

KE to get additional 300MW from national grid

ISLAMABAD: Karachi Electric (KE) team headed by Chief Executive Officer (CEO), Moonis Alvi on Friday held detailed discussions with top Power Division officials on possibilities of enhancement of despatch from NTDC and to find a way out in case of compensation in the event of a delay in notification of its tariff, well-informed sources told Business Recorder.

Presently, KE is facing a shortfall of around 500MW which increases in peak hours with a reduction in gas pressure. However, there is no shortage of furnace oil. The power utility is undertaking scheduled load shedding of eight hours in areas where issues such as recovery and theft exist.

The meeting was a follow up of a high-level meeting presided over by Prime Minister Imran Khan on July 16, 2020 where issues relating to load shedding in Karachi and notification of KE's quarterly adjustments for the period from July 2016 to March 2019 were discussed. To bring the tariff of KE at par with Discos, the government has to allow an increase of Rs 1.09 per unit to Rs 2.89 per unit.

On Tuesday, the federal cabinet also discussed the loadshedding issue and did not ratify the ECC decision of March 4, 2020 to raise tariffs. This issue also came under discussion during a meeting presided over by the Prime Minister wherein it was decided to withhold the notification for the time being as presently there is already a hue and cry in Karachi due to prolonged loadshedding.

The sources said a KE team and Power Division officials discussed different options to deal with current power outages in Karachi and it was decided that NTDC will refurbish/augment its conductors at Jamshoro after which an additional 300MW electricity will be transmitted from the national grid, totaling 1100MW (650+150 wind+50MW Kanupp+300MW). This process will take 7 to eight months.

"This is the only way to increase supply immediately. For this KE has expressed its willingness to incur expenditure on conductors refurbishment and later the amount will be adjusted. In case NTDC starts the process, it has to follow PPRA rules which could delay the process," the sources added. The KE's next year's demand will be around 4000 MW.

KE will formally send a consent letter to the federal government so that the process can begin.

The sources further stated that the government will give a subsidy to KE in case the notification of quarterly tariff is delayed. For this purpose, Central Power Purchase Agency Guaranteed (CPPA-G) will calculate the amount of subsidy so that approval can be obtained from the Economic Coordination Committee (ECC) of the Cabinet.

An official said there was no unscheduled power load shedding in other parts of the country. However, Discos undertook load shedding in those areas where recovery is less or losses are over and above 10 per cent.

The official said that Discos were allocated 23,270 MW on Friday against demand of 20,414 MW. However, Discos drew 17,381 MW, which was 5,889 MW less than the allocated quota.

“There was no unscheduled load shedding except in those areas where overloading is witnessed in distribution network/transformers and two points of NTDC,” said another official.