

NamPower, ZESA power deal off?

author/source:New Era (Namibia)
published:Wed 13-Jan-2010

Article Type : News

“It is business as usual”



By Desie Heita

Windhoek - Namibia is in the dark about a reported decision by Zimbabwe to stop the export of electricity to Namibia, maintaining “it is business as usual” and that the export arrangement between the two countries remains in place. NamPower’s Managing Director, Paulinus Shilamba, got a New Year surprise from Zimbabwe when that country’s independent online news agency, Zim Online, reported that the Zimbabwean Minister of Energy, Elias Mudzuri, has ordered the Zimbabwean Electricity Supply Authority (ZESA) to stop exporting power to Namibia because the Hwange power station is not working properly. Shilamba says he is not the only one surprised by the news, as none of the authorities at both political and operational levels are aware of the abrupt decision. “Honestly, it was a surprise to me when I saw the article. I contacted our operation department, ZESA and the Zimbabwean Ambassador to Namibia [Chipso Zindoga]. They do not know anything,” Shilamba told New Era yesterday.

NamPower loaned US\$50 million to Zimbabwe to refurbish the Hwange Power Station in return for 150MW of electricity in 2007. Once rehabilitated, the Hwange Power Station has a capacity to generate 480 MW. As part of the agreement, the Zimbabwe Electricity Supply Authority guaranteed a five-year supply of electricity to NamPower. In contrast to earlier reports from Zimbabwe that the renovation and revamping of the four energy generation units started in 2008, ZimOnline quoted Mudzuri as saying that Hwange Power Station is not producing. “We can’t import power to export to Namibia when Hwange Power Station is not producing,” Mudzuri was quoted by Zim Online. Shilamba says as of the present, the Namibian power-ring shows the 150MW and that the weekly and monthly supply schedule is in order. “It is business as usual,” says Shilamba, adding that NamPower has “a very good working relationship with ZESA”.

According to Zim Online, Mudzuri said the Hwange Power Station was not able to generate electricity for export to Namibia, resulting in the country buying power for NamPower. “That deal was for Hwange only and it must not affect the entire operations of the country. It can only be implemented if Hwange is properly running. I have ordered ZESA not to supply electricity to Namibia until Hwange is running,” Mudzuri was quoted as saying, adding that the deal that ZESA and Botswana Power Corporation (BPC) entered into would be confined to Bulawayo Power Station only. Last year, Botswana Power Corporation agreed to inject

US\$8 million (approximately N\$59 million) to revive the mothballed Bulawayo thermal power station, which has not produced electricity for nearly a decade. BPC will receive electricity from the Bulawayo thermal station. “If Bulawayo is not generating power, we cannot have electricity from elsewhere being exported to Botswana,” Zim Online quoted Mudzuri, as saying. Mudzuri is said to have said it would take up to five years for the country to be able to generate enough electricity for itself. “That can be shorter but electricity might be expensive,” said Mudzuri, according to ZimOnline, adding: “Our plants are old and have outlived their life span most of them. That means they become expensive to use since they are no longer efficient.”