas thermal units is expected to expand. Competition in this sector