

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF FINANCE



MILLENNIUM CHALLENGE ACCOUNT – TANZANIA

MCA-T Signs the Fourth and Last Major Energy Works Contract with Kalpa-Taru Power Transmission Limited of India for a New 132kV Overhead Line Component of the Zanzibar Interconnector Project

Today 18th April 2011, The Millennium Challenge Account–Tanzania (MCA-T), an Accountable Entity responsible for the management of the implementation of projects funded by the Government of United States of America through the Millennium Challenge Corporation (MCC), has awarded a US \$ 9,394,051 contract to Kalpa-Taru Power Transmissions Limited (KPTL) of Mumbai, India to design and build a single circuit 132kV overhead transmission line from Ubungo sub station to Ras Kiromoni Tanzania Mainland and Ras Fumba to Mtoni substation in the Zanzibar Island of Unguja. The overhead line system will be 42 kilometres long and all work is expected to be completed in August 2012.

During the signing ceremony, MCA-T Chief Executive Officer, Mr. Bernard Mchomvu congratulated the Indian firm for winning the tender following stiff competition from equally excellent bidders during the highly competitive procurement process. Mr. Mchomvu informed the gathering that the Zanzibar 2nd Inter-connector Project with a capacity of 100MW will reinforce the existing 45 MW transmission system to the island, which is nearing its economic life span and rapidly approaching the limit of its capacity. The Zanzibar cable project comprises of three works components namely; the 132kV Submarine Cable, the 132kV Overhead transmission Line and the Substations.

Contract for 132kV Submarine Cable works was signed in April 2010 with VISCAS Corporation of Japan. Manufacturing of the submarine cable started in December 2010 after completion of detail design of cable and is expected to be completed by the end of December 2011 and followed by Factory Acceptance Testing.

On the other hand, Substations Rehabilitation and Expansion works contract which encompasses substations for the T&D project on six Mainland regions was signed in August 2010 with M/s Symbion Power-Alstom Joint Venture. The contract involves twenty four (24) substations. The substations works for the Zanzibar Interconnector Project are

1. Ubungo substation
2. Tegeta substation
3. Mtoni substation and
4. Ras Fumba and Ras Kiromoni Interface Compounds

At present most of the design works for the above substations have been completed. Fabrication works for manufacturing of transformers and associated switch gears are ongoing mainly in China, France, Germany, India and Italy. All substation works for all sites are expected to be completed by end of May 2012.

Another activity of Energy sector is the Distribution Network Rehabilitation and Extension in Six Regions which will involve construction of a total of 78 networks made up of some 252 kms and 1,247 kms of 11kV and 33kV respectively. The package will supply power to the six (6) regions (*Dodoma, Iringa, Mwanza, Mbeya, Morogoro and Tanga*) involving twenty four (24) districts and covering 186 village areas. The contractors (Symbion Power LLC and Pike Tanzania LLC) are currently on site for the verification of the various project sites. The first poles on the ground will be erected in May 2011 and all project sites are expected to be completed by November 2012.

The Consulting Engineer for the Energy projects is ESBI Engineering and Facility Management Ltd of Ireland who was engaged by MCA-T in December 2008.

Energy sector projects funded under the five-year, \$698.1 million Millennium Challenge Compact signed by Presidents Bush and Kikwete in February 2008 intend to improve and provide reliable supply of electricity which will enhance economic activities, trade and exploitation of tourism potentials in targeted regions. Other components of the Millennium Challenge Compact include significant assistance in the transportation and water sectors.



MCA-T CEO Mr. Bernard Mchomvu (4th L) and Mr. Vilas P. Hiremani (2nd R) Vice President of KalpaTaru Power Transmission Ltd signing the contract at MCA-T office on 18th April 2011



Representative of the contractor Mr. Vilas being handed over the document as an indication of commencement of the works contract. The event was attended by senior staff from MCC MCA-T, ZECO and Crown Agent USA, Inc.

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Millennium Challenge Account-Tanzania (MCA-T) is an autonomous and independent Government Entity established to implement a \$698 million grant that will reduce poverty by improving infrastructure and thereby promoting economic growth. MCA-T is supported by Millennium Challenge Corporation (MCC), a United States government agency designed to work with developing countries. For more information visit www.mca-t.go.tz or www.mcc.gov.