

"Tunayangaaza Maisha Yako"



"We Light Up Your Life"

**SHIRIKA LA UMEME TANZANIA
TANZANIA ELECTRIC SUPPLY COMPANY LIMITED**

Dodoma Head Office, P.O.Box 453 Dodoma. Tanzania, Tel: +255 026 2323456/7, Web: www.tanESCO.co.tz

Our Ref:

Date

DMD-PRI/DPRBD/MCS/SPP/23

12th April, 2024

Eng Geoffrey Nangay,
Project Manager,
Green Capital Tanzania,
Acacia Estate,
Plot No. 84 Kinondoni Rd,
DAR ES SALAAM.

Embedded Solar PV Plant address:
MKINGA SOLAR POWER PROJECT
PARUNGU-MKINGA DISTRICT

SITE REFERENCE NUMBER: MKINGA/SOLAR/SPP/2024/128

LETTER OF INTENT

This refers to your letter dated 2nd April, 2024 requesting for a Letter of Intent (LOI) to develop the Embedded Solar PV Plant 10.0MW described above for interconnection Mkinga distribution networks. We appreciate progress made on the project and hereby grant a twelve (12) months of the LOI. The proposed Embedded Solar PV Plant has been allocated site reference number as shown above, which shall be used in all future correspondence with TANESCO and documentation about the Plant.

Details of the Embedded Solar PV Plant are as follows;

- a) The proposed solar power project with estimated installed capacity of 10.0MW is located in Mkinga district.
- b) The interconnection point will be located at 33kV line or any point agreed by parties.
- c) The point of supply will be located at the interconnection point.
- d) The primary source of energy is Sun irradiation in Mkinga.

TANESCO is pleased to inform you that we are agreeable to purchase electric energy from the proposed Embedded Solar PV Plant (hereafter referred to as "the Plant") subject to the Terms and Conditions stated below;

1. The Plant shall be built by **Green Capital Tanzania** and shall remain under your ownership until such time the Plant enters Commercial Operation.
2. The Letter of Intent is not transferable, without the written consent of TANESCO.
3. If at any time you decide not to proceed with development of the proposed Plant, you shall promptly inform TANESCO about your decision.
4. The Plant shall be designed, built, commissioned and operated to satisfy the Standards and Requirements determined by TANESCO.
5. The design, construction, testing, commissioning and operation of the interconnection of the Plant with TANESCO network shall be according to the requirements and procedures specified in the "Guide for Grid Interconnection of Embedded Generators, Tanzania" (hereinafter referred to as "the Guide"). A copy of which is available at EWURA website.
6. The physical location of the Point of Supply, at which TANESCO shall meter and receive the Plant output, will be shown in the single line diagram to be attached to the Standardized Power Purchase Agreement (SPPA).
7. The Physical location of the Point of Common Coupling, beyond which other TANESCO customers may be connected, will also be shown in the single line diagram to be attached to the SPPA.
8. TANESCO hereby confirm that the switchgear including distribution lines and protection system at the proposed interconnection point may not be capable to accommodate the power to be delivered by the Plant; you are allowed to meet the costs for upgrading the system.
9. TANESCO shall assist you to obtain any rights of way or easements required to build the interconnection facilities.
10. All equipments and transmission line(s) on the TANESCO side of the Point of Supply shall be maintained by TANESCO.
11. The applicable tariff shall be negotiated by the parties and will be shown in Appendix III to the SPPA. Cap tariff shall be as determined by EWURA.
12. This Letter of Intent is valid for a period of Twelve (12) months, during which period you should conclude SPPA with TANESCO.
13. The Standardized Power Purchase Agreement (SPPA) shall be signed between TANESCO and **Green Capital Tanzania** within the period of validity of this Letter of Intent (LOI).
14. TANESCO reserves the right to examine the detailed designs of the Plant and equipment, and the facilities required for the interconnection with TANESCO network.
15. Commissioning tests of the Plant will be conducted by you, at your expense, and TANESCO shall be notified when such tests are conducted.
16. Commissioning tests of the interconnection facilities (without actually making an interconnection) shall be conducted by you, at your expense, and TANESCO shall be notified when such tests are conducted, and may attend such tests.
17. Tests on the interconnection between the Plant and TANESCO network shall be conducted by you and witnessed by TANESCO as specified in the Guide. The costs of such tests shall be borne by you.
18. It would be your sole responsibility to obtain all the necessary approvals for the construction of the Plant and Interconnection facilities from the relevant Government and other agencies.

19. It would be necessary for you to obtain a license from the Energy and Water Utilities Regulatory Authority (EWURA) to generate and sell electricity to TANESCO prior to commencement of construction of the Plant.
20. Any costs incurred by you in the fulfilment of requirements specified in this letter are at your sole risk and expense, with no claim whatsoever to TANESCO.
21. The detailed feasibility report and the plan for construction, including the design details, should be submitted to TANESCO within the validity period of this LOI.
22. The progress of the project should be reported to TANESCO every three (3) months from the date of this LOI.
23. The detailed load flow study shall be submitted to TANESCO with all future plans and current rehabilitation activities undertaken.



Eng. Gissima Nyamo-Hanga
MANAGING DIRECTOR