



The Distribution Project That will Increase Access to Electricity

Last week, we took you through the need for Malawi to expand and strengthen its power transmission network. It is clear that currently, as a nation, we cannot talk about increasing generation when our transmission network is weak. It is also important to note that ESCOM cannot connect more customers to the national grid partly because of the weak distribution network, which includes substations and transmission and distribution lines.

But with the Millennium Challenge Corporation Compact (MCC) investment, under the Malawi Compact, we are heading in the right direction.

As hinted in the last entry, this week, we shift our focus on one other sub-activity under the Compact's Infrastructure Development Project (IDP) and this is the Transmission and Distribution upgrade, expansion and rehabilitation project. This project is more directly linked or connected to consumers. You see, Malawi can boast about successfully generating and transmitting power. But this is meaningless if domestic consumers and customers continue to face challenges in accessing reliable electricity or continue to be on the ESCOM's waiting list of people yet to be connected to the national grid.

Domestic and commercial customers can either be on waiting list because the distribution system cannot accommodate more/new customers or experience frequent outages because the substation or transformer is overloaded.

As explained in one of our previous entries on the link between electricity and economic growth, in the modern world, for any business or industrial activity to prosper, the input of electricity is an essential prerequisite. Electricity leads to the creation of new markets, businesses and job openings, thereby leading to high and sustainable economic growth rates.

By now we all nod in agreement to the fact that lack of consistent access to reliable power makes it almost impossible to operate a business. Companies are forced to resort to invest in costly diesel generators as an alternative source of power in times of load shedding. This has over the years resulted in companies closing shops as their profit margins are eaten into. This has had a myriad of multiplier effects in our economy, including serious job losses as companies are left with no options but to downsize staff.

Hence under the Transmission and Distribution upgrade, expansion and rehabilitation project, the Compact's

investment is focusing on upgrading, modernizing and expanding transmission and distribution networks through construction of new distribution substations and rehabilitating some existing ones.

It is a fact that demand for electricity is fast growing and surpassing the supply as both residential and industrial areas continue to expand, relentlessly.

For example, let us look at the growing Area 25 or Dzenza Suburb of Lilongwe. According to ESCOM's statistics, over 721 residents in the densely populated Area 25 suburb in Lilongwe are currently on the waiting list for electricity connection to their homes. The increase in construction of residential homes in the area has for the past years increased the demand for electricity. Most residents have thus opted for alternative sources of electricity especially solar for lighting and charcoal for cooking. This is just a replica of what is also happening in most parts of the country.

However with Compact funds, a new distribution substation is currently under construction in area 25/Dzenza and ESCOM expects to connect over 4,000 customers upon completion. The modern substation is strategically positioned in Lilongwe and has brought much excitement to residents on the waiting list and those that are

constructing new houses in the area. A similar substation is under construction in another fast-expanding residential area called Sondain Mzuzu to cater for the growing demand for electricity in the city.

Just as roads, electricity infrastructure attracts more businesses and more investments in the vicinity and overall this helps to stimulate economic growth.

In Karonga, the Compact is splitting the distribution line that simultaneously powers Chitipa and Songwe. This might seem as a small project but the current status quo puts business in Chitipa or Songwe at stand still. Any fault in Chitipa or Songwe boarder means power outages for both until such a fault is rectified. The splitting of the line, therefore, means that Chitipa and Songwe will be separated hence businesses will not be had-hit in times of outages of faults as is the case now.

The distribution project also focuses on improving power reliability for the industries. You might have noticed that selected substations in Mangochi (Maldeco), Blantyre (Around Mibawa), Mzuzu (Luwinga), Thyolo (for tea estates) are under rehabilitation to expand their capacity and improve their output.

Under the same project, MCA-Malawi is also constructing a

new distribution substation in Lilongwe City Center. On a lighter note, all along most people thought that MCA-Malawi is constructing an office complex. No, this is a new substation under construction. Lilongwe City Centre substation would provide supplies to the ever-growing City Centre which is inhabiting government offices, financial and banking institutions as well as embassies. The same substation would also cater for the expanding residential areas surrounding City Center such as Area 44 and 48, among others.

This new substation will see all existing and new buildings being connected within the city Centre. And this is expected to greatly improve power reliability in the heart of Lilongwe.

Finally, under this same sub-activity under IDP, the Compact is investing in new distribution lines connecting existing and new substations. Essentially, what MCC funding, through MCA-Malawi intends to achieve by constructing new distribution substations as well as upgrading and rehabilitating the existing ones and in constructing new distribution lines is to increase access to electricity thereby stimulating the much needed growth as highlighted earlier.

Join us next week!

For more information on the Malawi Compact please visit our website on

<http://www.mca-m.gov.mw/>

You can also visit the MCC website on

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