



MEDIA RELEASE

PUB CALLS TENDER TO BUILD SECOND AND LARGEST DESALINATION PLANT IN SINGAPORE

Singapore, 30 June 2010 – PUB, the national water agency, is calling an open tender today for the second and largest desalination plant to be built at Tuas. To be completed by 2013, the plant will add another 70 imperial million gallons or 318,500 cubic metres) of desalinated water a day to the nation's water supply.

Following the completion of the fifth and largest NEWater plant at Changi last month, the new desalination plant is Singapore's latest water supply infrastructure project. Like the first reverse-osmosis desalination plant at Tuas, the second plant will be constructed under a Design, Build, Own and Operate (DBOO) arrangement and utilise reverse osmosis technology.

Increasing desalination capacity will further enhance the drought resilience of Singapore's water supply, and ensure reliability for Singapore's water users. Like NEWater, desalinated water is independent of rainfall and can be used to supplement water from local reservoirs during dry weather.

The successful bidder will enter into a 25-year water purchase agreement to supply desalinated water to PUB, commencing from mid 2013. The water purchase agreement will set out the tariff structure, terms and conditions for the purchase of desalinated water.

"Since 2005, PUB has adopted the "Best Sourcing" approach to expand our water supply system in a cost competitive manner. These projects have been highly successful, ensuring high quality and reliable water supply at the most cost-effective basis as they tap on private sector's capacity and flexibility to innovate. These Public-Private Partnerships also helped water companies build up their track record in Singapore and they can eventually export the



expertise they gain from the project internationally,” said Koh Boon Aik, Director (Best Sourcing), PUB.

The 70 mgd desalination plant project is PUB's fourth DBOO project, the first three being the 30 mgd SingSpring desalination project, the 32 mgd Keppel-Seghers Ulu Pandan NEWater Plant and the 50 mgd SembCorp Changi NEWater Plant.

New water targets unveiled on Monday indicated desalination's bigger role in Singapore's water supply. By 2060, Singapore plans to ramp up desalinated water capacity by almost 10 times so that the Fourth National Tap can meet at least 30 percent of the water demand then. Water demand is expected to double to 760 mgd by 2060.

As desalination is currently the most energy intensive water supply source, Singapore has been embarking on research and development work in search of more cost-efficient ways of producing desalinated water. For example, in 2007, Singapore Environment and Water Industry Development Council awarded a S\$4 million research grant to Siemens to develop a novel electrochemical desalination technology that can halve the energy consumption used in seawater desalination. This project will be completed in 2011.

The tender for Singapore's second desalination plant will close on 30 September 2010 and is expected to be awarded in the 1st quarter of 2011. There will be a project briefing and site show-around on 15 July 2010. Potential bidders who would like to participate in this DBOO project can refer to the details available in Government Electronic Business (Gebiz).

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About PUB

PUB is a statutory board under the Ministry of the Environment and Water Resources. It is the national water agency, managing Singapore's water supply, water catchment and used water in an integrated way. PUB won the 2007 Stockholm Industry Water Award and was named Water Agency of the Year at the Global Water Awards 2006.

About PUB's tagline: Water for All: Conserve, Value, Enjoy

PUB has ensured a diversified and sustainable supply of water for Singapore with the Four National Taps (local catchment water, imported water, NEWater, desalinated water).

To provide water for all, PUB calls on all Singaporeans to play our part to conserve water, keep our water catchments and waterways clean and build a relationship with water so we can enjoy our water resources. We can then have enough water for all uses – for industry, for living, for life.

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