

Bin Qasim Thermal Power Station Extension Unit 6 Project



Bin Qasim Thermal Power Station

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥27,525 million / ¥25,089 million
Loan Agreement	March 1992 and November 1994
Terms and Conditions	Interest rate: 2.6%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	March 1999 and February 2001

Project Profile

The project was to expand the generation and transmission equipment of the existing Bin Qasim Thermal Power Station to avoid a power supply shortfall anticipated under the jurisdiction of the Karachi Electricity Supply Corporation (KESC) in and after FY 1993~94.

Results and Evaluation

The generation equipment expanded under the project has an operational record that exceeds the estimates. The new facility delivers higher output, thermal efficiency and utilization factor, with lower auxiliary use factor than other generation equipment in the power station.

The generation equipment installed under the project runs stably, delivering base load. During the two years from July 1998 to June 2000, it delivered 13.6% of the total electricity supply from KESC.

The generation equipment within the power station is subjected to regular disassembly and inspection. In addition, the No. 6 generator added in the project runs smoothly, and appropriate, maintenance, including overhauls, of the other generator plants is conducted regularly. This suggests that there will be no problems in the operation of the generation equipment in the foreseeable future. However, the balance of revenues and expenditures at KESC is deteriorating year after year, and the corporation has been operating at a loss since FY 1995~96. The government is working on restructuring KESC and other state-owned bodies in Pakistan's electric power sector, and future developments will have to be watched closely.