

SOTRAMI – ELECTRIFICATION PROJECT 2 – Co-financed by the SBGA CSR Development Fund

This project's objective is to install a link between the SOTRAMI SA plant and the Santa Filomena village. It involves also the creation of a 500 KVA substation to provide power to the village, which is located in the sector Convento sector, Jaqui district, Caravelí Province, Arequipa department in Peru.

This project includes:

- Primary Air lines 30-22.9 kV, to the village from the processing plant.
- Substation type 30- 01 shed 22.9 / 500 kV from 0.46 to 0.23 kVA.

The project's budget is:

Description	USD
SUPPLY OF MATERIALS	78'000
ELECTROMECHANICAL MOUNTING	19'000
SKILLED LABOUR AND CRANE	19'000
TRANSPORTATION OF MATERIALS	8'000
DIRECT COSTS	104'000
SUB TOTAL	104'000
VAT (18%)	19'000
TOTAL	123'000

The construction will start in the Spring of 2016 and completion will take approximately 4 months. The project will be co-financed by SOTRAMI SA and the SBGA CSR Development Fund (30%/70%). The preliminary project was managed by an infrastructure consultant that prepared the specifications and managed the quotation process. The project was also presented to SECO and Project Consult during the November 2015 Peru field trip. Project's Consult Thomas Hentschel and the BGI local representative, Mr. Medina, have reviewed the project and have given a favorable opinion.

Community Impact

The villagers will obtain as a result a steady electricity supply at the cost one would pay in the valley. The connection will further free the village from the diesel generators emissions. Finally, this electrical connection is a pre-requisite for the envisaged connection of the village to the public water network.

Environmental Impact:

The connection to the grid will save at least 200'000 L/Year of Diesel, equivalent to reducing CO2 emissions by 450 T.

Please let me have your comments, if any, by latest May 10th 2016, so that we can proceed with the project funding.