

# UMEED

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### K-ELECTRIC SECURES US \$250 MILLION IN FINANCING FROM OPIC

K-Electric and the Overseas Private Investment Corporation (OPIC) signed a 10-year financing agreement of US \$250 million on 17th February, 2016 in Washington. The commitment letter for this transaction was signed in October last year between the two organisations.

The OPIC loan is a part of a US \$450 million investment by K-Electric into its transmission and distribution systems,

including the installation of new substations, transmission line equipment, grid stations and other transmission enhancements and upgrades over the next 36 months under the TP-1000 project. This is the largest ever single financing transaction by OPIC with a Pakistani company in private sector.

OPIC is the US Government's development centric financial institution which mobilizes private capital to address development challenges, with a focus on emerging markets. This agreement is a clear sign of the confidence which OPIC has placed in KE's ability to deliver.

The signing of the OPIC loan marked the financial closure for the TP-1000 project. Sinosure and Hermes backed financing

agreements for US\$91.5 million and €46.5 million respectively were signed early in December 2015. KE's partnership with OPIC will play an important role towards the enhancement of its transmission & distribution network and will improve the power supply situation in Karachi.



### 16 MW AGREEMENT SIGNING CEREMONY WITH ATTOCK CEMENT

K-Electric has signed an Agreement with Attock Cement for an Additional Supply of 16 MW of power. This Agreement was signed by Mr. Asif Saad, Chief Operating Officer Distribution on behalf of K-Electric and Mr. Irfan Amanullah, Company Secretary, on behalf of Consumer in presence of Cross Functional Team (CFT) of K-Electric. The construction of the whole scheme will be financed by Attock Cement.

through One Window Operation.

Mr. Amir Zafar, Chief HSEQ & Special Distribution Project appreciated the understanding of Attock Cement team who worked along with CFT to come to a very useful and economical methodology for serving additional 16 MW to the Attock Cement scheme.

Mr. Asif Saad apprised the guest from Attock Cement of K-Electric's policy of Fast Track processing of MW+ application

K-Electric management is continuously approaching valuable clients to facilitate them in fulfilling their power needs, through one window operation.

### POWER PURCHASE AGREEMENT (PPA) WITH SIND NOORIABAD POWER COMPANY

K-Electric, in its efforts to meet the continuously increasing power demand in Karachi, has entered into principle understanding on Power Purchase Agreement with Sind Nooriabad Power Company (SNPC) for an indigenous gas based power supply of 100 MW. This power project, situated in Nooriabad, is a jointly sponsored venture of Technomen Kinetics (Pvt) Limited and Government of Sind under a private-public partnership.



The signing ceremony of the Power Purchase A g r e e m e n t between K-Electric and SNPC was witnessed by the Provincial Finance

Minister, Mr. Murad Ali Shah and Secretary Energy Government of Sindh, Mr. Agha Wasif along with the senior management of SNPC and KE.

The 100 MW power from Nooriabad will



be relayed to KE's KDA Grid via a specialized transmission setup being established by the Sindh Transmission Dispatch Company (STDC). Successful implementation of the project will add affordable and sustainable electricity into KE's generation mix and strengthen the power supply in Karachi and adjoining areas of interior Sindh and Baluchistan.





### GLOBAL EARTH HOUR CITY CHALLENGE IN COLLABORATION WITH WWF

Keeping in line with our Climate Change Policy, KE & WWF inaugurated the Tree Plantation Campaign under the Global Earth Hour City Challenge. The goal of this campaign is to work toward a 'Greener Karachi' and to reduce our carbon footprint. The tree plantation campaign will also reduce the impact of climate change as seen in the form of the heat wave last year.



The campaign started off with the plantation of 500 mangrove saplings in the first phase at WWF Wetland Sand Centre, spit. During the course of this campaign 20,000 man-

groves will be planted all over Sindh. Mr. Eram Hasan, Chief Supply Chain Officer led the KE delegation for the event, and Mr. Hammad Naqi, Director General, WWF represented the WWF delegation.

KE is the first corporate entity to have entered Karachi in the WWF Earth Hour City Challenge. This challenge has been created to



mobilize support from the cities in the global action and transition towards a climate friendly one-planet future.

This campaign was initiated in line with the agreement signed between KE & WWF in November 2015 for the Earth Hour City Challenge. Through this campaign and many others we have committed to plant 100,000 trees in Karachi.

#### KE ANNUAL REPORT 2014 WINS SAFA AWARD

The committee for Improvement in Transparency, Accountability and Governance (ITAG) at SAFA has awarded the Best Presented Annual Report Award for 2014 to the KE Annual Report. KE won the award in the Service Sector category (excluding financial services and communication & IT sector). Federal Minister for Finance, Economic Affairs and Privatization, Mr. Mohammad Ishaq Dar was the chief guest at the event and distributed the awards.

SAFA is the apex forum of nine professional accounting bodies of the SAARC countries, created for positioning, maintaining and developing the accounting profession in SAARC region.

This award was conferred to KE on the basis of evaluation performed by SAFA ITAG committee and bears testimony to the constantly improving standards of Transparency, Accountability and Governance at KE.



### 5TH INTERNATIONAL CORPORATE SOCIAL RESPONSIBILITY AWARD

K-Electric has been awarded the 5th International Corporate Social Responsibility Award. The power utility was the only company in the power sector to win this award for its notable response on the emergency situation during last year's heat wave in Karachi.

The awards were organized by The Professional's Network and supported by the Indus Hospital, School of Leadership, SIUT and The Pakistan Red Crescent-Sindh at a local hotel in Karachi. K-Electric's CSR department received the award from President KCCI Mr. Younus Muhammad Bashir. Consul General of Switzerland, Mr. Emil Wyss was also present at the occasion.

K-Electric's emergency response was earlier involved in waiving off power utility bills for the families of the Abbas Town calamity, families of the Baldia Town Factory victims and the Timber Market fire. Be it flood or earthquakes, K-Electric has actively participated in relief operations during emergencies, aiming to improve the lives of people involved.





#### **INSTALLATION OF ANTI-THEFT CABLE**

#### **REHMAT CHOWK ORANGI**



After months of planning and execution, the power utility successfully completed the installation of Aerial Bundle Cables (ABC) Rehmat Chowk, Orangi. The area previously was infested with Kundas

(illegal cables) and was a high-loss area where the fault ratio was significantly high but after the completion of ABC Installations, residents of Rehmat Chowk are now enjoying uninterrupted supply of electricity and a minimal fault ratio.

This was a high loss area and due to illegal theft wires and cables overloading the PMTs, the residents faced outages and faults on an almost daily basis. These residents were then informed about the benefits of these cables and they welcomed this initiative by KE.

K-Electric is continuously executing and installing the Aerial Bundled Cables in different pockets of the city where the theft ratio has been high due to the kunda-system and the power utility plans to complete ABC



installation in 15 Feeders within the next 3 years.

## KE SIGNS \$8M DEAL WITH LS FOR TRANSMISSION LINE

K-Electric signed an agreement worth US \$8 Million with M/s LS Network & LS Cable & System Consortium Korea. The project is for laying of double circuit underground 220 KV Transmission line between Lalazar & Mauripur Grid Station. Among

others, Chief G&T Mr. Dale Sinkler and Director Projimplementation Mr. Bilal Mirza represented KE. were repre-LS sented Mr. **James** Jang Global Business General Manager and Mr. Gisu Kim Director Energy



#### **GULSHAN-E-MAZDOOR**

K-Electric has successfully completed the installation work of its Aerial Bundle Cables (ABC) in Baldia's Gulshan-e-Mazdoor which was previously infested with illegal electricity connections and hence categorized as a Very High Loss (VHL) area.

This area has more than 3,000 Residential and Commercial plots which have now been completely converted to Aerial Bundle Cables (Anti-theft Cables).



K-Electric, after a cost of more than PKR 40 million successfully installed 230 poles, 11 PMTs and around 1,800 new Digital Meters in Gulshan-e-Mazdoor for its residents. Following this initiative, the

fault/tripping ratios in this region will substantially decrease and the voltage issues should cease to exist.

# LAYING OF NEW TRANSMISSION LINE FROM QUEENS ROAD TO OLD TOWN GRID STATION

K-Electric has signed a contract with Xian Electric Engineering Company (China) for laying a new 132 KV underground circuit from Queens Road Grid Station to Old Town Grid Station. The project would be completed in approximately 1 year and the new transmission line would help in loss reduction via a smoother electricity supply which would benefit the consumers in the area.

The project is worth US\$ 3.3 Million and the new Underground Transmission Line would pave the way for a more stable and reliable supply of electricity to 3 K-Electric Grid Stations. The contract was jointly signed at the KE House by Suo Tao, Deputy General Manager Xian Electric Engineering Company Ltd. and Muhammad Adil, Deputy Chief Transmission Officer K-Electric.

The signing of the contract with M/s Siemens and M/s Xian Electric Engineering Company (Consortium) is in line with this transmission investment plan (TP-1000).







#### **ENERGY CONSERVATION DRIVE**

#### KARACHI LITERATURE FESTIVAL

The Energy Conservation Department recently participated in the three day Karachi Literature Festival held at Beach Luxury Hotel from 5th to 7th February, 2016. The event over the last few years has acquired a reputation as one of Karachi's main literary and cultural event attracting an audience from all walks of life and age groups. This year over 100,000 people visited the event.

Taking advantage of such a high volume of diverse audience, KE's Energy Conservation department also actively carried out its awareness activity promoting Energy Con-



servation and wise use of electricity.

Various celebrities, foreign dignitaries, members of Karachi's diplomatic missions and notable citizens besides thousands of other visitors stopped by at KE's Energy Conservation Kiosk. The visitors appreciated KE's role towards educating and counseling the public on energy conservation and use of energy efficient appliances.

#### LRBT FUNDRAISING CARNIVAL

Continuing with its commitment to strengthen community and to mark the occasion of Pakistan Day, K-Electric came together with the Layton Rahmatulla Benevolent Trust (LRBT) at a fundraising carnival for the healthcare institution on the 23rd of March, 2016.

K-Electric's Energy Conservation Team was present at the event with several engaging and educational activities to spread the message of energy efficiency



to people of all ages. The stall saw a high volume of activity throughout the day, and the team shared material on smart-saving tips with the visitors. A specially designed demo board gave visitors the chance to see the impact of an energy efficient lifestyle as well. The games and quizzes were enjoyed by children and adults alike, and KE's transformation story along with its efforts to reduce Karachi's carbon footprint were also applauded by all.

KE takes great interest in the sustainable development of community. The organization took the opportunity of Pakistan day to remind the citizen of there duty to the city.

### 4 FEEDERS OF LYARI EXEMPTED FROM LOAD-SHED

K-Electric has successfully exempted 4 Feeders of Lyari from load-shed after months of planning, execution and educating the residents of the advantages they would have once they cooperate with the power utility to end electricity theft and start paying their monthly utility bills consistently. 4 Feeders of Lyari, namely, Muslim Garden, Bengal Oil, Jillani Center and Rampat Road were previously incurred with losses and the residents of these feeders resorted to theft of electricity through illegal means.

These feeders had residential, commercial and industrial consumers on them and KE has successfully brought them down to a low-loss category which translates into very minimal or no load-shed from a previous 3 hour load-shed daily.

K-Electric is continuously planning to execute similar projects where losses and load-shed hours will be brought down in other high loss and very high loss areas provided that the customers in these areas extend their support to the organization.

### RE-LAUNCH OF OPERATION BURQ



K-Electric relaunched its Operation Burq campaign against power theft.

Embarking on the second phase of this operation, KE once again tightened its noose against power thieves and heavy defaulters.

During this operation, several residence owners, renowned restaurants, factories and cable shops were found involved in power theft. Through this operation, the team apprehended many culprits and several FIRs were charged.

KE will continue its operation towards a complete eradication of

power theft that is deemed a menace across the city. However, to achieve this objective, it is important for customers to acknowledge the company's commitment and support their initiatives.







### LIGHTS OUT FOR EARTH HOUR

KE in collaboration with WWF participated in the global celebration of Earth Hour on Saturday 19th March, 2016 from 8.30 PM to 9.30 PM at Frere Hall Karachi, showing its commitment to reducing the carbon footprint and promoting a sustainable, energy efficient future for Karachi.



Earth Hour is a worldwide movement organized by WWF by switching off all non-essential lights for 60 minutes between 8:30 PM to 9:30 PM to take a

stand against climate change and contribute for a better planet.

Lights of Frere Hall were switched off for an hour, the n a t i o n a l anthem was



played and candles were lit. This was more than just an event, indeed a movement about going beyond and adopting energy conservation as a regular habit.

## KE FOOTBALL CLUB PARTICIPATES IN AFC QUALIFIER

Being the current Pakistan Premier Football League champions, KE Football Club represented Pakistan in the Asian Federation Cup (AFC) Qualifiers held in Bahrain in February 2016.

The team performed exceptionally against the Bahraini Champions maintaining a score of 0-0 in the first half. However, the Bahraini's managed two goals in the second half unfortunately costing KE FC a spot in the AFC cup.

However, the team remains motivated and the players, management and coaches continue to enhance their efforts so that KE FC brings more pride to Pakistan.

Earlier, K-Electric Football Club (FC) visited the KE House where the top management of K-Electric along with KE employees welcomed the team in order to show their support



and acknowledgement of the hard work KE Football Club has put in for the Asian Football Confederations Cup preparations.

The KE management is extremely proud of its team

and is now committed to focusing on and further investing in the players.

### PATRONS TROPHY GRADE II CRICKET TOURNAMENT

The Patron's Trophy, also known as the President's Trophy, is a first class cricket tournament of Pakistan. The trophy is contested between corporate and public service entities.

The KE team won 4 consecutive group matches in the tournament and drew their last match against State bank. K-Electric emphatically defeated Candyland, Navy, Customs and PTV teams.



The way KE team played throughout the tournament is truly commendable and a proud moment. Top performances witnessed included Ramiz Raja Jr., who scored 203 runs, the highest individual score in the Grade-II Cricket Tournament 2015-16. Also, our left arm spinner and youngest under 19 player Hassan Khan took 10 wickets in his first match and performed with agility in the field as well.





#### BAHRIA UNIVERSITY STUDENTS VISIT CCPP KORANGI

K-Electric continues its effort to educate the young leaders of tomorrow and hosted Bahria University Karachi's students at one of their power plants located in Korangi. These students and faculty members visited Korangi's Combined Cycle Power Plant (CCPP 220 MW) which was part of a knowledge sharing initiative by KE





The purpose of the visit was to help students of the Electrical Engineering Department to have a better understanding of the practical aspect of the theory that they study during their curriculum. The faculty members appreciated the time and effort that KE has put in to facilitate these students.

#### **KATHORE CAT RESCUE**

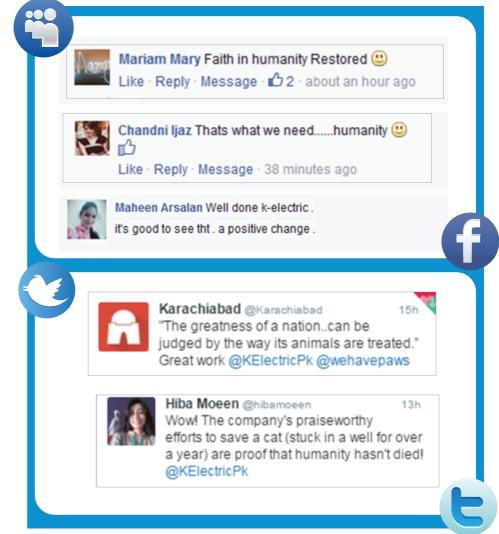
K-Electric received a tweet requesting the company to facilitate the rescue of a cat that had been stuck at the bottom of a 110 feet well in the outskirts of the city.

The cat had been stuck in the well for about a year and was being fed by the owners of the well, whereby several attempts were made by the cat's caretakers but to no avail. Last year, KE had successfully rescued a trapped bird which was stuck on KE's transmission line and this prompted the sender to direct this request to KE.

After a quick survey, the KE team took up the challenge of rescuing the cat from the roughly 110 feet deep well that was dark, deep, and dried up. A team member from the KE Malir IBC, Sikander Baloch, went into the well via crane after all necessary safety precautions with a cage provided by PAWS.

The cat was successfully rescued in collaboration with PAWS and Edhi Animal Welfare, and was found to be in good health.

KE took part in this rescue mission as a responsible corporate entity. The company is a vital part of Karachi and believes in fostering a healthy relationship with the society it serves.















#### **ECTIPS**

#### SMART TIPS TO SAVE ENERGY AND THE ENVIRONMENT

### ENVIRONMENT (CARE FOR YOUR ENVIRONMENT!)



- Take precautions while disposing of broken Energy Savers as they contain hazardous mercury.
- Plant trees that absorb harmful CO<sub>2</sub> from the atmosphere and release tons of oxygen during the day time.
- Reduce, reuse and recycle for equal distribution of all natural resources.
- Encourage children to play outdoors as it will strengthen their minds and bodies. If children don't learn to love nature when they're young, they're unlikely to support environmental protection as adults.

#### COOLING (STAY COOL WITHOUT SPENDING A FORTUNE!)



- Keep your AC Thermostat on 24°C and get its filter serviced regularly in order to reduce your energy bill by 30%.
- Apply Heat Rejection Sheets on the exterior glass of windows/doors and minimize AC usage.
   Use curtains, blinds, or shutters to stop heat from sunlight.
- Keep the AC Outdoor Unit under a shade as it enhances the cooling and efficiency of the AC.

### LIGHTING (LIVE WITH MORE LIGHT & AND LESS ELECTRICITY!)



- Replace conventional lights with LED LIGHTS (zero carbon foot print) and save 80% energy on sustainable basis.
- Use 23W SAVER which saves 75% energy instead of an incandescent bulb (which consumes 90% of energy to produce heat and 10% to light up your home).
- · Use maximum daylight whenever possible.
- Paint your home in LIGHT COLOURS as they reflect light and do not absorb heat.

#### HOUSEHOLDS (LITTLE THINGS ADD UP!)



- Avoid keeping your appliances on standby mode as it can sip away energy.
- Repair leakages of Gaskets and Compressors regularly to avoid energy wastage.
- DO NOT KEEP HOT FOOD in the fridge as it increases energy consumption.
- Convert your CRT Monitor to LCD/LED because 60MW can be saved if One Million consumers do it together.
- Switch off at least one TV from MIDNIGHT TO 6:00
   A.M. because 120MW can be saved if One Million consumers practice this together.



