NATIONAL ASSEMBLY

**WRITTEN REPLY**

**QUESTION NO 1258**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 26 APRIL 2018**

**(INTERNAL QUESTION PAPER NO. 13)**

**1258. Mr L J Basson (DA) to ask the Minister of Water and Sanitation:**

1. What is the (a) status of the Lesotho Highlands Water Project Phase II and (b) estimated (i) completion date and (ii) cost;
2. whether any contractors have been appointed; if so, what is the (a) name of the contractor and (b) contract price? NW1357E

**THE MINISTER OF WATER AND SANITATION**

(1) To date 13 contracts have been completed, 23 contracts are still in progress, 10 contracts are at evaluation stage and 1 contract is at tender stage. Refer to **Annexure A** for the estimated completion dates and estimated cost.

 **Contracts in Progress:**

The Polihali Dam as well as the Polihali to Katse Transfer Tunnel design is progressing well. Presently the Geotechnical drilling contract is 3 months behind schedule. Alternatives are being considered to mitigate any delays this may have on the above-mentioned designs.

Infrastructure, Social and Environmental consultancy work in progressare thedesign of:

* Environmental Social Impact Assessment (ESIA) Western Corridor,
* ESIA Dam and Tunnel site establishment areas,
* Resettlement Action Plan (RAP) for Project Housing, main reservoir, Major bridges & road realignments (iv) RAP - Western access road and
* Hydropower feasibility study now concentrating on the detailed feasibility of conventional hydropower generation at three sites.

 Designs and tender documentation are ready to be issued by June 2018, of the following works are:

* Western Access Road,
* Power supply and Telecommunications.

 Tender evaluation of the first three (3) construction contracts, were advertised in September and October 2017 are complete and is about to be awarded. The contract for the Advanced Infrastructure construction works are:

* An Access Road,
* Civil works at the Polihali Village accommodation area and,
* The short Diversion Tunnel around the Dam wall to mitigate any delays when the Dam construction commences.

(2) No construction contracts have been awarded to date.

 **Annexure A**

 **Phase II: Progress to date (Budget figures exclude escalation):**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **KEY items** | **Milestone dates** | **Budget at completion** | **Cost to date****Rand** | **%****Invoiced** | **Comment** **(Reference Program V11.0)** |
| **Administrative cost**  | Dec 2025 |  **329 052 613** | 272 428 720 | 82.7 |  |
| **Advanced Infrastructure – design and supervision** | Apr 2015 – Sept 2018 |  **252 502 764** | 120 194 418 | 47.7 | Average 2 months behind schedule. Budget includes supervision costs. |
| **Advance Infrastructure – construction** | May 2018 – Aug 2020 |  **4 125 620 005** | - | - | Various awards starts in May 2018 |
| **Polihali Dam - design & supervision** | Jul 2017 |  **465 103 216** | 13 541 039 | 2.9 | Design on programme. Budget includes supervision costs. |
| **Polihali Dam – construction** | Feb 2020 (Start) |  **3 800 000 000** | - | - | To be awarded by Feb 2020, Completion date - Dec 2025 |
| **Geotechnical investigations** | Apr 2019 |  **42 719 213** | 29 881 290 |  | 3 months behind due to flooding and cashflow problems. Alternatives considered |
| **Diversion tunnel around dam wall – design and supervision** | Sept 2016 – Sept 2019 |  **82 460 557** | 22 883 723 | 27.8 | On programme. Non critical item |
| **Diversion tunnel around dam wall – construction**  | May 2018 – Sept 2019 | **-** | - | - | To be awarded by end of May 2018 |
| **Polihali to Katse Tunnel - design and supervision** | Nov 2017 |  **920 000 000** | - | - | Awarded in Nov 2017. Budget includes supervision costs. |
| **Polihali to Katse Tunnel – construction** | May 2020 (Start) |  **4 500 000 000** | - | - | To be awarded by May 2020. Completion date – Feb 2026 |
| **Social development projects** | Present to Dec 2024 |  **128 722 147** | 39 862 675 | 40 | 3 months behind on average. Resettlements will be completed in time for construction |
| **Environmental projects** | Present to Dec 2024 |  **53 646 560** | 26 837 363 | 50 | Studies and designs on programme |
| **Start impounding water in Polihali** | Nov/Dec 2023 | **-** | - | NA | On programme Ver 11.0 |
| **Water delivery into Katse Dam**  | By end Jan 2026 | **-** | - | NA | Water in storage since Nov 2023Volume of transfers to Katse Dam will be dependent on the agreement reached with Lesotho on the new Operational Rules of the LHWP |
| **ESTIMATED COST AT COMPLETION INCLUDING ESCALATION AND CONTINGENCIES**  | **24,326 bill** | **525 629 228** | **2.7%** | **Scheduled complete 3.48%** |