

Successful Synchronization of Thar Energy Limited with the National Grid

August 3rd, 2022: Thar Energy Limited (TEL) has achieved the momentous milestone of successfully achieving synchronization with the national grid. The successful transmission of the first electron to the national grid demonstrates HUBCO's resolve to ensure the energy security of the country. This significant development is another milestone that we have successfully achieved in our endeavors to provide uninterrupted power to the country, and brings the project closer to its completion.

The Thar Energy Limited Power Plant (TEL) is a 330 MW mine-mouth lignite-fired power plant at Thar Coal Block II Sindh and is a part of the China Pakistan Economic Corridor (CPEC). The Project is a joint venture among Hub Power Company Limited (HUBCO), Fauji Fertilizer Company Limited (FFC), and China Machinery Engineering Corporation (CMEC), which is also the EPC contractor. The foreign financing for the Project was arranged from a Chinese syndicate, led by China Development Bank whereas the local financing has been arranged via a syndicate led by Habib Bank Limited. The project started construction in May 2018 from sponsor's equity to ensure timely Commercial Operation Date (COD) and begin utilizing the local resource of Thar coal as soon as possible.

The Financial close of the Project was achieved in January 2020. The Project has now successfully reached its commissioning phase and the COD is expected by the end of August 2022.

The Thar Energy Limited Plant utilizes indigenous Thar coal, which is sourced through Sindh Engro Coal Mining Company (SECMC), a joint venture initiative of which HUBCO is also a shareholder. The utilization of indigenous fuel is a development that will further aid in revolutionizing the Pakistani energy sector.

- The utilization of local fuel will enable the nation to become proficient in supporting its own energy needs through local resources rather than allocating funds to the import of fuel, which will significantly decrease the country's import bill.
- The indigenous fuel is also a more economically feasible source of power. Together, these factors will greatly alleviate the country's financial burden in the current time of global economic crisis.
- The TEL power plant has created numerous direct employment opportunities for the locals of Thar and adjoining communities. TEL and ThalNova, another similar power plant HUBCO is setting up, jointly employ over 3,700 locals for their construction phases. In the future, we endeavor to continue creating such opportunities for local employment.
- TEL is the first coal-fired power plant of the country to be run entirely by Pakistani workforce.
- The ThalNova power plant, which is a venture between HUBCO, Thal Limited, Novatex, CMEC and Descon is also nearing its final phase of completion. Collectively, these two power plants will provide 660 MW of affordable and indigenous electricity.