

Karachi facing power outages next summer?

ISLAMABAD: The fate of Karachiites as to whether they will face power outages or not in the next summer season hinges upon five actions that Sui Southern Gas Company (SSGC) has to take.

Under the worst case scenario, if the said actions are not materialised on time, then loadshedding will continue to haunt the business capital of the country. The federal government of PTI, that won sizable seats in 2018 elections from Karachi, cannot afford that the country's biggest metropolitan city is again exposed to irritating loadshedding, which not only ruins the normal life but also the commercial and industrial lives of the city.

The federal government is now very sensitive with regard to the electricity agonies of Karachiites and has decided to provide about 1,400 MW to the K-Electric from the national grid for which the system is being upgraded.

The K-Electric wants smooth supply of gas to its new power plants of 900MW being installed at Port Qasim. It wants the supply of gas for its first gas turbine by March for which some kind of infrastructure has to be laid down by the SSGC. Likewise, the K-Electric also needs gas supply with desired pressure to its plants namely at CCPP, SGTPS and KGTPS.

With a view to ensuring unhindered supply of gas, a crucial meeting was held in October 2020 at the SSGC headquarters office with Federal Minister for Energy Omar Ayub Khan in the chair.

The meeting was also attended by SAPM on Petroleum Nadeem Babar, and top officials of the KE and the SSGC that finalised 1,2,3, 7 and 8 action items, which the SSGC has to do within timelines.

The KE management seems worried if the required actions are not taken on time, their efforts to run the new power plant of 900 MW on time and improve the electricity generation outlook will be in jeopardy, and the suffering of Karachiites will soar.

In order to mitigate its concerns for 'expected' delay in completing the required action on part of the SSGC, the KE wrote a letter on November 9, 2020 to Amin Rajput, acting managing director Sui Southern Gas Company, seeking updates on the action items finalised in the October 8 meeting at the SSGC headquarters. However, a spokesman for the SSGC says that the gas company is on its toes and will accomplish the action items on time. The detailed response of SSGC has also been included in the story.

About action items 1 and 2, the KE seeks update from SSGC on the availability of 30-inch pipeline and tie-in nozzle by January 2021, which is needed for the interconnection of KE spur pipeline.

SSGC says it has already awarded the construction contract for the spur pipeline last month and have initiated procurement of material for commissioning of pipeline by February 28, 2021 to transport 150 MMCFD RLNG supply for the commissioning of 900 MW BQPSIII power plant in March, 2021.

And about action item 3, the KE also seeks the update on the timeline for interconnection agreement between SSGC and PLL, which is needed to formulate the techno commercial basis for functionality of interconnection services associated with supply of 150 mmcfD RLNG to KE. The KE says that RLNG will be needed to test fire the first gas turbine by March 2021 and it is recommended that all agreements should be executed much earlier to avoid any delay in the commissioning of the power plant.

With regard to action item 7, the KE says that it is still waiting for the availability of the SSGC team for the meeting to discuss and conclude the open items of GSA. In this regard, KE wants to have a date and time of the proposed meeting between the SSGC management and KE.

And with reference to action item 8, the KE says in the letter: "We have been told that the SSGC is working on augmentation of its network by adding pipelines to ensure desired gas pressure at CCPP, SGTPS and KGTPS. The KE recalls, saying as was discussed in the October 8 meeting that the additional gas infrastructure will ensure the gas at right pressure will be provided to KE's existing power plants at SITE and Korangi to avoid any generation shortfall in peak summer.

However, the SSGC says about action items 1 and 2 in its response that the 30" x 17 Km pipeline project of SSGC is in construction phase and it will complete the said project within its stipulated timeline. About action item 3, the SSGC says that negotiations are underway and issues are being discussed and sorted at both ends.

About action item 7 for gas sales agreement, the SSGC says that a number of meetings have been held with K-Electric and issues are being discussed. It is not known how long it will take as both sides are thoroughly discussing terms and conditions and related matters.

For action item 8, the gas company says that the SSGC is currently running simulations and studying very carefully various options to alleviate the pressure situations at SGTPS and Korangi power plants. The SSGC further mentions saying, being a distribution company, relies on the inputs of gas from various sources that are received at pressures which are then distributed.