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EPM Group's Bonyic hydroelectric power plant is already delivering energy to Panama's power system

- **This is EPM Group's first international hydroelectric generation project.**
- **Because it generates hydraulic rather than thermal energy, it will contribute to lowering tariffs in Panama and enhance life quality.**
- **The project's environmental management and work with native communities in its influence area are exemplary.**

As announced this Wednesday by Juan Esteban Calle Restrepo, EPM's Chief Executive Officer and leader of EPM Group, Bonyic, the first hydraulic generation plant built abroad by the Group has started commercial operations in the Panamanian power market.

To generate 31.8 MW the plant uses the flow of the Bonyic stream which is stored and regulated in an 18 ha reservoir with an upper conduction tunnel 3,621 m long and a dam 44 m high.

The first horizontal shaft Francis turbine was commissioned in January, the second one will be ready by the end of February, and the third one in the last week of March. The energy generated will be delivered to the Panama interconnected electricity system at the Changuinola–Charagre substation through a 115 kV transmission line 9.7 km long between the power house and the Changuinola district.

Mr. Calle Restrepo added that "the Bonyic plant has already subscribed energy supply agreements at 15 years with Panamanian distribution companies".

The plant

The Bonyic plant, built by Hidroecológica del Teribe S.A. (HET), an EPM Group company, is located in the Changuinola district, Bocas del Toro province, in Panama's Northeast on the border with Costa Rica. "We are very pleased with Bonyic's start of operations since the plant will provide reliability to the Panamanian power system, and by being hydraulic rather than thermal, it will contribute to lowering energy tariffs, thus improving the Panamanian families' life quality and economy", highlighted Mr. Calle Restrepo.

Multiple problems arose during construction such as the torrential floods that significantly affected the area where the power house was initially going to be located; as a result, the project's design had to be changed from a surface power house to an underground one. Additionally, the geology found along the construction of conduction and discharge tunnels was of lower quality than foreseen during the exploration and initial studies, making a more robust design necessary in order to guarantee their stability. Total cost of investment including financial costs amounted to USD 314 million.

Working with the community

One of the most important aspects along the development of this project was the implementation of EPM's community management model. During the plant's construction there was a process of communication, dialogue, participation, consultation and interaction with the Bonyic, Solón, Sieiyc, Sieikin, Cuykin, San San, Druy, Loma Bandera, La Tigra, Santa Rosa, and Sorí communities in the influence area that permitted determining the mitigation measures and the compensation plan for the native Naso people.

Works to benefit the community were based on four pillars: health, education, economy and culture. Funds were used, among other things, for road infrastructure (construction of 21.1 km of roads including 18 bridges), school construction and improvement (three computer centers, three school rooms and two school cafeterias), college scholarships, establishment and furnishing of health posts, optimization of aqueducts in seven Teribe communities, institutional reinforcement for the Naso people, management of archaeological heritage, and reforestation and recovery of natural areas.

Additionally, at the peak of works, 1,400 job posts were opened, 33% of them filled with Naso people.

Bonyic power generation plant is a milestone in the international growth of EPM Group "because it permits the Group to acquire experience in managing a generation project outside Colombia with different rules and idiosyncrasy. We will capitalize this knowledge for future application in other countries", added Mr. Juan Esteban Calle Restrepo, leader of the business group.

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