

RELEASE IN PART
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From: H <hrod17@clintonemail.com>
Sent: Tuesday, December 22, 2009 11:43 AM B6
To: 'jacobjlew@[redacted] cheryl.mills@[redacted]
Cc: 'sullivanjj@state.gov'
Subject: Fw: From Joe Wilson
Attachments: Memo JW-18-12.doc; Taliban stalls key hydroelectric turbine project in Afghanistan
World news The Guardian.webarchive; USAID OIG Report on KPP.pdf

Please check out what Joe is saying here. He is now working for a company that has a good track record building in Iraq and wants to do so in Afghanistan. Let me know. Thx.

----- Original Message -----

From: Joe Wilson [redacted]
To: H
Sent: Tue Dec 22 11:38:43 2009
Subject: From Joe Wilson

Dear Madame Secretary,

I am taking the liberty of sending this directly to you rather than through Sid because it is of immediate import and is outside Sid's area of expertise.

Further to our discussion about working in dangerous areas and pacifying them, we were shocked to learn that USAID and its coterie of pet Cost Plus Contractors are mothballing projects and refusing to consider others because of the perceived danger. With that as an attitude, we will not succeed in Afghanistan. This flies in the face of recent policy decisions, and should be seen as such. If AID won't do the job, money should be transferred to the military. They are better at understanding the real risk, contracting and spending the money. And the Cost plus contractors should just get out and let companies like Symbion, who have a proven track record get in there and roll up our sleeves.

I have attached and copied below a memo to me from Paul Hinks, the President of our company which lays out our thinking.

Valerie joins me in extending our best wishes to you and the family this holiday season. All the best for the new year.
Joe

Ambassador Joseph Wilson

Director, Symbion Power

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Memorandum

For. Joe Wilson

From. Paul Hinks

Date. 18th December 2009

Electricity Infrastructure in Southern Afghanistan

President Obama has announced a US troop increase in Afghanistan and it seems like most of the deployment is in the hostile areas in the south and in the east. He has also stated that there will be a considerable civil component that will accompany the troop surge.

In contradiction , USAID has now stated publicly that they have mothballed the installation of the new turbine at Kajaki hydro-electric plant and they will not be able to build the new 110kV transmission line from Kajaki to Sangin, Tangi, Duri Junction, Lashkar Gah and then Kandahar. USAID funds have been available for this project since 2006 but nothing has been done. They say that the funds will be reallocated to less hostile places where it is easier to work.

The stated reason for mothballing all this work is that it cannot be executed due to poor security conditions in the region. That is exactly what we were told in 2005 in Iraq. That the 400KV transmission line stretching 300kms from Baiji to Haditha and then onwards to Al Qaim in Al Anbar Province could not be built. Similar sentiments existed about the two 132KV gas insulated substations inside Sadr City in Baghdad which was another 'no go' area controlled by Shiite militias.

The large US 'Cost Plus' contractors who were awarded those construction projects in 2004 told the government that they could not complete them due to security. The government then terminated the contracts and re-bid them on a Firm Fixed Price Lump Sum basis. Both of these projects were awarded to Symbion. We employed extraordinary methods, working with Sheiks and other local leaders and we trained people from those places to do the work. The result was that we successfully completed these projects and a further 7 projects most of which were in insecure locations.

I feel very strongly about the fact that we are withdrawing funding from an area where we need to win over the hearts and minds of the indigenous population. I simply do not agree that this work cannot be done. We have studied the area and we have surveyed both the dam and the 178kms of line route. We started training people from rural villages in Helmand Province in 2008 to do this work, but neither USAID or the Louis Berger & Black & Veatch Joint Venture have allowed it to proceed. If they had done so it would have been finished by now.

The turbine for Kajaki was delivered to the site by a British and Canadian force of around 3000 men soldiers and airmen with attack helicopters and armored personnel carriers. This ISAF operation in which 200 insurgents were killed was described in the newspapers as 'the biggest of it's kind since World War 2'.

After this I ask how can anyone consider stopping the installation and commissioning work ?

We (Symbion) can build this power line and the associated substations in an 18 month period and we can almost certainly complete the generation work at Kajaki. If the line is routed through the villages and towns that are hostile to our troops we can build relations with the local people by using them to undertake the work. This will in turn translate into a more congenial atmosphere for the troops as they conduct their own operations and they build friendships in the same places as we are operating. It is simply a defeatist approach to pull out of Kajaki and to give up on the transmission line. It really can be done.

This is exactly what transpired in Iraq. We worked hand in hand with various US military units, most notably with the US Marine Corps and the US Army Corps of Engineers and at the same time we employed 3000 Iraqi's in supposedly hostile territory infested with insurgents and Al Qaeda in Iraq foreign fighters. All the time we engaged the Sheiks and the villagers.

Commanders such as General Long and General Dorko of USACE, Colonel Mike Moon and Commander Steve Stancey of JCC-I can all testify about this project. Current Commanders resident in Ramadi such as General Rick Tryon and his Chief

of Staff Colonel Bull Lanham are aware of what we did in Al Anbar and they know of the good relations we have with leaders there today.

Through your good contacts with senior people in the government do you think it is possible to draw attention to this issue. They must not withdraw and they should rather adopt an aggressive approach to getting this work done. They must not take the easy route and divert money elsewhere.

This is more than a business opportunity. I am passionate about it and I want to help us succeed in Afghanistan. To do this we must calm this region and one way of helping is to give people electricity. I've built transmission systems and power plants all my life, in areas of conflict in Africa, Iraq and elsewhere and I never met a sole who didn't thank me for giving them light and heat.

We are probably the only company on this planet that has done something like this before. It is a unique situation and I don't think there will be any other firm prepared to bid for the work due to the perceived risks. However, we have a formula for success and if we work collaboratively with ISAF and US forces it will all get done and everyone will benefit.

Since it's unlikely that there will be other qualified bidders for something of this nature I am prepared to work on any formula that the government requires to satisfy requirements for cost control and transparency. We have already undertaken basic scheme design for the transmission line and it would take weeks, not months to negotiate and get started.

If you need anything from me to support what I am saying in this memo please let me know.

Best Regards

Paul Hinks

Chief Executive Officer

Ambassador Joseph Wilson

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From: Paul Hinks
Sent: Sunday, December 20, 2009 10:31 AM
To: Richard Westbury
Cc: Joseph Wilson; Scott Greathead
Subject: Kajaki & SEPS

Here is a report from last week about what's happening in Kajaki and the SEPS (South Eastern Power System). I simply don't believe that there is no way to get concrete poured in the dam. It requires sand, stone, cement and water and a batching plant, all of which can be stockpiled. I'll bet that if the goods are purchased from suppliers in the villages nearby they will be lining up at the gate to sell it. Or the ingredients can be heavy lifted by helo into the plant - slow but possible. It sounds like they are looking for a reason to go home, not a way to get it done.

In 2004, when Washington Group & KEC were awarded the Haditha work, including that dam work we were told the exact same story. That supplies could not be delivered into the dam. The roads outside were also 'no go' and they were effectively controlled by the insurgents, who 'mined - IED'd' them every evening. Not a sole from Washington Group or KEC would go near the area - and in the end the work was T4C'd - in the case of KEC it was T4D'd because they would not start work.

Between Symbion & Hart - working with the locals we got the work done despite what appeared to be insurmountable challenges. The US were happy to see cooperation between us and the locals in Iraq and it's what is needed in Afghanistan. We will employ them not 'pay them off' just as we did in Al Anbar.

This is total dejavu. Here we have a dam that people say is inaccessible for work and a 200km powerline and instead of Washington Group and KEC we have Louis Berger and Black and Veatch who are probably very happy to have funds moved to other areas.

I've attached a memo I sent after talking to Joe. He is going to see if he can get any traction in DC. I think it's worth making an effort to point these things out as it will be sad to see this area neglected when it's possible to get the work done. I've also attached the Guardian article and the USAID IG report which gives more details.

Paul

December 13, 2009 Sunday 11:39 PM BST

HUGE TURBINE MOTHBALLED AS TALIBAN CONTROLS DAM ROAD

Joe Sinclair, Press Association

A huge hydro-electric turbine dragged 110 miles by British troops through Taliban territory in Afghanistan is being packed away because the cement required to install it cannot be delivered safely, it was reported today.

More than 2,000 UK troops led a dangerous operation to transport the turbine by road to the isolated Kajaki dam in northern Helmand in August and September last year.

The mission was hailed a success and it was hoped electricity provided by the turbine would help win Afghan hearts and minds.

But 15 months later the area continues to be besieged by Taliban fighters and the turbine's components remain unassembled because Nato has been unable to secure a 30-mile stretch of road needed to deliver the huge amounts of cement required.

John Smith-Screen, head of energy and water projects for the United States Agency for International Development (USAID), told the Guardian the turbine parts were being packed away and it was looking for other energy projects to invest in across Afghanistan.

He said: "Our message is that until we have a secure road we cannot continue with the installation of turbine two.

"When the turbine was moved in by British and American forces it was a huge effort and it was done in a point of time. But we can't move in the large quantity of cement and aggregate that we need in a point of time, we need a sustained effort."

He said a Chinese company CMIC contracted to install the turbine left overnight for security reasons and the agency had not been able to find an alternative sub-contractor prepared to do the work.

Mr Smith-Screen said USAID was deciding what to do with the turbine but the process of inventorying the parts and storing them away had already begun.

The operation to transport the turbine to Kajaki was hailed at the time as one of British Army's biggest success stories.

The transport mission, taking the turbine from Kandahar Airfield to the Kajaki dam, involved nearly 4,000 ISAF troops from the UK, US, Canada, Denmark and Australia.

The convoy took six days to get to Kajaki with its 200-tonne cargo.

During the mission one British soldier was injured when he was run over by a vehicle and a Canadian soldier died when his vehicle was struck by an IED.