
U.S. TRADE AND DEVELOPMENT AGENCY



FOR IMMEDIATE RELEASE

MEDIA INQUIRIES:

Donna Thiessen
(703) 875-4357

USTDA SUPPORTS POWER TRANSMISSION STUDY IN KYRGYZSTAN

BISHKEK, KYRGYZSTAN – (September 20, 2007) Constructing a new 500 kilovolt (kV) electric power transmission line in order to improve the reliability of power transmission and enhance export opportunities for Kyrgyzstan is the goal of a U.S. Trade and Development Agency (USTDA) grant awarded yesterday to the Kyrgyz Republic Ministry of Finance. The \$537,595 grant will fund a study for the National Electrical Grid of Kyrgyzstan (NEGK) JSC, a state-owned company, on a proposed power transmission project.

The grant was conferred at a signing ceremony at the Ministry of Finance. U.S. Ambassador Marie L. Yovanovitch and the Kyrgyz Minister of Finance, His Excellency Akylbek Japarov, signed the grant agreement on behalf of the U.S. and Kyrgyz governments, respectively. NEGK Deputy General Director Medetbek Aitkulov and Gregory Winstead, Political and Economic Officer at the U.S. Embassy in Bishkek, signed as witnesses to the grant agreement.

Endowed with significant hydropower resources, Kyrgyzstan is a net exporter of electricity in the summer. However, the country's energy sector is facing serious technical problems stemming from its electrical transmission system, which is not presently meeting winter demand. Electricity, which is overwhelmingly produced by hydropower plants in southern Kyrgyzstan is transmitted to the consumption areas in northern Kyrgyzstan on one 500kV line, which becomes overloaded in the winter. Furthermore, Kyrgyzstan needs capacity in its transmission system for additional power exports in the summer from existing and planned power plants.

To address these issues, NEGK plans to build a second north-south 500kV electric power transmission line, which would run from the Datka substation near Osh in southern Kyrgyzstan to the Kemin substation in northern Kyrgyzstan. The proposed Datka-Kemin 500kV line would eliminate the current overloading issues and support the export of power from Kyrgyzstan to Afghanistan and Pakistan as part of the CASA-1000 project. The study funded by the USTDA grant will review routing alternatives, line capacity requirements, major risks and cost factors associated with the new line and provide a preliminary design and cost estimate for the project. The proposed new 500kV Datka-Kemin line would also complement the upgrading of power transmission infrastructure in southern Kyrgyzstan that is the subject of an earlier USTDA-funded feasibility study, which is nearly complete.

(More)

The opportunity to conduct the study for NEGK under the USTDA grant will be competed on the Federal Business Opportunities website at www.fbo.gov. Interested U.S. firms should submit proposals according to the instructions contained in the Federal Business Opportunities announcement. NEGK will select the U.S. contractor that will provide the technical assistance.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

-30-

Visit USTDA's Website at www.ustda.gov