

One of the leading EPC companies in Oman, Al Hassan Engineering Company (AHEC) says it has a healthy order book for 2013

# Expanding in the Middle East

**D**RIVEN by its passion for innovation and delivering best solutions to its customers, Oman-based Al Hassan Engineering Company (AHEC), one of the leading engineering, procurement and construction (EPC) firms in the region, says it is committed to expand its offerings in the sultanate and the entire Middle East region.

“We are building on our existing facilities, pitching for EPC projects and hiring the best talents from the region to deliver on our objectives,” says Peter Hall, chief executive officer, AHEC.

The company which operates in all the segment of the energy sector – power, oil, gas and petrochemicals and water— says its market share is in line with its targets. “The business over the past few years has been good. Investment plans continue to be healthy in all our target markets and we have a healthy order book for 2013. In addition, we are exploring opportunities to develop our activities in selected infrastructure type projects,” Hall adds.

## FAST GROWTH

From starting out as a small construction firm in 1982, AHEC in a relatively short span of time graduated as a public listed company and one of the leading EPC companies in Oman. Part of the Oman-based Al Hassan Group of Companies that employs over 5,000 people, AHEC has its head offices and fabrication facilities both in Muscat, Oman and Abu Dhabi, UAE.

AHEC currently operates in three main business sectors, oil, gas and petrochemicals; power generation, transmission and distribution; and civil construction and water/wastewater treatment. “In all of these sectors, we either operate as the main EPC contractor or as a chosen construction service provider in the areas of civil construction, mechanical/structural/pipework construction installation and electrical and instrumentation equipment installation and commissioning. In addition, we sometimes provide maintenance services across the



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Rotem and more lately Siemens, Petrofac, Technip and Samsung,” says Hall.

Some of its on-going major projects in Oman are:

**Saih Nihayda Depletion Compression Project:** PDO selected GS E&C of South Korea as their EPC contractor for executing this project. In turn, GS E&C awarded major portion of its construction work to AHEC, including: civil and building works, electrical and instrumentation erection work as well as the execution of a 132 kV overhead line on an EPC basis.

**Barka-3 Independent Power Project (IPP):** Oman Power and Water Procurement Company

(OPWP) selected a consortium of developers to set up a 750 MW capacity IPP at Barka. GS E&C was selected as EPC contractor by the developers for executing this project. By virtue of its continued association with GS E&C and excellent past performance, AHEC was successful in securing the civil and building works. This is AHEC's fifth contract with GS E&C.

**Long Term Power Supply (LTPS) project:** As part of its major expansion plans, Occidental Mukhaizna awarded the contract to AHEC for executing this project on EPC basis. This is the first major award from this client which was secured against stiff global competition. The facility involves the construction of a complex power transmission and distribution system for Occidental's production facility at Mukhaizna.

**A'Seeb Water Treatment Project:** Haya Water awarded Hyundai Rotem, Korea an EPC contract for its Sewage Treatment Plant at A'Seeb. Hyundai Rotem selected AHEC for civil and architectural works.

Additionally, some of its projects in the UAE are in the field of construction of new sewage networks, piping erection works, site preparation work for the construction of oil terminal for some of its leading customers in the region.

## DIVERSIFICATION

The company diversified into execution of major civil works and water & waste water management projects in the year 2009. One of its major projects in this area is the civil work for the STP project at Seeb near Muscat, the largest so far in Oman. In 2010, the company decided to enter the renewable energy market. In this, AHEC Abu Dhabi succeeded in securing the qualifications as general contractor with Masdar for major workgroups which include general civil works, power and communication line and related structure, structural steel contractors and mechanical, electrical, plumbing (MEP).

In 2012, AHEC received orders in Oman for E&I works; Musandan Gas processing plant – installation of export line; Oman Oil Company Explorations & Production and Emergency Water Reservoir; Public Authority for Electricity and Water (PAEW) and Zauliyah Gas Plant; PDO and others.

“In the last three decades, AHEC has successfully completed over 100 small, medium, large- sized contracts for leading Omani organisations such as Petroleum Development Oman (PDO), Oman Refineries and Petrochemicals Company (ORPC), Oman Gas Company (OGC), Ministry of Housing Electricity and Water (MHEW), Oman Electricity Transmission Company (OETC), Haya Water as well as for international contractors such as GS E&C, SNC Lavalin, Hyundai

The company has recently formed a joint venture with Technicas Reunidas (TR Spain) to serve PDO for the Zauliyah gas plant project. The scope of work for Zauliyah gas plant includes detailed design and engineering, procurement, construction, pre-commissioning, commissioning and support during six months of initial operation for off-plot and on-plot facilities. The project is approximately for three years.

It is currently constructing four emergency water reservoirs projects to serve key areas in Muscat. “The project is unique and interesting because these will help curb emergencies like a disruption in water supply because of a breakdown in primary water distribution network, or a major water supply shortfall,” says Hall.

## FUTURE PLANS

Looking ahead, AHEC plans to continue with its strategy of both building on its EPC business across all sectors in addition to further develop its contracting services business by growing relationships with the major international EPC contractors working on the larger EPC contracts both here in the sultanate and in the UAE.

“The market continues to be stable with ongoing and significant investments in power both here and in the UAE. The oil and gas sector is still benefiting from the robust oil prices and investment continues to be strong. Infrastructure development projects are also running at a significant level,” says a positive Hall.