



DHA Cogen Ltd (DCL)



Quick Facts

■ Country of Operation:	Pakistan
■ Business Segment:	Power Generation
■ Asset Details:	94MW combined-cycle gas-fired power plant and water desalination facility
■ Operating Since:	2008
■ AEI Ownership:	60.23%

DCL is a combined-cycle natural gas-fired power generation plant with a nominal capacity of 94 MW. The power plant is located in Karachi, Pakistan. The power plant consists of one Siemens V64.3A combustion turbine generator, one Hitachi Babcock heat recovery system generator, one Siemens steam turbine generator and a water desalination plant with the capacity to process three million gallons of water per day. The remaining ownership interest is owned by Pakistan Defence Officers Housing Authority, Faysal Bank, Optima Trading and other smaller investors.

Initially DCL's revenue was primarily derived from selling 94 MW of the capacity and energy produced by the power plant to Karachi Electric Supply Company (KESC), a private power company, under a PPA with a term ending in 2038. However, KESC terminated the PPA on April 23, 2009. Subsequently, the parties arrived at an interim PPA arrangement which terminates in May 2010 for 71 MW of energy and capacity. DCL is in discussions with KESC with respect to a new PPA.

Additionally, DCL sells approximately three million gallons per day of water produced by the power plant to Cantonment Board Clifton, or CBC, under a water-purchase agreement with a term ending in 2038. The tariffs under the water-purchase agreement with CBC are based on a structure with a fixed tariff escalated by 5 percent per year. In September 2008, DCL shut down the plant on the recommendation of Siemens due to vibrations. Siemens identified the root cause of the problem as an existing defect in the gas turbine. The repairs have been completed, and DCL resumed commercial operations in February 2010.

Natural Gas is the power plant's primary fuel source and is provided by Sui Southern Gas Company Ltd., or SSGC, under a fuel supply agreement with a term ending in 2038. Although the fuel supply agreement has a term ending in 2038, the fuel supply agreement guarantees natural gas through 2015, after which quantities are subject to availability in SSGC's sole determination.

Contact DCL:

DCL
 D-35, Block 5
 Clift D-35, Block 5
 Clifton - Karachi on - Karachi
 +021-5869787.88, 90