

A photograph of a large industrial generator in a power plant. The generator is a large, cylindrical, light blue structure with a red cap on top, surrounded by a metal railing. In the foreground, a man in a white shirt and dark trousers is walking down a staircase with blue railings. A woman in a red sari is also visible on the stairs. The background shows the interior of the power plant with orange and grey walls. A sign on the wall reads 'GENERATOR FLOOR' in English and Urdu.

Renewable Energy: The time is NOW!

Dr. Parvaiz Naim
Country Advisor, KfW

4th International Conference on Alternative Energy, Karachi, March 27, 2010

So, what else is new?!

- **40 injured in Mirpur protests against load shedding (March 24, 2010)**



- **Massive load shedding triggers violent protests in Faisalabad (Jan 1, 2009)**

How we did it to ourselves

- 1994 Power Policy: *Carte Blanche* to IPPs:
 - any technology;
 - any fuel; and
 - any location



1994 Policy led to:

Power Surplus (till early 2003), & High tariff

- Public Sector Plants shutdown to accommodate IPPs:
 - neglect to Public Sector Power Plants
- All eggs in Kalabagh basket for low tariff
 - hydel projects suffered

Hydro (*condemned*) power

- **Balochistan Assembly rejects Hingol dam** (June 29, 08)
- **Kalabagh Dam Scrapped** (May 24, 09)
- **Diamer-Bhasha dam may render Sindh barren: CM.** (March 1, 2010)

Rentals, No Good!

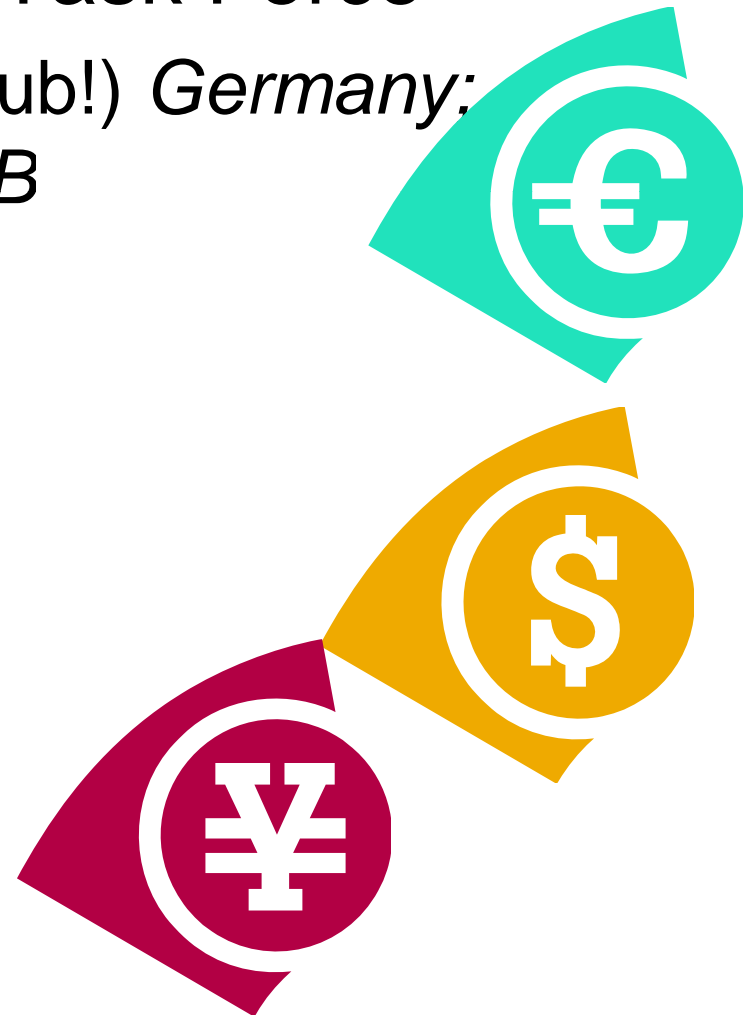
- **Rental power contracts illegal, shady: Transparency International Pakistan**
(Sept 13, 09)
- [Rental power projects to cause another mega crisis: ex-KESC chief](#) (Oct 17, 09)
- Rental Power plants not suitable for Pakistan, ABD (Jan 17,10)

No cheap import!?

- **Iran annoyed over delay in finalizing electricity import deal** (March 23, 2010)
 - **MoU with Iran signed in 2008, but many commitments already made with IPPs/Rental Powers (*expensive*)**
 - **Not much room for cheaper import (*cheap*)**

Friends of Democratic Pakistan

- Pakistan Energy Sector Task Force
 - Members (\$100million Club!) *Germany; France; Japan; USA; ADB*
- Policy Steering Group
 - USA



Possible Actions

- Short term support:
 - Rehabilitating existing plants
 - Improving Transmission & Distribution Systems
- Long term investments:
 - Hydropower (*Glacial Melt threat!*)
 - Waste-to-Energy

Foreseeable Future

- Subsidies withdrawn – Higher cost of living
- Higher cost of business

Because of:

- ***Take or Pay*** agreements

PEPCO is bound to make Capacity payment to IPPs for 25 years - *Sovereign Guarantee for purchasing EXPENSIVE power!*

- Gas burned in low efficiency plants

Depleting clean cooking fuel – *crime against women!*



Future Scenario - 1

Domestic, Commercial sector:

More Meter tempering & *Kunda!*?

More efficient & fewer appliances!!

Industries, hotels, hospitals:

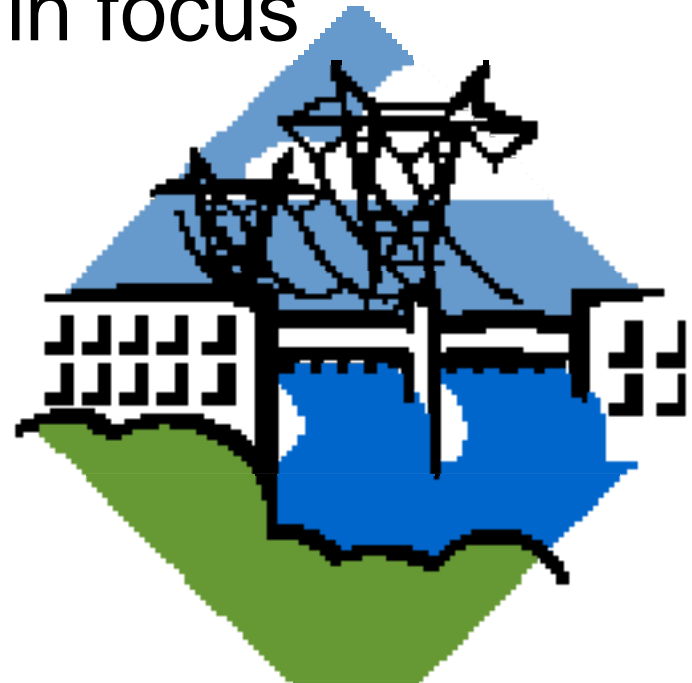
More Captive Plants (CoGen)



Future Scenario - 2

Alternative sources become more attractive

- More Micro - Small Hydel
canals and barrages in focus



Future Scenario - 3

City Govt eye Waste-to-Energy plants

- Karachi garbage worth over 1000MW
- Faisalabad garbage over 100MW



Korangi Cows 24MW



Future Scenario - 4

- Wind power gets more investment
- Solar sees a heyday!



- *People find cheaper solutions!*

Distant Future

Self-contained self sustained
Home Power Units



Remember good old telephone lines!

Thank You!