

# United States Senate

COMMITTEE ON  
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

GABRIELLE A. BATKIN, STAFF DIRECTOR  
KEITH B. ASHDOWN, MINORITY STAFF DIRECTOR

June 30, 2014

The Honorable Rajiv Shah  
Administrator  
U.S. Agency for International Development  
1300 Pennsylvania Ave., NW  
Washington, DC 20523

Dear Mr. Shah:

As part of the Subcommittee's ongoing oversight of contracts in Afghanistan, I am writing to request information regarding the U.S. Agency for International Development's (USAID) contracts to build and maintain the Tarakhil Power Plant.

On June 30, 2011, I held a hearing titled, "Afghanistan Reconstruction Contracts: Lessons Learned and Ongoing Problems." In preparation for that hearing, my staff looked into the history of USAID's construction and maintenance of the Tarakhil Power Plant, located on the outskirts of Kabul. At the hearing, I asked questions regarding the project's cost overruns, which reached more than double the initial budget, and schedule delays of approximately a year. I also raised concerns regarding the project's sustainability, since at the time USAID had already committed \$27 million to operate and maintain the plant and to train the plant's workers.<sup>1</sup> In response to my questions, USAID assured my staff in February 2012 that it was working closely with Da Afghanistan Breshna Sherkat (DABS), the Afghanistan National Electrical Utility, to ensure the sustainability of the entire power network, including the Tarakhil Power plant.<sup>2</sup>

I recently learned that, since the Tarakhil power plant has been handed over to the Afghans, it has generated only 2.2% of the power it was designed to produce. The power plant operates only as an emergency power source and its generators sit idle most of the time. Worse, this limited use is actually damaging to plant equipment and, over time, could lead to catastrophic failure.<sup>3</sup>

Outrageously, this waste seems to have been entirely predictable and preventable. The Tarakhil generators can combust either diesel or heavy fuel oil (HFO). Because of the cold climate and the lack of delivery and storage facilities to handle HFO, Tarakhil must be fueled with diesel, which is extremely expensive to import into Afghanistan. The plant loses money with each kilowatt-hour of electricity it generates. USAID has known of these problems, and of the lack of capacity of DABS to operate the plant in a sustainable manner, since at least 2010. As yet, USAID still has not identified a more economical and affordable fuel source for the plant.<sup>4</sup>

To assist the Subcommittee with its oversight, I request that you provide the following information and documents:

---

<sup>1</sup> U.S. Agency for International Development, Office of Inspector General, *Review of Sustainability of Operations at Afghanistan's Tarakhil Power Plant* (June 19, 2014) (Report No. F-306-14-002-S)

<sup>2</sup> USAID Response to Questions for the Record from Senator McCaskill, June 30, 2011, Subcommittee on Contracting Oversight hearing *Afghanistan Reconstruction Contracts: Lessons Learned and Ongoing Problems* (February 15, 2012).

<sup>3</sup> U.S. Agency for International Development, Office of Inspector General, *Review of Sustainability of Operations at Afghanistan's Tarakhil Power Plant* (June 19, 2014) (Report No. F-306-14-002-S).

<sup>4</sup> *Id.*

- (1) All solicitations, contract(s) and task orders related to the Tarakhil Power Plant project;
- (2) All documents and communications related to the approval of the Tarakhil Power Plant project, to include support given both for and against the project;
- (3) A list of all mission staff with responsibilities for approving and overseeing the Tarakhil Power Plant project, including titles and dates;
- (4) Information regarding all contracts, task orders, and other expenditures related to the management and operation of the Tarakhil Power Plant;
- (5) When complete, the analysis identifying a more economical and affordable fuel supply for the Tarakhil Power Plant, as recommended by the Office of Inspector General;
- (6) A comparison of the training programs provided to Tarakhil Power Plant staff prior to 2014 and those provided since.

I also request that you providing a briefing to Subcommittee staff on these issues by the appropriate officials. Please provide the information, documents and briefings as soon as possible, but no later than **July 17, 2014**.

The jurisdiction of the Subcommittee on Financial and Contracting Oversight is set forth in Senate Rule XXV clause 1(k); Senate Resolution 445 section 101 (108th Congress); and Senate Resolution 64 (113th Congress).

I appreciate your assistance. Please contact Jackson Eaton with the Subcommittee at (202) 224-6579 with any questions. Please send any official correspondence relating to this request to [Kelsey\\_Stroud@hsgac.senate.gov](mailto:Kelsey_Stroud@hsgac.senate.gov).

Sincerely,



Claire McCaskill  
Chairman  
Subcommittee on Financial and Contracting Oversight

cc: Ron Johnson  
Ranking Member  
Subcommittee on Financial and Contracting Oversight