

# TRECESA

LIGHTING UP THE ISTHMUS





TRECSA

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*Guatemala's energy network is undergoing a benevolent revolution that is bringing power to the Central American country's remote communities, transforming lives and catalysing business development*

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**T**ransportadora de Energía de Centroamérica S.A., or TRECSA for short, is a Guatemalan company dedicated to the business of energy transmission. The company was incorporated in 2010 following the award of a contract by Guatemala's Comisión Nacional de Energía Eléctrica (CNEE - the National Commission for Electric Energy) for the construction, management, operation and maintenance of the first phase of the country's Energy Transmission System Expansion Plan. This first phase is named PET-01-2009.

As a part of one of Latin America's largest energy companies, Grupo Energía de Bogotá, TRECSA started the PET-01-2009 project in 2010, which will play a big part in building a more cost effective, reliable and affordable energy service. As the company's CEO Edgar Loaiza expresses it: "We are a relatively new company, but are able to draw on the commitment and world-class practices of a business group with 117 years of experience in the electricity sector, and 22 years in the natural gas sector, to deliver a modern power transmission system to the people of Guatemala".

Guatemala is the largest economy in the Central American region. With a population of 14.7 million, the country accounts for 35 percent of the regional economy. However as recently as 2012, according to CNEE, the country was only obtaining ten percent of its

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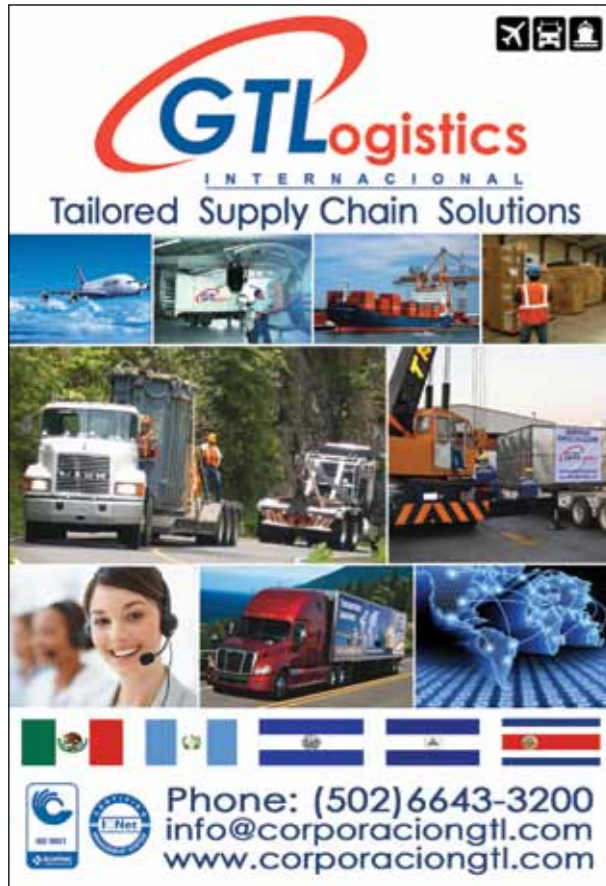
Steel gantries rise over the forest

***"This is a nation-wide project and once it is built and in operation, it will benefit all families and companies in the country"***

power needs from electricity - 63 percent was still dependent on firewood. This is clearly an economy that stands to benefit massively from wider access to power. Growing demand, diversifying the energy matrix, and strengthening the power transmission system are among the main targets of the energy policy. According to CNEE's demand projections, an increase of 80 percent is expected in the next ten years.

The generation sub sector is highly diversified. It includes hydroelectric, geothermic, biomass, solar and wind energy plants. According to official data, in 2011 Guatemala had a total installed energy capacity of 847 megawatts. "Taking this diversification of the energy matrix into full account, it is still necessary to develop a plan for increased generation capacity. In turn this will create a greater need to build and operate new energy transmission lines and substations, allowing electricity to be transmitted with high standards of quality and reliability from its production point to where it is consumed," says Loaiza.

Over the years, Grupo Energía de Bogotá, as well as rolling out expansion projects to the major population centres in Colombia, has become recognised as a major player in the Latin American energy sector. Its role in Guatemala is an important step in its strategy to expand its influence, as acknowledged in the recent appointment of its President Sandra Stella Consecrate, as the head of the



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Comisión de Integración Energética Regional (CIER), an international organisation that works for energy integration and technical cooperation in South and Central America and the Caribbean. It is proud to be one of the 54 Lead Group companies in the UN's Global Compact, recognised in the 2013 Dow Jones Sustainability Index under the emerging markets category. It was the first company in Colombia and one of the few in Latin America to receive a certification in energy efficiency, responsible use and consumption on completion of the ISO 50001 Certification.

Now all of this experience is being put behind the task of progressing an expansion plan that will deliver sustainable value to the people of Guatemala. By June 2014, PET-01-2009 was 79 complete (with 43 percent of construction in place), and the goal is to finish it in September 2015, with the construction of more than 850 kilometres of electricity transmission lines,

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which will reach 74 of the 338 municipalities of Guatemala, at a cost of around \$377 million. In addition to these lines, the company will build twelve new substations and expand twelve more in 340 rural communities. According to Edgar Loaiza the expanded system will be able to carry more than 200 MW.

Of course, this is a highly technical project involving key international partners like Siemens, which is providing power, control, protection, measurement and communication equipment for the substations, and the Turkish group Mitas

whose expertise in steel pylon fabrication and erection has been key to the project. “We already have four substations constructed and ready to be energised and another 14 under construction. More than 900 towers have been erected and we are on target for completion of the project in 2015,” says Loaiza.

Community engagement has been one of his main concerns. “Because so many people are not used to electricity they have doubts about the project. Our commitment is to show them its benefits and scope. We do have the



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Power line under construction

task of helping people understand that access to electric power will transform their lives for the better. This is a nation-wide project and once it is built and in operation, it will benefit all families and companies in the country. However it has already generated around 4,000 direct and indirect jobs”.

Additionally, he points out, TRECSEA has implemented social programmes in the communities involved, in the areas of education, health, environment and productivity areas. To date, TRECSEA’s community volunteering arm Proyectos Voluntarios de Beneficio Comunitario (PVBC – slogan ‘You bring your time, TRECSEA brings the materials!’) has benefited more than 8,146 families and over 4,858 elementary school students in 73 locations close to the network. “TRECSEA is committed to sustainable development on a long term basis in Guatemala and the communities where the PET-01-2009 is being constructed, which is why we work daily to build trust and long term relationships with our stakeholders, acting with transparency, respect, trust, integrity and fairness”

He is equally proud of the expansion project’s environmental credentials. “We aim to mitigate every kind of impact during construction, and of course we follow Grupo Energía de Bogotá’s guidelines on environmentally sustainable development, incorporating eco-efficient targets in our energy performance, waste management and water consumption, as well as the protection of biodiversity and climate change management”.

Among the initiatives undertaken in the last four years are LED lighting and stand-by solutions that turn the system off



Brand new control room

when is not in use, and collaboration with Guatemala’s Conservation Study Centre (Centro de Estudios Conservacionistas) in collecting samples of flora in the field and transferring them to the Centre for sorting, and expansion of the national database. Another is monitoring particulate matter and noise at the construction site, and continuous archaeological oversight at substations and pylon sites in order to ensure protection of the cultural heritage of Guatemala.

The project has a fundamental role in the diversification of the energy matrix, emphasises Edgar Loaiza. “As from 2015 more than 30 power plants, most of them renewable, will be connected to the new transmission system, making Guatemala less dependent on oil by-products as an energy resource. PET-01-2009 will also contribute to strengthening the power transmission system by reducing outages”. It will also help bring electricity generation a lot closer to homes, businesses and industries

in scattered communities, enabling them to take a fuller part in the economic life of the country, he says.

Looking to the future, he anticipates TRECSEA getting involved in many more projects in Guatemala – certainly the company has had a good start since it arrived, and is fulfilling its role as a much needed provider of infrastructure that will grow the economy and raise the standard of living of millions of Guatemalans to levels many of them have never dream of. He sums up in the simplest way: “We are proud of the ground covered and we expect to become a major player in the national electricity sector!” **BE**

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