



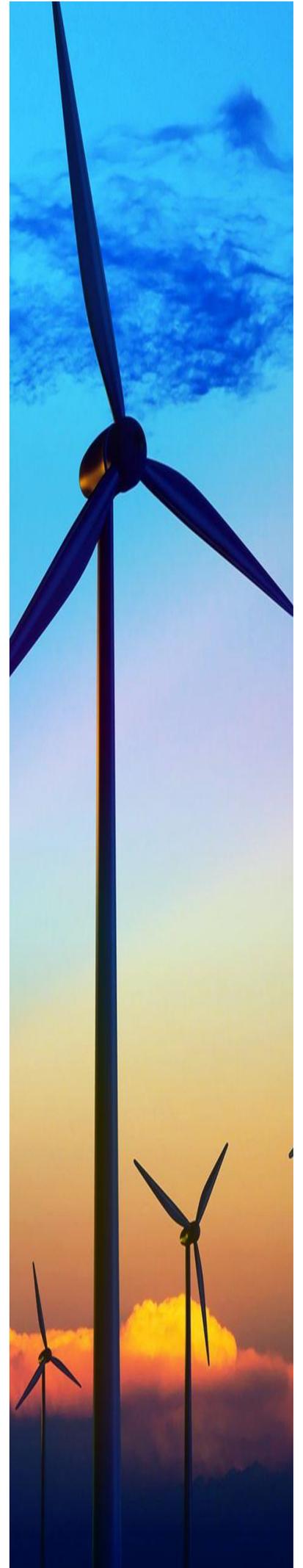
OMAN ELECTRICITY MARKET ANNUAL REPORT 2025

OMAN POWER AND WATERPROCUREMENT CO. (SAOC)

Post Box: 1388, Postal Code: 112, Ruwi, Sultanate of Oman

Tel: +968 2450 8400

www.oemo.om





His Majesty

Sultan Haitham bin Tarik

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Disclaimer:

The Oman Electricity Market Annual Report 2025 (**Market Annual Report**) is intended to provide an overview of the Oman Electricity Market (**Market**) activities and performance during the year 2025. It does not form part of the Oman Electricity Market Rules (Market Rules), nor does it create any rights or obligations related to the Market Rules. The Market Annual Report shall not substitute the provisions of the Market Rules.

The Market Annual Report should be read in conjunction with the Market Rules and any person that is a Party or seeks to become a Party to the Market Rules must refer to the Market Rules and the Law for the Regulation and Privatization of the Electricity and Related Water Sector to understand their obligations and provisions.

Capitalized terms used in the Market Annual Report shall have the same meaning as set in the Market Rules.

Where there are any discrepancies between the Market Annual Report and the Market Rules, the provisions of the Market Rules shall prevail. Also, in the case of discrepancies between the Market Annual Report and any published data on the Oman electricity market website, the provisions of the website data shall prevail.

Oman Electricity Market Annual Report is prepared based on version 4.1 of the Market Rules. The data published in this report reflects information available as of the report's issuance date. The market accurate data can be obtained directly from the Oman Electricity Market Operator website www.oemo.om.

Timing Conventions:

The Market Rules uses the following main timing conventions (Section I.5 of Market Rules Document):

- **Trading Period:** means a period of 30 minutes commencing on the hour or half-hour.
- **Trading Day:** means a period of 24 hours commencing at [00:00] on any day.
- **Time Zone:** Gulf Standard Time (GST) which is UTC + 4:00.
- **Gate Closure:** means for any Trading Day d is at [10:00] on the day prior to the Trading Day.
- **Ex-Ante:** means the period after Gate Closure but before the start of the Trading Day.
- **Ex-Post:** means the period after the end of the Trading Day.

GLOSSARY

Authority	Authority for Public Services Regulation
MWh	Megawatt Hour
TWh	Terawatt Hour
OMR	Omani Rial
P(W)PA	Power and (Water) Purchase Agreement
PWP	Oman Power & Water Procurement Company
LDC	Load Dispatch Center
MAC	Market Advisory Committee
MMS	Market Management System
MO	Market Operator
SP	Scarcity Price
SMP	System Marginal Price
OCGT	Open Cycle Gas Turbine
CCGT	Closed Cycle Gas Turbine
PSU	Pool Scheduling Unit
TP	Trading Period

1.0 CEO FORWARD

As the energy transition shapes the electricity sector, market liberalization and the ongoing development of the electricity spot market are becoming pivotal elements of power sector reforms. The Market facilitates transparent price signals and optimizing dispatch outcomes, thereby supporting the integration of renewable energy, promoting system flexibility and enhancing overall efficiency.

The Market continues to deliver strong performance and compliance, reaching an important milestone in 2025. This marks four years of successful operations following its go-live in January 2022.

The Market Operator has effectively overseen daily market activities, maintaining smooth operations throughout the year. The Market has further reinforced its role in building trust and confidence, underpinning the continued progress of Oman's electricity sector liberalization.

In addition, the Market has continued to enhance the efficiency of availability signals, optimize dispatch processes, and improve transparency, while encouraging stronger operational incentives. Looking ahead, the Market is well positioned to further integrate renewable energy sources and demand-side resources. The Market continues to play a pivotal role in promoting transparency and efficiency across the sector. By facilitating opportunities arising from expiring P(W)PAs, it enables Generators to make well-informed strategic and operational decisions. This approach not only supports long-term planning but also fosters greater confidence among Pool Participants.

In 2025, the Market successfully incorporated the registration of the new Non-Pool Based Power Contracts: BARKA1, SOHAR1, and MANAH1 (Solar Plant). These generation facilities have successfully completed all registration processes and commenced Participation in the Pool in compliance with the Market Rules.

The Market has shown impressive performance in 2025, benefiting from the continued growth of Oman's local economy. The Market peak demand for electricity increased by 10.2% compared to the year 2024, reflecting the nation's expanding energy needs. The total Pool Demand increased as well by 8.1%. Additionally, the average SMP in 2025 increased by 1.7% from 2024, reaching 9.274 OMR/MWh, highlighting the continued reliance on efficient CCGT Pool Scheduling Units to meet the majority of Pool Demand. However, it is important to note that the Scarcity Prices witnessed significant decrease in 2025 by 60.8% reaching only as average of 1.579 OMR\MWh compared to 4.021 OMR/MWh in 2024, driven by the high availability of Pool Scheduled Units and new entry of the generation facilities units.

As the year progressed, Pool Participants strengthened their operational capabilities, gaining valuable experience that enabled them to more effectively navigate the Market's requirements. The information available to Pool Participants, investors, and consumers also expanded, enhancing transparency and clarity across the Market. Furthermore, the Market

Management System (MMS) continued to demonstrate its advanced capabilities, delivering accurate scheduling and settlement outcomes. The MMS maintained uninterrupted availability, achieving 100% uptime throughout the year.

In 2025, all the Pool Participants are Non-Pool Based Power Contracted. However, the Market has remained a driving force in fostering competition within Oman's energy sector. By promoting real-time operational efficiency, the Market encourages Generators to lower their costs and make well-informed decisions to optimize future performance. This approach does not only support long-term planning but also fosters confidence among Pool Participants.

Market Operator conducted the Market Audit for audit year 2025 and the report was published on the Market Operator website. Moreover, an independent third-party audit has been conducted this year to verify compliance with the separation requirements between the Market Operator and Power Procurer functions in PWP. These audits boost market participants' confidence in the Market Operator compliance with the Market Rules and License and highlight many of the key benefits such as transparency, regulatory compliance, market integrity and financial accuracy.

The leadership team at PWP is committed to advancing the Market's development, addressing emerging challenges, and maximizing the benefits of the ongoing transition. Through effective governance and strategic planning, the leadership aims to position the Market as a benchmark for transparency, resilience, and sustainability within the sector.

Ahmed Bin Salim Al Abri

Chief Executive Officer

2.0 EXECUTIVE SUMMARY

The Market Annual Report provides a comprehensive overview of the Pool activities, performance and summary of the implementation of the Market Rules over the reporting year 2025. The report aims to enhance transparency by presenting key market outcomes, operational developments, and compliance with the Market Rules, while supporting informed decision-making by stakeholders.

The Market witnessed strong growth in demand, with an increase of 8.1% in total Pool Demand compared to the previous year. This surge in demand was accompanied by notable growth in the local economy. The Yearly average SMP increased, primarily due to increase in Pool Demand, Economic Gas Price and other non-fuel cost components.

In 2025, three additional generation facilities -BARKA1, SOHAR1, and MANAH1 (Solar Plant)- joined the Market as a Non-Pool-Based Power Contract Production Facilities. In 2025, SUR1 made the largest contribution to the Pool Demand. Additionally, renewable energy sources accounted for 11.09% of Pool Demand, representing a 152.05% increase from the previous year. This growth is attributed to the introduction of MANAH1 solar and the full-year contribution from MANAH2.

Four Market Advisory Committee (MAC) meetings were held in 2025. During 2025, no new Market Rules Modification Proposals were received. The Modification Proposals had been received and approved at the end of 2024, accordingly the latest Market Rules were amended and approved, version 4.1, in January 2025. Additionally, the Market Audit for the year 2025 was conducted by Robinson Bowmaker Paul (RBP). The Auditor has affirmed that, during the Audit Year, the Market Operator complied with its obligations under the Market Rules, Market Procedures, and Approved Methodologies.

Additionally, a Communication Failure Default was not experienced during 2025. There were no Settlement Queries referred to as Settlement Disputes during 2025.

The Market Operator's operating expenses in 2025 totaled OMR 2.2 million, including indirect expenses, depreciation and amortization, and common cost allocation.

2.1 KEY FACTS AND FIGURES

This section offers key highlights regarding the market scheduling and settlement outcomes, including:

- **Yearly average SMP: 9.274 OMR/MWh.** This year Average SMP is higher than 2024 by 1.7% due to increase in Pool Demand, annual increment of the Economic Gas Price and other non-fuel cost components.
- **Yearly average Scarcity Price: 1.579 OMR/MWh.** This year, the Scarcity Price has declined significantly by 60.8% compared to 2024 (4.021 OMR/MWh). The primary reason for this reduction is the entry of new generators into the market, which has resulted in increased system margins.

- **Total Pool Demand in the Year: 42.13 TWh.** The total Pool Demand has risen by 8.1% compared to 2024, mainly driven by the growth of the new industrial loads and the expansion of manufacturing activities in the region.
- **Average Pool Demand per Trading Period for the Year is 2402 MWh.** The average Pool Demand has increased by 8.3% compared to 2024.
- **Maximum Pool Demand reached in a Trading Period in the Year is 3880 MWh.** The highest Pool Demand was recorded on 3rd of July. The maximum Pool Demand increased by 10.2% compared to year 2024 (3521 MWh).
- **Renewable energy utilization in Oman Electricity Market Pool is 11.09%.** The contribution from renewable energy plants witnessed an increase due to full Capacity Participation¹ of MANAH2 and new entry of MANAH1 Solar plant. MANAH1 Solar plant officially entered the Market with a registered capacity of 500 MW on 5th of March 2025.
- **Average System Available Capacity per Trading Period for the Year 2025 is 4076 MWh.** The Average System Available Capacity for the Year 2025 increased by 18.8% than 2024. This is due to the participation of the new plants (BARKA1, SOHAR1, and MANAH1).
- **Maximum System Available Capacity reached in a Trading Period during Year 2025 is 5351 MWh.** System Available Capacity refers to the total Actual Availability of all Production Blocks during any Trading Period. In 2025, BARKA1, SOHAR1, and MANAH1 entered the Market, thereby contributing to an increase in the System Available Capacity.
- **Average System Margin per Trading Period during Year 2025 is 1719 MWh.** The System Margin during 2025 increased by 36% compared to 2024, attributed to the entry of new Generators. However, System Margin experienced fluctuations throughout the year due to units' outages and the variation of Pool Demand.

The tables below present a Market history comparison of the results for 2022-2025.

Price (OMR/MWh)	2022	2023	2024	2025
Yearly Average SMP	8.100	8.418	9.120	9.274
Yearly Average Scarcity Price	0.841 ²	2.313	4.021	1.579

Load (MWh)	2022	2023	2024	2025
Average Pool Demand per Trading Period	1,781	2,067	2,218	2,402
Maximum Pool Demand reached in a TP	3,195	3,302	3,521	3,880

¹ MANAH2 Solar Plant joined the market during its commission stage on 28th October 2024, and full Plant Capacity was achieved by the beginning of year 2025.

² Note that the Eligible Availability for all Production Units is based on their Output due to the delay in completing the units Certified Availability which resulted in the low Scarcity Price.

2.2 MARKET BENEFITS AND ACHIEVEMENT

The Market remains a crucial component in Oman's transition to a wholesale electricity market. The development of the Market aims to achieve multiple objectives within the electricity sector. Over the course of its development and operation, the following benefits have been observed:

➤ **Base for future market liberalization:**

Functioning wholesale market would support / expedite liberalization activities of Oman electricity sector. Currently the market plays an important role in the electricity sector liberalization initiatives including development of competitive wholesale retail market, Direct Sale, distribution & supply liberalization, renewables penetration, integration of Green Hydrogen, etc.

➤ **Improve dispatch efficiency:**

Increasing transparency and highlighting situation where the dispatch of Generators diverges from an unconstrained optimal dispatch. This will result in more efficient dispatch and consequently reducing the consumption of fuel for power generation, reducing the variable operation and maintenance cost and improving network utilization. Market will offer detailed records and visibility to out of merit dispatch for every half an hour of operation.

➤ **Enhance residual values and transparency of the treatment of expiring P(W)PAs:**

Market will further clarify post contract revenue opportunities by providing greater transparency for the treatment of expiring P(W)PAs. The existing contract will have greater clarity for treatment of expired P(W)PAs.

Moreover, this will contribute in lowering the prices offered by Generator during the development of new capacities.

➤ **Provide a vehicle for uncontracted and unconventional capacity:**

This includes back-up GTs, demand response, renewable, generation facility which cannot participate in P(W)Ps regular project development tenders to meeting demand and operating reserve requirements and would provide flexibility for new entrants to develop the most efficient new plant.

➤ **Real time operation:** The Market would incentivize Generators to operate in response to real-time system needs as opposed to only meeting contractual responsibilities, resulting in more efficient asset utilization.

➤ **Improve Availability signals:** decrease forced outage rates overall or during critical peak periods which will eventually enable Oman to maintain the same level of reliability with a lower reserve margin.

- **More efficient operational incentives:** relaxing operating constraints (such as minimum run and minimum down times). Improve response to market signals and adjust operation.
- **Greater flexibility is offered to potential new IPP developers:** the IPP could, for example, decide to make provision for a significantly larger eventual plant size than is needed to meet the contract obligations, knowing that there will be a market outlet available for the plant's additional output.

3.0 MARKET OVERVIEW

3.1 OMAN ELECTRICITY MARKET

Oman Power and Water Procurement Company SAOC (PWP) has developed a wholesale electricity spot market to enhance the efficiency, transparency, and operation of the country's electricity sector. This initiative allows diverse generation sources, including those that do not typically participate in PWP's normal Power and Water Purchase Agreement (P(W)PA) tender process, to engage in the Market. It also enables the continued participation of existing generation plants whose P(W)PAs have expired.

The geographical scope of the Market covers the Main Interconnected System (MIS) in Oman, while excluding Dhofar power grid and Musandam. The Market operates on a wholesale level, where Generators can sell electricity, and PWP, acting as the Power Procurer (PP), is the sole purchaser. It is important to note that the retail market reforms, which allow consumers to select their electricity suppliers, are outside the scope of this development.

3.2 INDUSTRY STRUCTURE

The Parties to the Market Rules have signed a Framework Agreement as per the Market Rules requirements. In order for other Generators to participate in the Pool, they must become a Party to the Market Rules by registering its Production Facility and signing the Accession Agreement according to Market Rules.

All Generators in the Main Interconnected System are required to become a Party to the Market Rules and the arrangements therein (the Pool).

The Parties to the Market Rules are:

- the Generators.
- PWP in its capacity as a Power Procurer.
- PWP in its capacity as a Market Operator; and
- Oman Electricity Transmission Company in its capacity as a Transmission Company.

The Authority is not a Party to the Market Rules but is assigned certain functions under the Market Rules as prescribed under the Sector Law.

Any decisions rendered by the Authority in relation to the Market Rules are issued in accordance with the Authority's regulatory authority under the Sector Law and are therefore binding in nature. The legal architecture of the market is shown in figure 1 below.

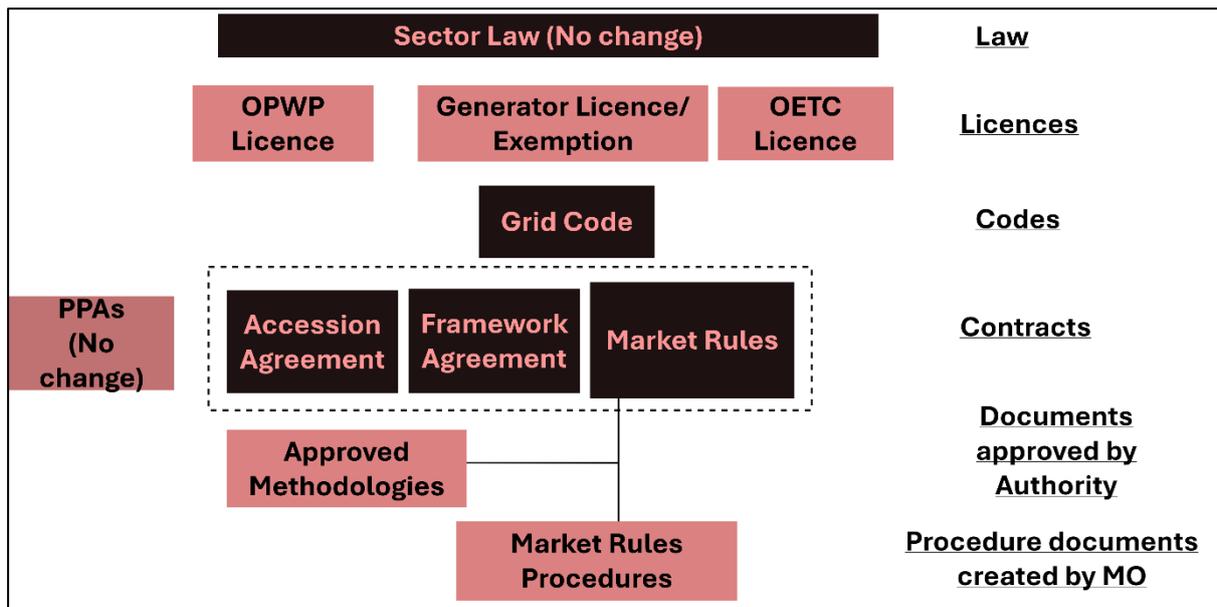


Figure 1 Market Legal Architecture

3.3 MARKET OPERATION

The Market processes occur in a daily cycle, with Generator offers submitted a day ahead. An Ex-Ante Market Schedule is produced by the Market Operator a day ahead indicating unconstrained provisional Dispatch to meet the Pool Demand which is relying on the optimal cost basis, then Load Dispatch Centre (LDC), operated by the Transmission Company, manages scheduling and dispatch of the Generators. The Market Rules do not include these LDC processes, which will continue to be governed by the Grid Code. There will be information flows including forecasts and generation schedules between the Market Operator and LDC. Final prices are calculated as Ex-Post step, with a single published energy price for each Trading Period within the day, based on the System Marginal Price approach.

Settlement occurs monthly where Market settlement amounts will be calculated for all Generators, but it is important to note that the actual Settlement for Generators with current P(W)PAs will be settled as per their P(W)PA payment terms not via Market settlement payments. Generators without P(W)PA will be paid based on Market prices. In the future there is potential for Generators with expired P(W)PA to be settled partially under the Market as Pool-Based Power Contract.

PWP acting as the Power Procurer will be the sole purchaser in the Market. This is in addition to managing Market offers for contracted demand side management resources and is also responsible for export/import demand adjustments for MIS interconnection.

The Market design uses "complex" Generator offers, with No Load Costs, and technical characteristics of the plant such as ramp-rates and minimum on and off times. Offers may also consider CCGT configuration, and transitions between operating configurations. Offers are submitted once a day, in the morning of the day ahead of the Trading Day. In exceptional circumstances with a very controlled process (e.g. fuel supply outage) a Generator can only update its offer after Gate Closure. Generators will be required to

submit Offers that reflect their short run marginal costs, which for Generators with P(W)PAs will consist of prices consistent with their Offer Derivation From Contract Terms Approach document agreed with Power Procurer. Non-dispatchable Generators (e.g. solar and wind generation facilities) will register as Price Taker plant and submit a forecast of their output. The Market Operator will use all of the available Offers, from Generators with and without P(W)PAs, to form the Market Schedule and prices. Then, the Market Schedule will be passed to LDC for their consideration for dispatch instruction.

Along with energy payments, Generators may receive a Scarcity payment. This payment is based on a defined amount of money allocated across the Trading Periods, reflecting the reserve margin (higher payments for the Trading Periods where the system experienced tight supply-demand margins). The scarcity payment which is not paid out during the year (Total Unrealised Scarcity Value) may be available at end of year reconciliation.

3.4 MARKET OPERATOR COSTS AND SUPPORTING COMMENTARY

The Market Operator functions solely as a service provider responsible for administering the Market Rules and operating the trading platform. Under these arrangements, the obligation to procure power in accordance with the Market Rules remains exclusively with PWP in its capacity as the Power Procurer.

Regulatory ring-fencing measures—established through the PWP license and the Market Rules ensure a clear separation between the Market Operator and Power Procurer roles. PWP has implemented these ring-fencing requirements to maintain effective operational and decision-making independence between the two functions.

The Market Operator costs are related to administering and operating the Market. There will be no power purchases or sales under the Market Operator as it does not take title to pay for power under the Market Rules. Instead, the purchase of electricity under the Market will remain with the existing part of PWP, the Power Procurer.

The Market Operator has dedicated staff and separate IT systems for operating the Market. The board, the chief executive officer, human resource and support services, finance, legal and regulatory compliance, and other functions of PWP support the Market Operator.

The Market Operator business has invested about RO 4.8 million in developing and implementing the Market Management System (MMS).

The Market Operator operating costs largely comprise staffing costs, training and travel expenses, internet and hosting services, third-party consultancy services, maintenance of the IT systems, depreciation of MMS, furniture, equipment, and a share of allocation of the overall Power Procurer's operating costs.

During this year, the Market Operator incurred operating expenses of OMR 2.2 million which includes direct operating expenses of OMR 0.8 million, depreciation and amortization OMR 1 million and common cost allocation of OMR 0.4 million.

3.5 MARKET MANAGEMENT SYSTEM (MMS) TECHNICAL OVERVIEW

During 2025, the Market Management System (MMS) underwent a series of targeted technical enhancements through the deployment of multiple system patches, ensuring sustained 100% system availability in accordance with the Service Level Agreement performance metrics. In parallel, the Disaster Recovery site was fully tested to validate compliance with the approved Business Continuity Plan and associated policies, confirming the resilience and continuity of Market operations under contingency scenarios. Furthermore, all software licenses and supporting platform components were renewed in line with lifecycle and vendor compliance requirements, ensuring the continued stability, security, and operational integrity of the MMS environment.

4.0 MARKET GOVERNANCE

This section will outline the specifics of market governance, including:

- Market Advisory Committee (MAC)
- Modification Proposals
- Market Audit
- Market rules Approved Methodologies
- Decisions made by the Authority
- Summary of defaults and Settlement disputes

4.1 MARKET ADVISORY COMMITTEE

The Market Advisory Committee (MAC) was initially established in the first quarter of 2022 in accordance with Market Rules Section C.5. A newly constituted MAC was established in the first quarter of 2024. As of 2025, the committee continues to serve its three-year term, carrying out its mandate and providing ongoing advice and contributions to the Market.

The MAC's functions include, but are not limited to, the following:

- Acting as a Dispute Review Committee, through an established sub-committee, for the resolution of Settlement Disputes.
- Providing advice or opinions upon request from the Market Operator in relation to any proposed decision or action under the Market Rules.
- Coordinating the effective review and discussion of each Modification Proposal by Parties and Prospective Parties to support its development and progression.
- Evaluating Modification Proposals and assessing their impact on the Market Rules.
- Ensuring efficient alignment of Modification Proposals with proposed amendments to other industry documents (including the Grid Code) or changes to the Sector Law initiated by the Government, and requesting the Market Operator to raise corresponding Modification Proposals where necessary.

- Advising, when requested, on whether submitted Modification Proposals comply with the requirements of the Market Rules or whether they are insubstantial.
- Conducting consultations on Modification Proposals as required.
- Preparing reports on Modification Proposals for submission to the Market Operator.
- Recommending amendments to the Grid Code arising from Modification Proposals.

Identifying consequential or related changes to Market Rules Procedures (or other agreed procedures) that, while not themselves Modifications, should be considered alongside the relevant Modification Proposal.

MAC members for the period of 2024-2027 are:

Name	Representation
Mr. Talal Al Mahrouqi	MO Chair of MAC
Ms. Jehad Alghufaili	MAC Secretariat
Ms. Ruqaya Al Abri	Authority
Mr. Sultan Al Rawahi	Transmission Company
Mr. Nasser Al-Qassabi	Power Procurer
Mr. Yousuf Al - Waili	Generators
Mr. Justin Ian Humphrey	Generators
Mr. Yaarub Al Naabi	Generators

The Market Advisory Committee (MAC) membership for the 2024-2027 term remains in place, with a recent replacement to the Authority's representative. During 2025, four MAC meetings have been conducted as per the following dates:

1. March 19, 2025
2. July 02, 2025
3. October 02, 2025
4. December 09, 2025

4.2 MODIFICATION PROPOSALS IN 2025

During 2025, no new Market Rules Modification Proposals were received. The Market Rules currently in force remain unchanged from the version approved and published previously (V4.1).

4.3 MARKET AUDIT

The Market Audit assesses the implementation of the Market Rules. Oman Power and Water Procurement Company (PWP) has engaged Robinson Bowmaker Paul (RBP) to conduct the Market Audit of the Oman Electricity Market in accordance with Section C of the Market Rules for the Audit Year 2023. The same Auditor also conducted the Market Audit for the Year 2024.

All findings from the prior audit year (Year 2024) have been successfully addressed and remediated by the Market Operator except two open findings for a particular Pool Participant currently are in progress and followed by the Market Operator. The audit has concluded, as reported by the Auditor, that “nothing has come to our attention that causes us to believe that the Market Operator has not been compliant with the Market Rules, Market Procedures and Approved Methodologies during the Audit Year, in all material respects”. However, the audit revealed thirty (30) compliance-related findings, where the Market Operator in cooperation with Pool Participants had made progress in addressing most of the findings from the current year, either by completing or initiating corrective actions.

4.5 MARKET RULES APPROVED METHODOLOGIES

In 2025, three Approved Methodologies were updated in response to recommendations derived from the 2024 Audit Findings. The following methodologies were revised:

1. Reserve Holding Adjustment Methodology with an Effective Date: October 06, 2025
2. Scarcity Factor Table Methodology with an Effective Date: October 06, 2025.
3. Curtailed Quantity Methodology with an Effective Date: November 13, 2025.

4.6 DECISIONS MADE BY THE AUTHORITY IN THE YEAR

- * Determined the Annual Market Parameter Values for the year 2026.
- * Determined the Dispatch Tolerance (TOLOD & TOLUD) for the year 2026.
- * Review of Derogation of Oman Electricity Market Rules - Barka Water and Power Company
- * Review of Derogation of Oman Electricity Market Rules - Sohar Power Company
- * Review of Derogation of Oman Electricity Market Rules - SMN Power
- * Review of Derogation of Oman Electricity Market Rules - Phoenix Power Company
- * Review of Derogation of Oman Electricity Market Rules - Manah Power Company
- * Warning letter to Barka 1 - Spot Market Registration
- * Warning letter to Sohar 1 - Spot Market Registration
- * Identification of Reserve Holding Adjustment Methodology
- * Identification Scarcity Factor Table Methodology
- * Approval of Curtailment Quantity Methodology

4.7 SUMMARY OF DEFAULTS

A Communication Failure is a failure of a Party IT System (which is not a Market System Failure) or other circumstance which prevents or delays an Other Party (the Communication Failure Party) from sending to the Market Operator, as electronic Data Communications, Data Records required for Settlement. During 2025, there was no record for Communication Failure.

4.8 SUMMARY OF SETTLEMENT DISPUTES

No Settlement Queries were referred to as Settlement Disputes during 2025.

5.0 MARKET PERFORMANCE & POOL PARTICIPANTS

5.1 POOL PARTICIPANTS

The following table provides the details of participants in the Pool.

Note: No withdrawals have been reported in 2025

Project / Market Party Name	Project / Company Name	Role in MR	Registered Capacity ³ (MW)	Registration
				Effective Date
Barka II	SMN Barka Power Company SAOC	Generator	708.9	01/01/2022
Barka III	Al Suwadi Power Company SAOC	Generator	736.5	01/01/2022
Sohar II	Al Batinah Power Company SAOC	Generator	736.5	01/01/2022
Sohar III	Shinas Generating Company SAOC	Generator	1710.0	01/01/2022
Ibri1	Ad- Dhahirah Generating Company SAOC	Generator	1509.0	01/01/2022
Ibri2	Shams Ad Dhahira Generating Company SAOC	Generator	500.0	01/01/2022
Sur1	Phoenix Power Company SAOC	Generator	1981.8	07/06/2022
ALRUSAIL1	Al Rusail Power Company SOAC	Generator	184.6	19/08/2024
MANAH2	Sembcorp Jinko Shine Company SAOC	Generator	500.0	28/10/2024

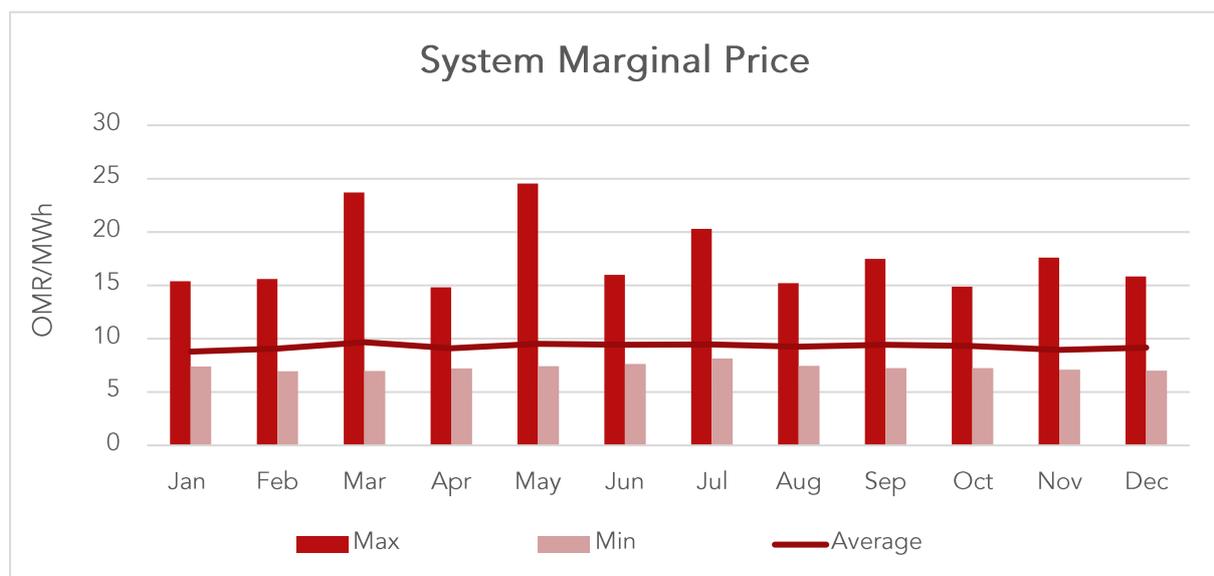
³This is the registered capacity at reference conditions, as reported by Generator, at the time of Registration

MANAH	Manah Power Company LLC	Generator	253.83	04/11/2024
MANAH1	Wadi Noor Solar Power Company SAOC	Generator	500	03/05/2025
C1_BARKA1	Barka Water and Power Company SAOG	Generator	412	09/15/2025
C1_SOHAR1	Sohar Power Company SAOG	Generator	405	09/24/2025
Total Registered Capacity		10,138 MW		

5.2 OVERVIEW OF THE YEAR

By the end of 2025 the Registered Capacity in the Market was 10,138 MW increased by approximately 14.9% from 2024 to 2025. Total energy generated in the Market was 42.13 TWh, out of this around 11.1% was renewable energy specifically solar photovoltaic power. As of the 31st December 2025, there were thirteen (13) Generators registered in the Market.

5.3 SYSTEM MARGINAL PRICE

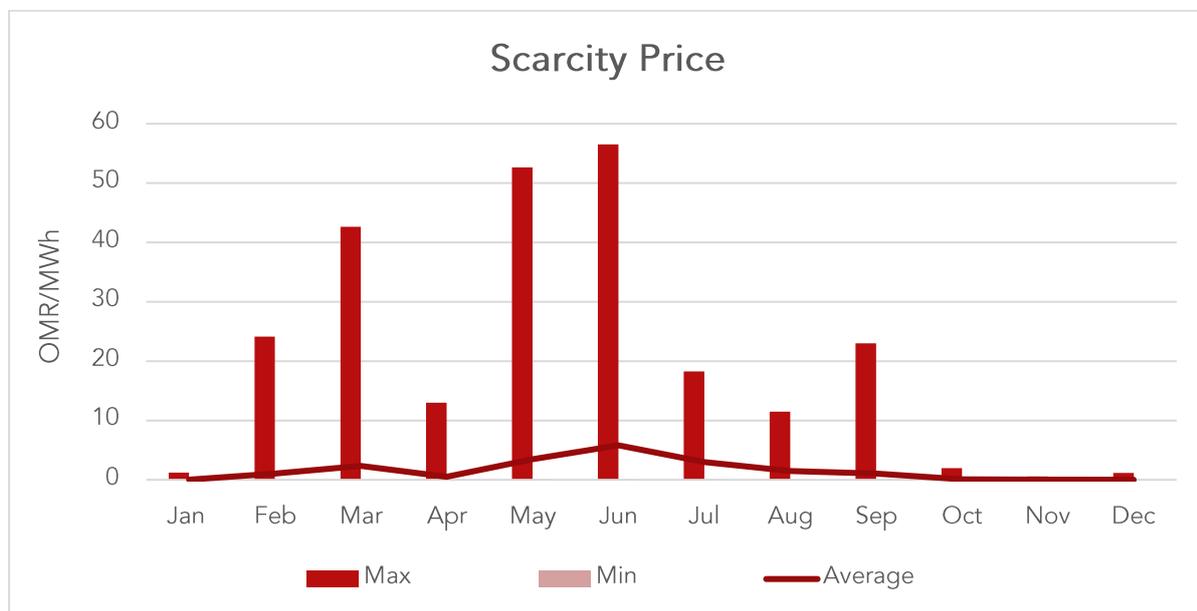


- SMP is calculated in each Trading Period to reflect the cost of the marginal MWh required to meet Pool Demand in a Trading Period within the context of an unconstrained schedule.

- The average monthly SMP remains consistently stable around 8.9 - 9.5 OMR/MWh throughout the year, with an approximate mean of 9.26 OMR/MWh. This suggests that demand is largely met by efficient CCGT Pool Scheduling Units and competitive Price-Quantity pairs. Compared to 2024, the average SMP has increased by 1.57%, driven by higher demand, elevated Economic Gas Prices, and additional Non-Fuel price components.

The highest SMP was recorded in June. This rise is primarily attributed to elevated demand and, potentially, the forced outage of highly efficient PSU units. The increase observed during the winter months is ascribed to scheduled outages occurring between October and April.

5.4 SCARCITY PRICE



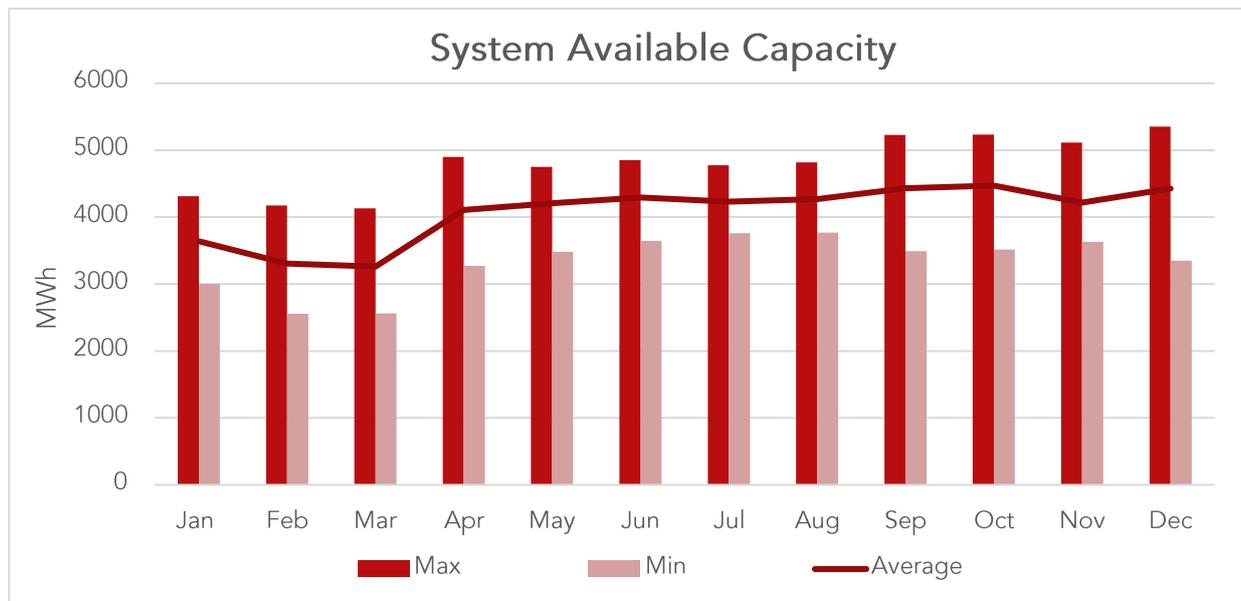
Scarcity Price payments are made based on Availability of Certified PSUs and Metered Quantity for non-Certified PSUs. The mechanism is intended to provide the high Scarcity Charges to available PSUs at periods with tightest margin between available capacity and the System Demand, to value the supply of capacity appropriately and incentivize Availability.

The Scarcity Price provides a spot value for capacity in each Trading Period expressed in OMR/MWh. The Scarcity Price is derived based on Reliability Price, Annual Scarcity Credit Cap and Scarcity Factor Table. Nevertheless, all these parameters are published in the Market website in yearly basis.

- All Generators have their Availability certification as per the Availability Certification Methodology, allowing them to receive the full Scarcity payments.
- The spikes in May and June are within expected ranges due to the summer peak System Demand and in March is due to Facilities maintenance.

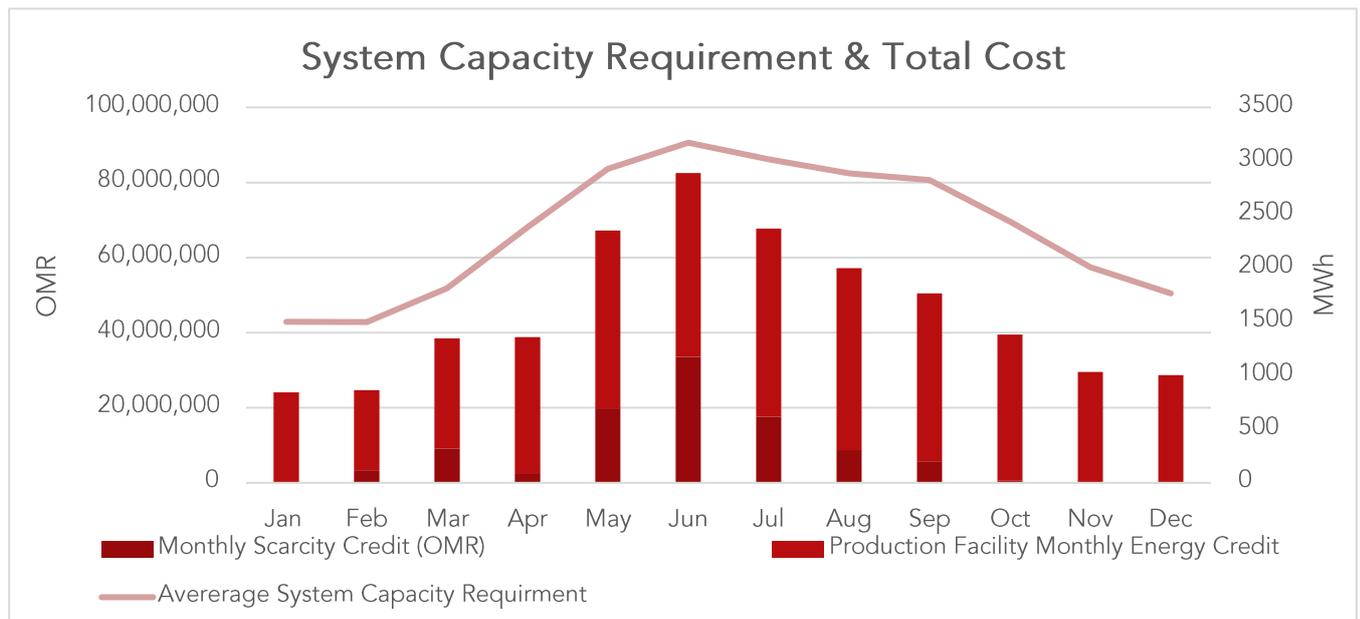
- The higher average Scarcity Price in June is triggered by tightness in System Margin and the outages that occurred during the month.
- The maximum Scarcity Price in May 2024 is due to a forced outage of a large CCGT power plant during peak demand in the day.

5.5 SYSTEM AVAILABLE CAPACITY



- System available capacity is the total Actual Availability of all Production Blocks at any Trading Period.
- In March 2025, MANAH1 (Manah Solar 1) participated in the Market.
- In September 2025, BARKA1 and SOHAR1 participated in the Market.
- A minor decrease in system available capacity can be observed in January, February, and March, due to Production Facilities annual maintenance.

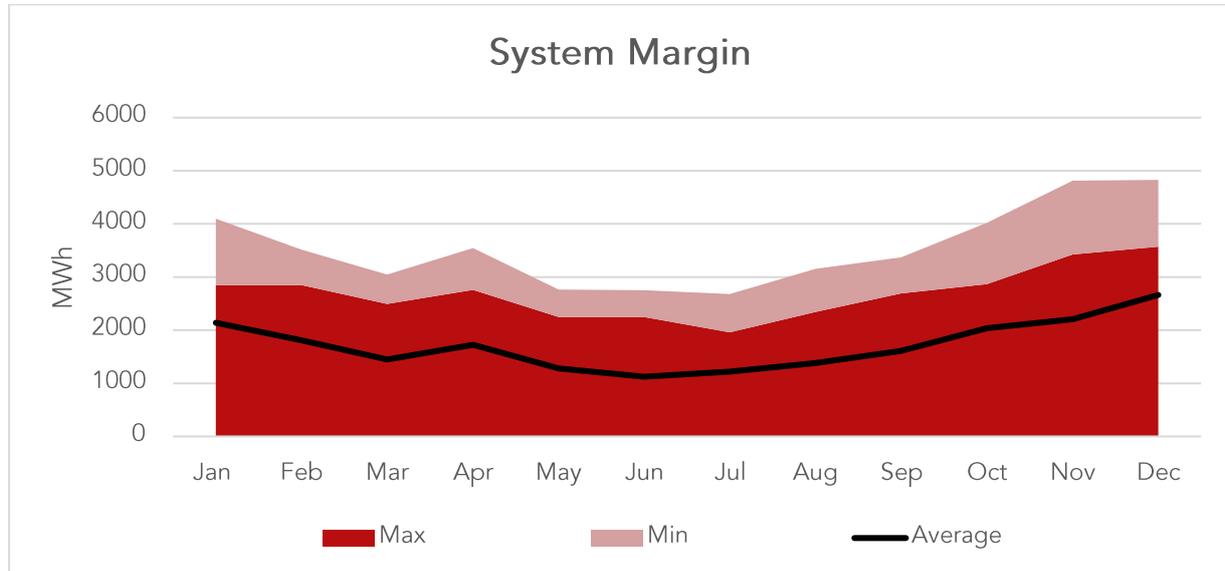
5.6 SYSTEM CAPACITY REQUIREMENT & TOTAL COST



- System Capacity Requirement is the amount of energy that is required to meet the System demand excluding the System Export.
- The System Capacity Requirement increase during the summer months as expected.
- The large jump in Scarcity Credit during May, June and July is due to low reserve during summer months.
- Although demand is higher in April than March, the Scarcity Credit is higher in March. This is attributed to the maintenance schedule that resulted in low Available Capacity in March and hence low reserve and high Scarcity Price.

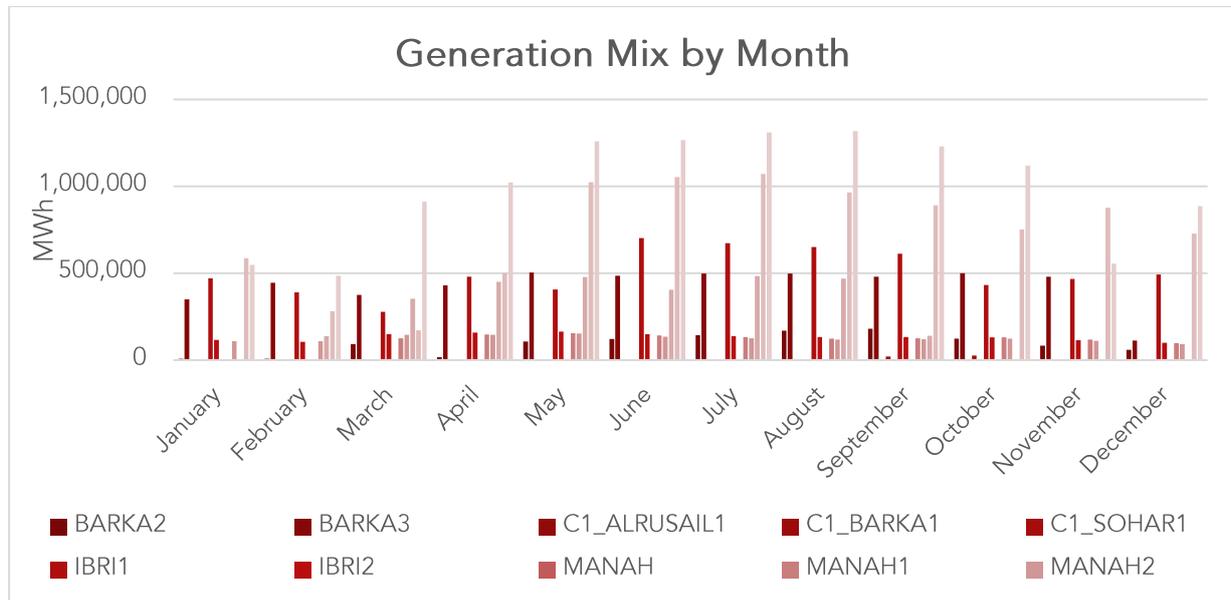
By the end of Year 2025, there was no Annual Supplemental Scarcity Payment, as the Monthly Scarcity Payments did not exceed the Monthly Scarcity Credit Cap in all Months.

5.7 SYSTEM MARGIN

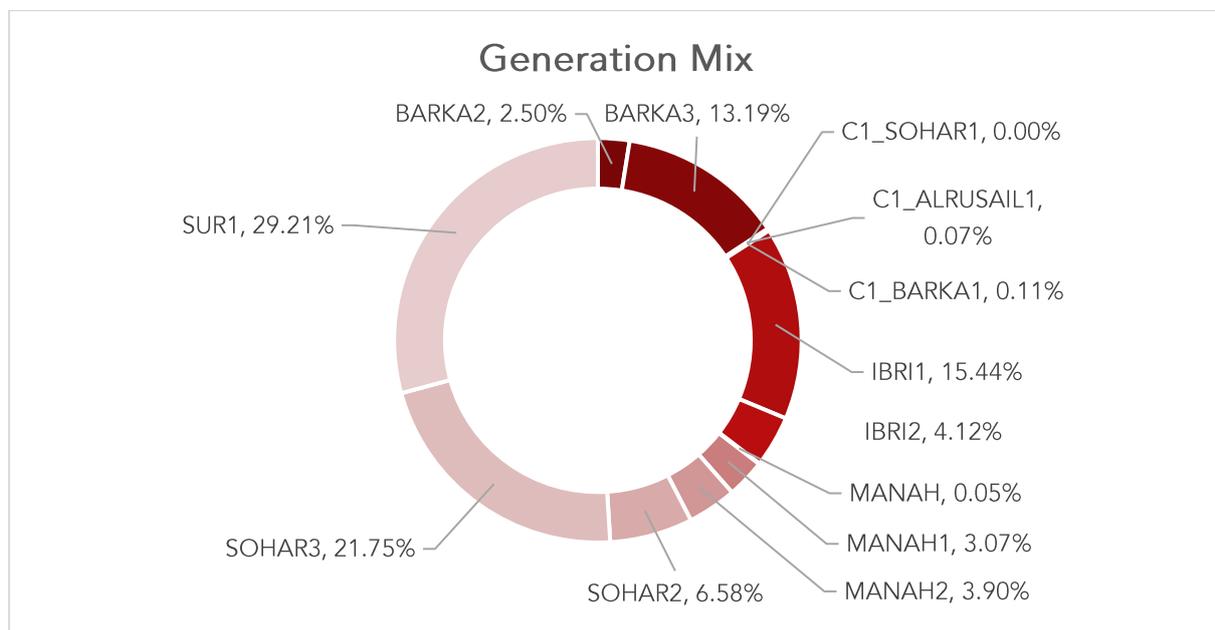


- The System Margin is the difference between System Available Capacity and Pool Demand excluding any System Export occurring on that particular Trading Period. This margin is important to cater for occasional unexpected losses of power or surges in demand. The system margin also used in the calculation of the Scarcity Price, the tighter the system margin, the higher the Scarcity Price.
- Compared to the previous year, the System Margin increased since October due to participation of new Generators.

6.0 GENERATION MIX



All Production Facilities within the Oman Electricity Market utilize conventional gas-fired technologies (OCGT and CCGT), with the exception of IBRI2, MANAH1, and MANAH2, which operate as solar plants.



- The Generation share represents the Market Schedule Quantities and not the actual power units generation.
- In 2025, BARKA1, SOHAR1, and MANAH1 (Solar Plant) are new registered power generation facilities.
- In 2025, the contribution from renewable energy plants witnessed an increase. The overall share of renewable during 2025 is 11.09% from total Generation.
- SUR1 made the largest contribution to generation of 2025.

- As expected, the most efficient Production Facilities with best technical and commercial offer parameters get the highest share.

*This Report is prepared and provided for general information purposes only. Oman Electricity Market does not represent that the information in this Report is accurate or complete and it should not be relied upon as such. In the presentation of charts, certain assumptions were made which may not be stated therein. As such, Oman Electricity Market assumes no responsibility or liability for any consequences, financial or otherwise, from matters where information in this report may be relied upon. The Market Data and results can be obtained from the MO website and the Market Management System.

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