

Wednesday 24 February, 2010 **HEADLINES**
Hwange power plant seen operating end-March

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**\$4 billion needed to build planned
new power stations**



Durban - Zimbabwe's state power utility Zesa said it would bring all the units of its Hwange power station back into operation by the end of March after a complete power failure last week, an official said. Zesa's Chief Executive Ben Rafemoyo said two out of six units at the power plant, which has a total design capacity of 750 MW, were already back into operation and a third would start producing on Wednesday. "Two of those units are operational already, the third one should come either today or tomorrow and progressively we will be bringing all the other units ... we think that by the end of March we will have all six units available for generation," he told Reuters at an African utility conference in Durban. Hwange has been hit by a series of faults on the regional power grid, leaving the plant unable to produce any power. The country is relying on the 750 MW Kariba hydro plant, which is producing at full capacity, while imports, mainly from Mozambique, are dwindling as regional demand for electricity rises. Zambia and Democratic Republic of Congo also export to Zimbabwe, when they have low demand at home.

The southern African country has a peak demand of 2,000 MW and needs up to \$4 billion to build planned new power stations to supply adequate electricity. Zimbabwe's energy minister said earlier this month that the country was willing to offer tax breaks to investors willing to put big money into power generation projects in the country. Rafemoyo said initial financial commitments, including an \$81 million loan from the Development Bank of Southern Africa (DBSA) and a \$51 million grant from the African Development Bank (ADB), would help kick-start other money flowing in. "We're quite busy entertaining potential investors from all over... the ADB and DBSA funding is a sign that other investments will start flowing in," he said. In the meantime, the country will have to rely on imports from the region and will have to resort to load shedding - enforced power cuts - to match supply with demand, he said.