



June 5, 2018

Honorable Samuel Tweah
Minister of Finance and Development Planning
Ministry of Finance and Development Planning
Broad Street
Monrovia, Liberia

RE: Implementation Letter Regarding Management Support to LEC Sub-Activity and Modifications to Annex I of the Compact

Dear Honorable Minister Tweah:

Reference is made to that certain Millennium Challenge Compact signed on October 2, 2015 (the "**Compact**"), between the United States of America, acting through the Millennium Challenge Corporation ("**MCC**"), and the Government of the Republic of Liberia, acting through the Ministry of Finance and Development Planning (the "**Government**"), and the Program Implementation Agreement ("**PIA**") signed on the same date between MCC and the Government. Each capitalized term used but not defined in this letter has the meaning given to such term in the Compact or in the PIA.

MCC provides this Implementation Letter pursuant to Section 3.5 of the Compact to communicate guidance regarding the Management Support to Liberia Electricity Corporation Sub-Activity. Specifically, MCC and the Government agree that the installation of connections and operational improvements to LEC's distribution system are consistent with the description of the Management Support to LEC Sub-Activity, as increased connections have been identified as being critical to ensuring the financial sustainability of LEC and are necessary for meeting the objectives of the Energy Sector Project.

Additionally, pursuant to Section 6.2(b) of the Compact, MCC and the Government agree to modify the Compact as follows:

1. Annex I, Part B.1(a)(i)(D) will be deleted and Annex I, Part B.1(a)(i)(A)-(E) will accordingly be relettered as follows:

"(A) the expected additional cost required to provide a total installed generation capacity of up to 88 MW;

(B) cover unfunded gaps between existing stakeholder commitments and a total cost to complete the rehabilitation of MCHPP in an amount not to exceed \$357 million;

(C) cover the cost of a second 66 kV transmission line from MCHPP to the Paynesville substation; and


(D) costs related to the establishment of certain dispute adjudication boards.”

2. Annex I, Part B.1(a)(ii)(D) will be deleted and replaced in its entirety with the following text:

“(D) rehabilitation of the raw water intake at MCHPP from the powerhouse to the MCHPP site boundary and the rehabilitation of the raw water transmission line from MCHPP to the White Plains Water Treatment Works.”

Please indicate your acknowledgement and agreement with the terms of this Implementation Letter by providing your signature below. Please deliver an executed and dated copy of this letter agreement to MCC. If you have any questions, please contact Kateri Clement, MCC’s Resident Country Director.

Sincerely,


Kyeh Kim

Principal Deputy Vice President, Department of Compact Operations, Africa

Acknowledged and Agreed on _____ 2018


Samuel Tweah

Minister of Finance and Development Planning

cc: Monie Captan, Chief Executive Officer, MCA-Liberia
Kateri Clement, Resident Country Director, MCC Liberia