



Press Statement

Itezhi Tezhi Power Corporation and ZESCO Power Purchase Agreement

30th November 2010

A new electricity company Itezhi Tezhi Power Corporation (ITPC) has submitted a Power Purchase Agreement to the Energy Regulation Board (ERB) for regulatory approval to sell power to be generated from its 120MW Power Station to ZESCO Limited. ITPC has further applied for a license to Generate Electricity at the said Power Station.

ITPC is a joint venture company between Tata Africa Holdings of India and ZESCO Limited. The two companies, which have equal shareholding in the project, intend to develop, design, finance, construct, commission, own, operate and maintain the power station. The Power Station, which will be located at Itezhi Tezhi Dam on the Kafue River, is expected to have a net generating capacity of 120MW. Under the Power Purchase Agreement (PPA), ZESCO is expected to buy the available energy and capacity of the facility. The PPA is for a period of 25 years from the date of commercial operation of the said agreement.

The project construction is expected to commence in 2011 and will cost about US\$230 million. The project will include the construction of a new 120MW hydro power plant that will use the existing dam infrastructure. In addition, a transmission line will be constructed to connect the power station to the national grid at Lusaka West substation

In line with its mandate under the Electricity Act, Cap 433 of the Laws of Zambia, the ERB will review the proposed PPA between the two parties.

Stakeholders and members of the public will be informed of the ERB decision regarding the two issues in due course.

Kwali Mfuni
Communications Officer