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# **BUSINESS**

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## **ELECTRICITY Hurdles for Kaduna Power as FG seeks** N400m diesel to commission turbines

By Simon Echewofun Sunday

The Federal Ministry of Power, Works and Housing (FMPW&H), is shopping for suppliers to procure about 1.6 million litres of diesel with N400 million budget for the eight gas turbines at the 215 megawatts (MW) Kaduna Power Plant in Kaduna State.

Daily Trust reports that at an average retail price of N200 per litre of diesel, the Federal Government could spend N320 million on the 1.6m litres of diesel for test running the plant's turbines. The price could further crash as the purchase entails bulk and wholesale supply, not from retail station outlets.

However, figures in the 2019 budget proposal show that the ministry has earmarked N400 million for the project tagged, 'ERGP10131430'. This figure is N80m higher than the total retail price if it is bought at fuel stations.

A procurement notice dated December 10, 2018 obtained by this paper showed that the diesel quantity being requested is meant to carry out what the ministry describes as "lube flushing" for the turbines and also to run two generators of 750KVA and 330KVA.

Upon the success of this, the turbines will be tested on hot and cold commissioning basis, the notice stated.

The Minister of Power, Works and Housing, Mr Babatunde Fashola, had inspected the plant in November 2018 and said it was at over 80 per cent completion level. He said four of the eight turbines have been completed and ready to begin producing electricity to the national grid. But the procurement notice said the diesel was for the eight turbines.

He said: "We have also tested four of the turbines, preparatory for commissioning, so there are essentially four turbines that are ready to go.

"So, every megawatt we can deliver from this project, considering that each of the turbines is 25MW, is additional power," Fashola noted.

The Project Manager, Rockson Engineering, the contractor, Mr. Sunny Okwedi, said although four turbines are ready for energising, they would need to wait for the Power Control Motor (PCM) to be installed and the switch yard must be

"The PCM is already on site and from the

discussion with our receiver managers, we are going to start the process of installation by next week," Okwedi had explained.

#### The fuelling conundrum

Our reporter notes that the plant was originally conceived as a natural gas power plant modelled after the 10 National Integrated Power Plants (NIPP) sited mostly in southern Nigeria. As the construction continued, there was the realisation that fuel availability was a challenge as no gas pipeline currently runs to the North, except for the crude trunk line from Warri to Kaduna Refining and Petrochemical Company (KRPC).

In 2014, the then Federal Ministry of Power, now FMPW&H, said it was retrofitting the plant to take Low Pour Fuel Oil (LPFO) which could be sourced from KRPC if it was operational. This paper reported that about 30 tankers of 33,000 litre capacity will be needed to run the power plant daily, which posed huge sustainability hurdle.

From 2016, the turbines' fuel source compartment were again retrofitted to either take diesel or LPFO, Daily Trust gathered when our reporter visited the plant in March 2018.

Experts in the industry are already raising sustainability questions in the supply of diesel to the power plant considering the huge quantity required to run it.

#### Link rail line coming

However, the Federal Government seems to be aware of this as the 2019 budget of the Nigeria Railway Corporation (NRC) captures the construction of a new branch line link from the KM896 of the existing rail line to the 215MW power plant at Kudenda.

The project is enclosed in the 'ERGP13127510' for the rehabilitation of railway track sidings, loop lines and level crossings from Lagos to Kano with a vote of N598.201m for 2019.

The link line is about 10 kilometres to the plant from the actual rail line near Rigasa which also connects to KRPC in southern Kaduna.

The other puzzle is that the refinery itself did not operate up to 30 per cent of its capacity in 2018, data from the Nigerian National Petroleum Corporation (NNPC) indicated, thus posing another hurdle for the consistent supply of diesel fuel to the plant by either by rail or by road.

### CSO wants action against electricity vandals By Abbas Jimoh

Transparency Advocacy for Development Initiative (TADI) comprising 46 allied and civil society groups has called for stiffer actions against vandals as part of measures to stop sabotaging the efforts of the Benin Electricity Distribution Company (BEDC) to its catchment areas.

BEDC is responsible for supplying power to Edo, Delta, Ondo and Ekiti states.

The National Convener of the CSOs, Comrade Solomon Adodo, in a statement yesterday in Abuja, said its investigation showed that critical electricity installations in these states had been vandalised, leading to poor power supply.

According to him, the activities of vandals in the states had started disrupting the Federal Government's roadmap for power stability.

Adodo said: "We herein advise that all communities should maintain vigilant watch over electricity installations in their respective domains to stall off power facility vandals and saboteurs.

"In the same vein we herein call on

vandals to desist from their unpatriotic activities particularly in Edo State where the grand plan is to make BEDC appear incompetent and inefficient thus the resort to destruction of BEDC investments.

"We sternly warn that any such vandal apprehended will be made to face the full wrath of the law. We will remain as eternally vigilant watch guardians to ensure that DISCOs are kept on their toes to effectively play the role of relaying power to the end-users.

"We shall not fold our arms and allow any group of misdirected, self-serving or sinisterly motivated individuals or groups sabotage the efforts of any of the DISCOs."

He urged all customers/consumers of electricity and stakeholders to comply with the prevailing laws by promptly paying for electricity consumed and avoid electricity theft.

He also warned against the politicisation of electricity challenge in the affected states, noting that power generation and distribution was a business governed by clearly cut contract



■ From left: Third Secretary, Embassy of the Federal Republic of Ethiopia, Mr Adane Abera; Ambassador Extraordinary & Plenipotentiary of the Federal Democratic Republic of Ethiopia to Nigeria, Ambassador Solomon Abebe Tessema; President, Lagos Chamber of Commerce and Industry (LCCI), Babatunde Ruwase; Director- General, LCCI, Mr Muda Yusuf and Head, Strategy, Primelead, Okooosi Rakeeb, during a courtesy visit by the envoys to LCCI head office in Lagos yesterda



■ From left: Mr. Tope Smart, Chairman, Nigerian Insurers Association (NIA); Abel Omokade, representing National Insurance Commission; Yetunde Ilori Director- General NIA; and Adekola Akindele, Group Managing Director, Courteville Business Solution Plc, during the NIA launch of Nigerian Insurance Industry Database, USSD code \*565\*11# in Lagos recently



■ Chairman of Council, Institute of Oil and Gas Research and Hydrocarbon Studies, Prof. Akin Akindoyeni (left), presents the certificate of induction of the Managing Director/CEO of Engineering Automation Technology Limited (EATECH), Mr. Emmanuel Okon as a Fellow of the Institute at an event in Port Harcourt recently.



■ From left: Chief Executive Officer Startimes Nigeria, Mr. Justin Zhang; Ambassador of China to Nigeria, Dr Zhou Pingjian; Minister of Information and Culture Alh. Lai Mohammed; and Director- General Nigerian Television Authority, Alh. Yakubu Mohammed, during the inauguration of 10,000 African Village project in Abuja yesterday.