UEGCL to rehabilitate Nalubaale-Kiira complex

BY TOM BRIAN ANGURINI

KAMPALA. The Uganda Electricity Generation Company Limited (UEGCL) has revealed in its strategic plan 2025-30 that it will undertake rehabilitation of Nalubaale-Kiira Complex (380MW), Namanve thermal Plant (50MW) and Maziba SHPP (1MW) at a cost of Shs679.1 billion.

Uganda's primary electricity generation company added that it intends to develop and implement a strategic asset management plan for all current and future power-generating facilities

Data from UEGCL shows that it will sign and implement the power generation investment strategy by developing and implementing a five-year power generation investment expenditure programme for existing power plants (Shs711.5 billion) and future power generation expansion (Shs546.8 billion).

"Integration of Public Private Partnerships in the development, financing, construction and rehabilitation of power generating facilities and pursue UEGCL's listing on the Stock Exchange to raise capital for new investments and improve liquidity," the report shows.

The report adds that UEGCL will adopt pre-project planning techniques to improve project planning, particularly project cost and time overruns, hence a favourable balance sheet.

The parastatal company is also desirous of developing a sustainable debt financing strategy by undertaking negotiations with the shareholders for conversion of existing debt to equity and injection of additional equity into the Company.

UEGCL also intends to implement cost reflective tariffs by undertaking negotiations with the shareholders and key stakeholders for incorporation of a reasonable Return on Investment (ROI) on both company current and future asset base as well as UEGCL's ability to earn a Return on Equity (RoE).

The report also shows that UEGCL plans to improve risk management by engaging the government to strengthen performance obligations in future contracts by proper allocation of power generation facilities and retransfer risks for Public Private Partnerships.

Mr Harrison Mutikanga, chief executive officer of UEGCL, said the strategy financing framework is aligned to the national aspirations outlined under the National Development Program IV (2025-2030).

"The capital development initiatives form part of the overall integrated five-year country agenda, with potential for both Government of Uganda and private sector players to contribute to the realisation of the goals therein," he said.

...rther disclosed