

Industrialists meet power sector top brass

ISLAMABAD: The federal government has assured the Karachi based industrialists of continue gas supply to industries which are not currently connected to the power grid, and Discos would expeditiously process new connections and load enhancement applications for industries. Sindh Governor Imran Ismail held a detailed discussion with the group of industrialists along with SAPM on Petroleum Nadeem Babar and SAPM on Power Tabish Gohar, here at the Ministry of Energy.

Secretary Petroleum, senior officials of the Ministry of Energy and managing director of the Sui Southern Gas Company were also present at the meeting.

The representatives of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and the presidents of various associations of the industrial areas in Karachi also attended the meeting.

At the onset, the governor said the federal government would extend all possible assistance to them for industrial growth and for the country's exports.

He committed that no industry would be disconnected from gas supply unless they had an electricity connection to meet their requirements.

The SAPM on Power Tabish informed the forum that Pakistan has overcapacity in terms of power generation and circular debt is a basic economic issue; connecting the industries with the national grid would help to reduce the burden of take-or-pay charges on the government.

Further, he said the incumbent government had announced the electricity tariff support package whereby all industries would be provided discounted rate on power tariffs on incremental usage of electricity for the next three years.

He also added that the present government was bringing improvement in the power sector through bold policy decisions. He further said the Discos would expeditiously process new connections and load enhancement applications for industries and ensure quality of supply to industry.

SAPM on Petroleum Nadeem Babar said the decision is based on the fact that consumption of scarce natural gas in inefficient CPPs was a big national loss.

On the other hand, the surplus power generation capacity could be absorbed in these industrial units at competitive rates and reliable supplies.

He informed the participants that the issue of gas supplies to the CPPs had been under discussion for the last 10 years. He added that Allocation Management Policy 2005 clearly stated that the gas supplies to the CPPs would be made on as/when available after meeting the requirement of other consumers.

He said even new policy also exempted captive units with co-generation since they had much higher combined efficiency.

The SAPM on petroleum maintained that industrial units, which were not currently connected to the power grid or had electrical connections that are sufficient for their needs, would not be disconnected immediately.

He said the government would request them to shift from gas-based captive power generation to the national power grid by December of this year. At the conclusion, the Sindh governor urged that joint efforts by the industrialists and the federal government would ramp up the progress and development of the country.