

Power
Providers

POWER PROVIDERS COMPANY LIMITED

BUSINESS AND BELIEF



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One of the great things about Tanzania, says Clive Jones, the managing director and co-founder of Power Providers, is that it allows you to reinvent yourself endlessly—and his life and company both testify to that

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View of power house
with solar array



An axiom of business is that it should be economically viable, generating from its sales more than those sales cost, plus overheads. That is a necessary principle for starting a business but not a sufficient one: many entrepreneurs never look beyond that principle and indeed their measure of success is how big that surplus can be and how rich they can get. But it is surely better to judge an enterprise on its contribution to the wellbeing of society and not just on how big it is.

In the case of Power Providers the cart definitely follows the horse. The green energy business that Clive Jones set up five years ago in the northern Tanzanian town of Arusha is a commercial success by any standards, having grown from zero to an annual turnover of more than \$1 million. But it has been grown on its founder's conviction that developing alternatives to fossil fuels is imperative for human survival—something every schoolchild knows, but is impeded by political and commercial inertia.

Jones is an environmental biologist by training. Back in 1979 when he graduated there were few jobs to be had in this field so he indulged his yearning for adventure: "I mobilised my lifestyle to enable me to travel," as he puts it. This took him first across India, then to Africa and his first encounter with Tanzania. Always a competent mechanic, he was sent to the Ngorongoro Crater to fix a broken-down truck for an expeditionary overlanding company he worked for at the time.

From that moment, he says, he was

hooked on East Africa and its wildlife, an obsession that turned itself into a 12-year career in tourism. “For four years I ran primate trips—Tanzania’s tourist industry was in its infancy and I was in heaven, in the heart of the Serengeti plains with a truckful of clients and hardly another soul in sight!”

But the safari business was moving up-market and he fell out of love with it as it started to attract clients looking for luxury ahead of the hands-on encounter. He went back to his area of specialisation and moved into the field of conservation, working with NGOs such as the Frankfurt Zoological Society and becoming instrumental in Tanzania’s accession to the international Ramsar Convention, setting standards for wetlands management and helping Tanzania to find its place on the natural resources map.

After a period working with the legendary wildlife film-maker Hugo van Lawick, Jones was engaged by the African Wildlife Foundation to manage the Manyara Ranch, a 45,000-acre asset sandwiched between Tarangiri National park and Lake Manyara National Park. The ranch is in a very important wildlife corridor, he explains, on land used by pastoralists, notably Maasai, and farmers: “My mandate was to manage this ranch to find the balance point between the communities and the wildlife, while encouraging sustainable models of tourism.”



Solar array at remote bush lodge

One of the problems of running a remote station like the Manyara Ranch is providing energy to scattered facilities, with no chance to connect to the grid—and in any case Tanzania enjoys an erratic mains electrical supply to only 10 per cent of the population. The solution for the office, cattle sheds and accommodations at Manyara was found in solar power, charging an array of batteries to provide a continuous, reliable electricity supply. Jones, by now married and realising that the ‘bush’ is not the best place to raise

children, had reluctantly concluded that it might be time to trade the absorbing but ill-paid world of conservation for something more grounded and, hopefully, lucrative. Solar power was the natural choice, combining a real market need with the opportunity to get involved with technologies that had fascinated him since his university days when he had spent time at the Centre for Alternative Technology in Wales.

He contacted Zulfikar Mohamed, a successful Tanzanian businessman, whose company Radio Wave Communications Limited installed solar powered telecommunications, and the decision was made in 2007 to set up Power Providers to supply renewable energy to companies and individuals looking for a robust, reliable and

independent power supply.

The new company’s first installation established Power Providers’ value to the high-profile end of the conservation movement. The first production of the newly established Disney Nature Studio was *Crimson Wing*, a story about flamingos, filmed at Lake Natron on the border between Tanzania and Kenya close to the active volcano Ol Doinyo Lengai. The production crew were anxious to reduce their dependence on diesel generators and the need to maintain supplies of fuel, but also their impact on the fragile environment they were working in. “It was a very good start for us and we got some excellent photographs of the solar array with a group of Maasai against the backdrop of the volcano.”

“IN TANZANIA, IF YOU FOCUS ON SERVICE AND QUALITY IT IS DIFFICULT TO GO WRONG”

Despite promotional material most companies would die for, Power Providers has never found the need to advertise, and has grown entirely on recommendation. Demonstrations of solar installations at the annual Karibu (Welcome) tourism trade fair in Arusha successfully proved to that industry how the sun alone can provide all the power needed for a small establishment, and word of mouth has done the rest. “In

Tanzania, if you focus on service and quality it is difficult to go wrong,” Jones declares.

Today Power Providers’ client list includes major tour operators, hotels, aviation and media companies as well as NGOs and conservation organisations. They come to Power Providers not because it is the only player, but because it is the most professional. “Our focus is on a start-to-finish service, from design to installation.

“OUR FOCUS IS ON A START-TO-FINISH SERVICE, FROM DESIGN TO INSTALLATION. WE LIKE TO ENGAGE THE CLIENT CLOSELY IN THE DESIGN PROCESS”



Water from remote solar pump installation



Tented camp solar installation

We like to engage the client closely in the design process.” A crucial part of the work, he says, is education: clients can’t be expected to understand about renewable energy and its advantages.

Power Providers starts out with a load analysis based on their projected power consumption, budget and operating costs, looking at their expected requirements for at least five years. “You need to have a system that will last for the duration of the battery bank,” says Jones. “You do not want to grow out of your battery bank—you want to grow into it. We nurture their engagement in renewable energy opportunities. We are one of the few companies in Tanzania that will do that, and I think that gives us an edge.”

A responsible approach to business is really

just self-interest, he explains. He hates it when his clients complain, so he sources the most reliable technologies available on the world market—not the cheapest. Batteries are the most vulnerable component, but if they break down it is usually because they are not looked after, so Power Providers insists on including battery monitors in any system, and on training the client’s staff in both operation and maintenance.

Larger establishments may not be able to afford to go solar all at once. No matter: Jones and his team will help plan a phased changeover. The goal may be to reduce generator use or to improve the green accreditation of the client’s business, starting with a 50 per cent reduction in generator run time and moving to a hybrid system.



Solar array on power house



Array at Karibu Trade Fair



Village solar water pump installation

“YOU NEED TO HAVE A SYSTEM THAT WILL LAST FOR THE DURATION OF THE BATTERY BANK. YOU DO NOT WANT TO GROW OUT OF YOUR BATTERY BANK—YOU WANT TO GROW INTO IT”

“We try to support them through the whole process, from being a 24-hour oil guzzler to being a solar and wind-powered entity, with a generator only as a backup for the very rare times when there is no sun or wind.”

As things stand, most solar energy installations are comparatively small scale. Jones is already looking forward to being able to supply much larger systems, though, based on the microgrid model pioneered

in the US where a nexus of sustainable sources can be linked to form a system that can disconnect from the power grid and independently generate and store its own energy. Power Providers is already in discussions with potential partners to provide a microgrid solution that would provide an alternative to the national power company Tanesco. Microgrids would, he thinks, be a potential way of providing

solar power to people who cannot at present afford the otherwise often-onerous upfront costs of solar installations.

Power Providers’ growth has been entirely self-funded to date by ploughing profits directly back into the company. External finance could have lubricated a faster growth profile but loan terms with local banks have unwieldy agreement terms, long transaction times and onerous costs which, it can be argued, can endanger rather than enable a company’s growth potential. One of the two main limitations to steady and manageable growth is the lack of appropriate financial vehicles for short or long term loans and the fact that skilled Tanzanian human resources are in extremely short supply. This puts a lot of

pressure on cash flow management and the ability of senior managers to delegate an ever increasing workload.

However, Power Providers has been able to build a small, committed and proud workforce, through the explicit hiring of Tanzanians and placing a firm emphasis on in-house training in order to create a professional skill base. Its open and trustworthy way of doing business has won the company an inestimable bonus in the form of goodwill and trust—and at the end of the day, these too are reflected in the bottom line. **BE**

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