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## Sindh CM says Thar coal for power generation saves \$78m



KARACHI - Sindh Chief Minister Syed Murad Ali Shah has said that the use of indigenous [Thar Coal](#) instead of imported coal for power generation has resulted in a saving of \$78 million FOREX for the country.

“By procession toward ‘Economy of scale’ [Thar coal](#) prices are reducing from initial \$58 per ton to \$32 per ton and with further expansion the prices will further reduce.” This he said while presiding over a [Thar Coal](#) & Energy Board (TCEB) meeting here at the CM House. The meeting was attended by board members, provincial ministers Shabir Bijarani, Imtiaz Shaikh, Murtaza Wahab, MNA Shazia Marri, Chief Secretary Mumtaz Shah, PSCM Sajid Jamal Abro, Secretary Energy Tariq Shah, (on video link from federal government): Deputy Chairman Planning Commission Jahanzeb Khan, Adl Secretary Finance Anwar Shaikh, Adl Secretary Energy Division Waseem Mukhtar and other concerned.

The CM said that [Thar Coal](#) Mining Block-II, phase-I was a 3.8 mtpa project and had been commissioned on July 10, 2019. It had extracted over six million tons of coal so far. He added that the power project of 660 MW (2X330 MW) was commissioned and supplying power to the national grid from July 10, 2019. The project had produced more than 3.5 GWH electricity. “Had this project been provided imported coal it would have cost around \$78 million to the exchequer

but with the use of indigenous [Thar coal](#) we have saved \$78millions,” Murad Ali Shah said and added by progressing toward Economy scale [Thar Coal](#) prices were reducing from initial \$58 per ton to \$32 per ton. He went on saying by further expansion to 15 mtpa or more [Thar coal](#) prices will further reduce by 50 percent and [Thar Coal](#) Tariff at around 5.5 US cent per kwh would be the cheapest base load in the country.

Minister Energy Imtiaz Shaikh briefing the Chief Minister said that Sindh Engro-Coal Mining Company (SECMC) was planning to expand the mine from 7.6 Mtpa to 13 Mtpa and they would supply 3.5 Mtpa to Lucky electric for which their agreements had already been made. The Chief Minister said that Sino Sindh Resources Ltd had been awarded Thar Block-1 where they had stated work. “In this way various mining projects were either in progress are in the pipeline, therefore transportation of the coal from Thar to upcountry is important, he said and added the Pakistan railways authorities have already prepared a feasibility to lay a 105km new railway link line from [Thar Coal](#) Mines to new Chhor, Cantonment, including up-gradation of existing track upto Hyderabad. This will help to transport coal for power generation and other purposes such as coal to liquid to upcountry. The Chief Minister urged Deputy Chairman Planning Commission of Pakistan Jahanzeb Khan to approve the project so that it could be started. The deputy chairman assured the Chief Minister that the project would be included in the next year PSDP. The board after thorough discussion and deliberations approved tariff for Sindh Sino Resources (Pvt) Ltd.

It was pointed out that the SECMC Project completed 3 months ahead of schedule. Two power plants, each one of 330 MW units commissioned and supplying power to the National Grid since 10th July 2019. More than 3.5 GWH of electricity is produced. It is a 100 percent Compliant with International Finance Corporation/World Bank Environmental Guidelines. Thar Energy Ltd, 330 MW project has achieved financial close (FC) on 30th Jan, 2020. The COD of the project would be March, 2022. 60 percent work has been completed. Thal Nova has also achieved Financial close in Sept, 2020 and its COD is August, 2022. 33 percent work on the project has been completed. It is also a 330 MW project. The Energy Minister Imtiaz Shaikh told the Chief Minister that the transmission line to evacuate power from Thar had been installed from Thar to Matiari where a heavy grid station was being established.