



Press Statement

Zambia Sugar Plc advised to apply for a license to generate electricity

6th May 2010

The Energy Regulation Board (ERB) has advised Zambia Sugar Plc to apply for a licence for its electrical power plant, which has a capacity to generate 40MW of electricity and when fully operational is adequate for factory operations and the estate's electricity demand. The company has installed five (5) generators, with a total capacity of 40MW (40,000kW).

This was established when a team of ERB officers toured the power plant at Nakambala Sugar Estate in Mazabuka on Thursday 29th April 2010. The ERB sought to ascertain the installed capacity and determine if this met the threshold to warrant an electricity generation licence. In addition, the team wished to establish the status of bio-ethanol production at the sugar estate.

The ERB is mandated to regulate the energy sector, which includes the electricity sub sector, through the Energy Regulation Act Cap 436 of the Laws of Zambia. Under the Electricity Act Cap 433 of the laws of Zambia, any electricity generating facility with a capacity of more than 100kW is supposed to be licensed by the ERB.

It was established that ZESCO limited supplies power to Zambia Sugar via a 33kV bulk supply point. The power is then fed to the Zambia Sugar Plc 33kV switchyard, which supplies power to the Nakambala Sugar Estate operations and community. Zambia Sugar Plc has installed a 25 MVA transformer which steps downs power from 33Kv to 11kV then supplies the sugar factory.

The ERB team was informed that the electricity generated was used for factory operations in addition to supplying the Zambia Sugar Estate community. The company also intends to extend supply to sugar out-grower schemes in future. Further, the ERB was also informed that the amount of electricity generated varied depending on the quantity of bagasse, a bi-product of the sugarcane process, which is used in the generation of electricity. A higher volume of sugar cane processed translates into a higher quantity of bagasse leading to higher quantity of

electricity being generated.

With regard to bio-ethanol production, the ERB established that this is currently not in production. However, Zambia Sugar Plc indicated its intention to embark upon this in future.

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