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### **1,400MW additional electricity for Karachi approved**

ISLAMABAD: The Cabinet Committee on Energy (CCOE) on Friday approved 1,400MW of additional power supply from the national grid to Karachi and directed submission of draft Alternative & Renewable Energy Policy (AREP) to the cabinet.

The meeting presided over by Minister for Planning, Development and Special Initiatives Asad Umar discussed the draft AREP and ordered its submission to the cabinet in whatever shape it was.

Informed sources said the Ministry of Energy had reported to the committee that most of concerns of the Sindh government over the draft AREP that had led to its delayed approval for almost six months had been addressed through a series of interactions continued until Thursday.

According to these sources, Umar observed that the policy should not be held up for such minor issues and should be taken to the federal cabinet for clearance at least on part of the centre and any pending matter could be settled at the level of the Council of Common Interests (CCI).

The sources said the committee did not consider it worthwhile at this stage to include hydropower generation in the AREP as desired by the National Electric Power Regulatory Authority (Nepra) as it was also covered in the mainstream power policy.

An official statement said the CCOE had recommended the draft policy for submission to the cabinet. "The policy will subsequently be presented to the Council of Common Interests (CCI) for final approval", it said.

The AREP policy 2019 envisages protection of the environment by increasing the share of green energy in the overall energy mix, least cost on grid power generation, and also to develop AREP local manufacturing, skilled human resource and technology transfer. It will enable private sector investment and participation in on-grid and off-grid AREPs and innovative supply solutions.

The CCOE was briefed on the power demand and supply situation for Karachi in the next 3-4 years. The committee approved the proposals relating to supply of additional power to KE (K-Electric) from national grid and directed that the technical details may be finalised between the parties by Aug 15, 2020.

Under the understanding reached between KE and the government, Central Power Purchasing Agency/National Transmission & Despatch Company (CPPA/NTDC) to enhance supply to KE from national grid by 1400mw on urgent basis from upcoming nuclear power projects in the city and coal projects at Port Qasim. The CCOE directed that power purchase for additional power supply should be signed by Aug 15.

This would also require additional transmission facilities to be developed through three different locations, including Jhimpir, Karachi West and Port Qasim-Dhabeji. The federal government will also support the issuance of tariff notification for Datang Coal Power Limited (2x350mw) at Port Qasim.

After meetings with all stakeholders, including KE and the National Transmission & Dispatch Company (NTDC) which is the national grid operator, the Power Division has recently given an undertaking that the NTDC would supply additional power of 500mw to KE from K2/K3 project. The NTDC would also increase the total supply from national grid at to 1400mw from FY 2023.

Further, it has also been agreed that the 700mw Datang coal project was critical for KE in managing the demand supply gap despite availability of 1400mw from national grid. KE has confirmed that this plant will operate on local coal once local coal is made commercially available. The KE will also develop transmission line and related infrastructure to its Bin Qasim RLNG plants while the government will ensure diversion of 150mmcf of RLNG at Ogra-notified rates.

The first unit (450mw) of Bin Qasim Power Station (BQPS)-III RLNG plant is expected to come online in April-May 2021, followed by second unit by September-October 2021. The total fuel requirement for the 900mw RLNG Plant is 150mmcf, however, fuel supply will be required effective January 2021 for testing to ensure timely COD. Currently, the government has commitments for 800mmcf RLNG supply and can meet KE's requirement of 150mmcf from January 2021 through December 2025.

The CCOE was also briefed on the current status of the 1124 MW Kohala and 700mw Azad Pattan Hydrogen power projects. The committee sought further details regarding the two projects and directed Private Power and Infrastructure Board (PPIB) to submit the same to the CCOE at the earliest.