

STATEMENT – BILL VAN DYKE

JANUARY 24, 2011

Good morning, Chairman Shays, Chairman Thibault, members of the Commission.

My name is Bill Van Dyke and I am President of Black & Veatch Special Projects Corporation, a wholly owned subsidiary of Black & Veatch Corporation. B&V Special Projects performs federal government work. I thank the Commission for this opportunity to discuss my company's efforts in support of USAID's mission in Afghanistan.

Black & Veatch Corporation is a leading global provider of electrical power, water, telecommunications and other infrastructure. As part of its world-wide reach, the company has proudly supported U.S. Government projects for more than 90 years. Since August 2006, as a partner in The Louis Berger Group/Black & Veatch Special Projects Corporation Joint Venture, we have assisted our USAID client in developing essential energy infrastructure in order to improve the economy and quality of life for the people of Afghanistan. Black & Veatch's work for USAID has resulted in the successful delivery of electricity to more than 500,000 people in Afghanistan. In December 2010, USAID awarded Black & Veatch a separate contract for the Kandahar-Helmand Project, to enhance electrical power generation, transmission and distribution in the south in support of U.S. government policy.

Working with USAID and Afghan government organizations in support of USAID's mission to deliver energy to Afghanistan's people, Black & Veatch's dedicated professionals have delivered a number of successes. I'll summarize a few examples.

- We have supported the Afghan government in negotiating power purchase agreements with Uzbekistan;
- We developed a successful plan in just 35 days that enabled Afghanistan's utility to transmit 70 MW of imported power from Uzbekistan to the Northeast and Kabul, through a complex network of never-before-used existing facilities.
- We constructed the 100 MW Tarakhil Power Plant at a Greenfield site northeast of Kabul which today provides a power generation source for Kabul and will ultimately provide 100 jobs.



- We trained Afghan Kandahar power plant workers to overhaul their generating engines instead of shipping them out of the country, enhancing sustainability of the Kandahar energy operation.

Projects currently underway will enable Afghanistan's utility to better manage loads from domestic hydropower, fossil fuel and imported generation sources.

In achieving successes, we have met significant challenges. In April 2010, our joint venture's guest house in Kandahar was destroyed by an improvised explosive device. When we were forced to evacuate injured and all other expatriates from the area following this event, Afghan staff continued operating the Kandahar generation station without interruption for weeks, a proven success in training for sustainable operations. In building the Tarakhil Power Plant, we experienced issues with a subcontractor that we were unable to resolve and that led to that subcontract's termination in June 2009. Black & Veatch immediately stepped in to perform the remaining work, completing it on the schedule promised to USAID at the time of the subcontract termination. The plant has met all requests for power dispatch since it was commissioned. Over 2.7 million person hours were worked in building this facility without a serious safety incident.

In the course of our work supporting USAID's mission, Black & Veatch has worked hard to ensure the safety and security of all who work on our USAID projects. Today, measures to provide security represent the largest single challenge due to a changing environment for private security contractors that have been important to conducting our work safely. We have ongoing efforts underway with USAID, Afghan government agencies and our contractors to determine how we will ensure the security of all workers necessary to complete important projects. Other challenges we are continually working to meet include finding and managing subcontractors with the skills to perform the work in a hazardous environment, as well as measures to improve sustainability of the investments the U.S. is making in support of Afghanistan.



We are proud to support USAID efforts which have improved the availability of electrical power to thousands of Afghans and will benefit their lives for many years to come. We never forget that our professionals on the ground working in a hazardous environment, and those supporting them, are the ones who deliver the results.

Thank you for the opportunity to appear before you today. I will be pleased to answer your questions on these or other issues.