



REPUBLIC OF ZAMBIA
MINISTRY OF ENERGY

**MINISTERIAL STATEMENT ON THE ENERGY SITUATION IN THE
COUNTRY AND THE STEPS TAKEN BY GOVERNMENT TO
OVERCOME THE CHALLENGES**

BY

HON. DAVID MABUMBA, M.P.,

MINISTER OF ENERGY

NOVEMBER, 2016

Mr. Speaker,

I thank you for giving me an opportunity to update the nation through this August House on the current energy situation in the country and the steps taken by Government to overcome the challenges

THE CURRENT ENERGY SITUATION IN THE COUNTRY

Hon. Members may wish to note that, Zambia has continued experiencing a power deficit due to the low rainfall experienced mostly during the 2014/2015 rainy season. As a result of the low rainfall experienced during the previous rain seasons, generation of power has been kept at reduced levels due to the low water levels in the main power generating dams at Kariba, Itzhi Tezhi and Kafue Gorge Power stations. These three power stations currently account for 90% of the total electricity supply.

ZESCO has faced challenges in adhering to the recommended generation at the Kariba North Bank and Kafue Gorge Power Stations in trying to meet the demand due to non-participation of the mining companies in reducing power consumption because of the critical nature of their business. This resulted in over generation of approximately 351MW and a further drawdown on the dam levels than projected.

The power generation from internal sources stands at 1,015MW, meanwhile the unsuppressed power demand has remained at an average

of 1,850MW. The power imports have been stable at an average of 300MW, bringing the total generation supply to stand at 1,315MW.

Hon. Members may also wish to note that, the country's total installed capacity is about 2,592 MW. This means that if all our power generation plants were operating at optimum, we would be able to meet the current projected peak demand of 1,850 MW.

EXTENDED LOAD SHEDDING

Mr. Speaker,

In October 2016, the load shedding increased to an average of 6 hours compared to that for the month of September 2016 when the number of load shedding hours was 4hours due to the following reasons:

- a) At Kafue Gorge power station, ZESCO Limited has reduced generation from an average of 750MW to 600MW due to the continue low water levels in the dam;
- b) At Kariba North Bank power station, the Zambezi River Authority (ZRA) water allocation to the power station restricts the average generation from 300MW to 275MW.
- c) Ndola Energy Company Limited was shut down resulting in the loss of 48MW on 17th October 2016 due to lack of suitable fuel stock for the Heavy Fuel Oil (HFO) power plant.

- d) On 9th October 2016, Maamba Coal Fired power plant was isolated from the main grid to allow for completion of the transmission line upgrade between Muzuma and Kafue town.
- e) Lunsemfwa hydro plant has reduced generation from 50MW to about 8MW due to low water levels.

MITIGATION MEASURES FOR THE POWER DEFICIT

Government has continued implementing a number measures to ease the power situation in the country as follows:

1. Importation of Power

The Government has engaged several suppliers of emergency power. By the close of the year 2015, ZESCO had successfully negotiated Power Producers Agreements (PPAs) with various Independent Power Producers (IPPs) and utilities in the Southern African Power Pool (SAPP). On average per hour, ZESCO is importing between 250MW to 402 MW.

Source	Average (MW)
ESKOM (South Africa)	100
EDM (Mozambique)	120
Aggreko (IPP in Mozambique)	32
Kapowership (IPP in Mozambique)	80
SAPP DAM & IDM (Regional market)	70
TOTAL	402

2. Commissioning of Maamba 150MW Second Generation Unit

The commissioned first Unit of 150MW of the Maamba Coal Fired power is currently only supplying parts of Southern and Western Provinces. This is due to the line upgrade works being undertaken in order to increase the transmission capacity at Muzuma in readiness for commissioning of the second Unit of 150MW from Maamba as well as the additional power to be generated under Maamba Phase II.

The transmission line upgrade works between Muzuma and Kafue Town will be completed by the third week of November 2016.

The completion of the line will result into an injection of about 270 MW of power from Maamba coal fired power plant starting mid-November 2016 and will result in a remarkable reduction in the national power deficit and subsequently in the extended load shedding, especially in Lusaka and Copperbelt.

3. Reinstating of Ndola Energy Power Plant

The Government and Indeni Refinery are currently working on mechanisms to ensure the supply of the right type of HFO for the plant.

The supply of the right quality of HFO will reinstate the Ndola Energy power plant and bring back the 48MW into the grid.

4. Demand Side Management Measures

Mr. Speaker,

Managing the power deficit requires concerted efforts from the general public as the situation is affecting every citizen of this country. Therefore, the government has continued implementing demand side management programmes aimed at reducing energy consumption, through the following measures:

- a. Encouraging domestic retail customers to use alternative sources of energy; e.g. solar for lighting and LPG for cooking;
- b. Promoting the use of Compact Fluorescent Lamps (CFL). So far, about 80MW has been saved since September, 2014;
- c. Ban of Importation and Local Manufacturing of Incandescent Bulbs
The phasing out of incandescent bulbs in the country will result in the saving of about 200MW of power on the electricity grid network.

Mr. Speaker,

As a Ministry we are committed to providing reliable electricity and, we are doing everything possible to ensure that all transmission and generation constraints are mitigated in the shortest possible time.

I thank you Mr. Speaker.