

KISIIZI HOSPITAL POWER LTD

ANNUAL REPORT FOR 2012

This year has seen Kisiizi Electricity (KHPL) making good progress. In June we connected our 300th customer. This was the planned number of customers set in the early stages of the company. We now have a waiting list, but apart from a group near the hospital, the extension for which the Rural Electrification Authority has given approval we shall not be connecting any others in the near future.

One development which we had not foreseen is that some customers are now selling electricity to their neighbours who have been refused connection or who do not wish to pay our full connection fee.

Finances.

Income has steadily been increasing through the year, this was helped by a price increase in July following a price increase by UMEME. Analysing the data for the 39 months we have been selling electricity produces some interesting information. Average Sales per customer have only increased slightly from 23,360/= per month in the first month to 26,550 in December 2012.

For the calendar year 2012 our metered sales were 97.6M shillings. We had other income from off-token sales, consumer connections and work for the hospital making the total income 128.7M shillings.

Our major current costs were salaries (29.6M) and VAT (14.6M). In 2012 we invested 27.6M shillings in meters making our total investment 69.7M shillings. We invested 6.7M in customer connections making the total 44.6M and nothing this year in network materials, the total for this is 8.5M.

Challenges for 2013.

Our main work for the near future is installing meters for the staff houses. We have had the meters since mid-May but there is reluctance among the staff to accept them. They are necessary as at present electricity is free for staff within the hospital they are using excessive amounts. Our plan is that staff will receive a certain amount of free electricity each month and a discount on the use above that.

We have 90 meters waiting to be installed and we shall shortly be ordering more. Once we have these, our investment in meters and connection cable will be completed except for replacements. This means we have reached the end of our major investment phase.

Our priorities then will be repaying loans of £16,000. We repaid the remainder of one loan this year.

Our other priority is adequate insurance for plant and staff.

The hospital load is increasing, a new washing machine, extensions to the wards and new buildings planned. This will increase the dry season problems.

A change in manager will take place in the new year when I will hand over to Herbert Kwikiriza. Herbert is our senior electrical engineer and knows the system well. I am sure he will make an excellent manager.

G A Wadsworth
31st January 2013

Monthly Electricity Sales by Meter - Thousand Shillings

