Landsvirkjun, Iceland
Theistareykir Geothermal Power Station, Iceland

Duration: 5 years; Budget: € 240 M

Project description
Landsvirkjun (National Power Company of Iceland), was founded in July 1965 and is owned by the Icelandic state. It produces 75% of all electricity used in Iceland and was founded to optimise the country’s national energy resources and provide electricity at a reasonable price by operating hydroelectric power plants. Theistareykir is their first geothermal power station and will produce up to 200 Mwe, providing power for utilisation to nearby companies and housing in the area. The first phase of the project was delivered in December 2017 and the second phase was delivered in April 2018. A contract was signed in February of 2015 marking the start of construction. Extensive research and preparation were made before that time including obtaining permits, an environmental impact assessment, risk assessments, a social responsibility plan along other necessary project management preparations. Landsvirkjun’s objective is to maximize the yield of energy sources for sustainable utilisation, value creation with efficiency as a guiding principle.

5 biggest strengths indentified by PE Assessors
1. People and purpose. Stakeholder satisfaction. Stakeholder management is a benchmark. Stakeholder management of the project could be a benchmark for projects of that size and in an extremely sensitive environment. Managing stakeholders’ needs and expectations was far beyond the usual way of doing it in projects.
2. People and purpose. Leadership and culture in the project. The Project Director managed to create an environment and culture whereby all the team members, and importantly the contractors, could step up and exercise leadership in their areas of competence. In this way the Project Director created structures and norms that allowed team members to work effectively and efficiently.
3. Processes and resources. Sustainability. The project team demonstrated a strong orientation towards sustainability ethical behaviour, support of human rights and social responsibility.
4. Processes and resources. Continuous improvement. The concept of learning and continuous improvement was apparent in all aspects of the project.
5. Project results. New standards for geothermal projects in Iceland and globally. The project delivered results beyond the set project objectives including those for environmental impact thus setting a new global standard for the sustainable utilisation of geothermal energy.