



Comment [S1]:

STATEMENT BY MR PAULINUS SHILAMBA, NAMPOWER MANAGING DIRECTOR, ON THE OCCASION OF THE INAUGURATION OF THE ANIXAS POWER STATION AT WALVISBAY, 3 NOVEMBER 2011

Director of Ceremonies

Your Excellency Hifikepunye Pohamba, President of the Republic of Namibia

Right Honourable Nahas Angula, Prime Minister of the Republic of Namibia

Honourable Ministers & Deputy Ministers

Honourable Members of Parliament and National Council

Honorable Mutyavikua, Governor of the Erongo Region

Your Worship, Mayor of Walvis Bay

Your Excellencies, Members of the Diplomatic Corps

Your Majesties, Chiefs of the Traditional Authorities in Erongo Region

Honourable Regional and Local Authority Councillors

Mr Leevi Hungamo, Chairman of the NamPower Board of Directors

NamPower Board of Directors and Management

Captains of Industry

Distinguished invited guests

Members of the Media

Ladies and gentlemen

All protocol observed.

It is my distinct honour and privilege to welcome you all at the Anixas diesel power station in Walvis Bay today. I wish to extend my sincere appreciation to you all for taking time out of your busy schedules to be with us here this morning. Today is a very important and historic day in the books of NamPower and that of the country at large, as we are about to witness the inauguration of our first ever power station since the commissioning of the Ruacana Hydro Power Station on the Kunene River more than 30 years ago. We are most honoured particularly to have amongst us our Head of State, His Excellency Hifikepunye Pohamba, President of the Republic of Namibia, to officially inaugurate the commissioning of this important national asset.

NamPower has for some time now been emphasising on the critical shortage of power supply in the SADC region and by extension Namibia. Nationally, the demand for electricity continues to increase and has long since surpassed the combined current national installed capacity at Ruacana, Van Eck and Paratus power stations. Consequently, the country is more and more reliant on imports in terms of its power supply requirements, the situation which is clearly unsustainable in the long term, and which will have to be reversed as a matter of national priority. As you may be well aware, this region, Erongo, is also experiencing unprecedented economic growth as a result of the mushrooming of mining and other economic activities, including the harbour and fishing industries here at Walvis Bay. This growth would have been impossible without a reliable supply of electricity. I would therefore like to emphasize the cardinal importance of establishing an emergency power station at Walvis Bay, Anixas, as part of NamPower's short term initiatives to alleviate and mitigate the impact of power supply shortages on the economic growth of Namibia and the Erongo Region in particular.

ANIXAS is an emergency diesel power station with an electrical capacity of 22.5 MWe. The Engineering, Procure and Construct Turnkey (EPC) Contractor for the project was awarded to Barloworld Namibia (Pty) Ltd., supported by Barloworld

Power of South Africa. The project has immensely benefited from the new proven technology involving higher efficiency, more reliability, less emissions and less noise levels in comparison with older power stations of similar nature. The power station is equipped with three Caterpillar V16 cylinder diesel generator sets, each set with electrical capacity of 7.45 MWe,. The diesel engines originate from Germany and the Generators from France. The engines, which are mostly fuelled with Heavy Furnace Oil (HFO), are also utilized for marine propulsion, i.e. in large ocean liners.

The three generator sets are housed in a Power House Building with its own Control Room, Offices, Spares Store and a Black Start Generator Set with the capacity of 810 kVA. The fuel system comprises HFO bulk fuel storage tanks, LFO tanks, a fuel road tanker off-loading station and a fuel treatment system.. Radiators are used for cooling. Care was also taken to select materials that can withstand the extreme corrosive environment of Walvis Bay.

Directors of Ceremony, Your Excellency, Invited guests, Ladies and Gentlemen

There is always a fine balance between infrastructural development of any kind and the impact it has on human live and the natural habitat. In the case of ANIXAS the key issues addressed in the Environmental Impact Assessment Scoping study conducted in 2007 were noise pollution and emissions. I'm happy to inform you that particulates and noise emissions at the power station are within the World Health Organisation limits. These are dispersed by a 60 metre high cluster stack reducing ambient concentrations of pollutants. It may be of interest to know that this chimney is currently the highest structure in the town of Walvis Bay. Emissions will be constantly measured and recorded by an on-stack emission monitoring system. The EIA Scoping Study of 2007 was approved and the Environmental Clearance Certificate obtained from the Ministry of Environment and Tourism.

The Government of the Republic of Namibia committed a subsidy of N\$250 million towards the realisation of the ANIXAS Power Station, while NamPower contributed

over N\$100 million to the project. Construction of ANIXAS started in December 2009. As an emergency power station, it is ready for start-up in a short period of time in cases of power outages and emergencies. I'm happy to announce that ANIXAS has been dispatching electricity into the national transmission grid since 21 July this year, assisting in serving the peak power requirements particularly in the mornings and afternoons during week days.

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I'm sure many of you are wondering where the name ANIXAS came from and what it means. When NamPower was deliberating on what name to give to the power station, we decided to find a name that has significance to the Erongo Region. NamPower then decided to consult the traditional leader of the Topnaar community, Chief Seth Kooitjie and his community, for a suitable name and they suggested a number of possible names, including ANIXAS. The name was finally adopted following the endorsement by the Erongo Regional Council in 2009. ANIXAS is the indigenous name of the first harbour of Namibia, now known as Sandwich Harbour.

This historic occasion today bears testimony to an important milestone in the development of power generation infrastructure in the country and on NamPower's path towards national power supply security. The ANIXAS Power Station is but one out of a number of projects that NamPower has put in the pipe line. The ever increasing demand for electricity has seen NamPower investing billions of namibian dollars in a number of generation and transmission projects. Last year alone, NamPower concluded and commissioned three large scale power supply projects, namely the Hwange rehabilitation project, the Caprivi Link Interconnector and Phase One of the West Coast Development Programme all to the total value of N\$4.2 billion. NamPower is expected to spend a further N\$ 14 billion in the implementation of the rest of the power supply projects during the next 4 to 5 years.

Namibia's main source of power generation, the Ruacana Hydropower Station, will be boosted with the installation of a 4th Unit generator, and when commissioned in March 2012, an additional 92 MW will be added to the current installed capacity of 249 MW. Other projects at feasibility study phase include Kudu, Erongo Coal, Baynes, Orange River Hydros, biomass, wind, and .solar. Most of these programs are expected to be developed through public/private/partnership framework arrangements.

As you are aware, power generation projects take time to plan and to complete. As such, NamPower will continue to consult and engage all its stakeholders for support and cooperation, especially with the application of energy savings and other .demand side management strategies.

The Tsumkwe Renewable Energy Project, one of the largest state-of-the art 200 kW solar diesel hybrid system in Africa was also technically commissioned at Tsumkwe in August 2011. Businesses and some 700 residents in the growing town of Tsumkwe now have access to modern energy services. We are presently in the process of consulting Government on the suitable date for the official inauguration of this project, expected to be during the first quarter of 2012.

In conclusion, I would like to take this opportunity to thank all our stakeholders, particularly the Government of the Republic of Namibia, for their continued support in our endeavours to sustain the supply of electricity to the national economy. To our stakeholders in Erongo Region, including the community, thank you for your acceptance, support and cooperation during the construction of the power station. I would also like to take this opportunity to thank and congratulate our Board, Management and the NamPower Project Team for a job well done. And finally, but not least, our sincere gratitude to our consultants and contractors for their role in the project.

Finally, I would like to assure all our stakeholders that NamPower will continue to powering the nation and beyond, and will further vigorously pursue its power supply investment program, in consultation with its stakeholders, until complete security of supply is realised.

I thank you