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USAID/PAKISTAN: ENERGY POLICY PROJECT

QUARTERLY PERFORMANCE REPORT – II
JULY 2010

JUL. 2010

This publication was produced for review by the United States Agency for International Development. It was prepared by the USAID/Pakistan Energy Policy Project.

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QUARTERLY PERFORMANCE REPORT – II
(APRIL – JUNE 2010)

Contract: EPP-I-00-03-00004-00, Task Order 08

06-30, 2010

© USAID/Pakistan: Energy Policy Project
House: 4, Street: 88, Sector: G-6/3
Ataturk Avenue, Islamabad
Phone +92-51-8357072 • Fax +92-51-8357071
Email: bmcullen@aeai.net

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ACRONYMS

ADB	Asian Development Bank
ADS	Automated Directives System
AOTR	Agreement Officer's Technical Representative
AR	Annual Report
COP	Chief of Party
COTR	Contracting Officer's Technical Representative
CRISP	Community Rehabilitation and Infrastructure Project
CSF	Competitiveness Support Fund
DQA	Data Quality Assessment
DSM	Demand Side Management
EEC	Energy Efficiency and Capacity
EG	Economic Growth
EP	Energy Policy
ESCOs	Energy Service Companies
F	Firms
FDI	Foreign Direct Investment
FSN	Foreign Service National
FY	Fiscal Year
GDP	Gross Domestic Product
GIS	Geographical Information System
GOP	Government of Pakistan
IMF	International Monetary Fund
IP	Implementing Partner
IR	Intermediate Result
IT	Information Technology
J	Jobs
LB	Livelihoods Baluchistan
M&E	Monitoring and Evaluation
MFI	Micro-Finance Institution
MSE	Micro and Small Enterprises
MSI	Management Systems International
N/A	Non-Applicable
NGO	Non-Governmental Organization
P	Performance
PC	Program Component
RFP	Request for Proposal
ROZ	Reconstruction Opportunity Zone
SO	Strategic Objective

SOW	Scope of Work
T	Trade
TBD	To Be Determined
US	United States
USAID	United States Agency for International Development
USG	United States Government
WB	World Bank

PROJECT OVERVIEW

PROJECT BACKGROUND

The on-going economic and energy crisis requires both immediate and long term measures to overcome the pressing energy shortage. The lack of an integrated energy policy and implementation plan has resulted in the lack of new significant generation additions since 2000. As a result Pakistan cannot meet its energy power requirements. The shortage of power, estimated to be around 4,000 MWs has resulted in regular major load shedding and rolling blackouts. These negatively affect the industrial sector and balance of payments, and curtail electric supply to critical services such as hospitals and schools. The loss of manufacturing also transcends into lost income and lower living standards. Many industries and larger businesses, as a result of poor power sector performance and lost revenues, have installed their own back-up generation capacity using fossil fuels which has increased fuel consumption and product cost. The above have resulted in lower income and enhanced expenditure at the household level.

The causes of Pakistan's energy shortage have been identified as a lack of cohesive and integrated energy policy and resource planning, a lack of effective regulations and the need to rationalize energy and electricity tariffs.

To restore confidence of domestic and foreign investors in participating in the development of the essential power sector, and to address the policy weaknesses, USAID will provide technical assistance to help Pakistan develop an integrated energy policy and develop consensus on the implementation of such a policy.

USAID's Energy Policy (EP) Project complements the ADB, World Bank and other significant donor efforts, while directly addressing areas highlighted by the GOP as requiring significant contributions.

To address the immediate power generation shortfall the project is also assisting the USAID Mission in identifying measures to quickly enhance generation performance of existing hydro and thermal power facilities. EP now is expected to promote sustainability of these enhancements through efforts to improve operational maintenance and assist the Mission and GOP in evaluating promising new larger term and longer time-frame projects. This should help in providing more long term and cost effective solutions to Pakistan's energy sector needs.

PROJECT TASK CHANGES SUMMARY

The pace of progress and level of effort in support of National Electric Power Regulatory Authority (NEPRA) was reduced on instructions by the Mission. However, after advice from the Mission, EP has continued providing limited support to NEPRA in the context of replication of cost of service study and 'benchmarking'.

Confidential information redacted

Confidential information redacted

PROJECT HIGHLIGHTS

NATIONAL HIGHLIGHTS

- EP staff with USAID Mission personnel attended a meeting with Pakistan Electric Power Company (PEPCO) and thermal power plant officials (from Muzaffargarh, Jamshoro and Guddu). During the meeting consultants from Grant Thornton presented reports assessing the managerial and financial capacities of the three thermal plants to operate under Fixed Amount Reimbursable Agreements (FARAs). Public sector counterparts agreed with the conclusions of the report.
- Senior Energy Policy expert hired by EP on short term made a presentation to high level GOP stakeholders on ‘Carbon Capture and Storage’. The presentation was very well received by the public sector managers who showed a keen interest in the technical details shared by the EP team member.
- Two teams of the EP staff made visits to Gomal Zam (South Waziristan) and Satpara (Skardu) multipurpose dam projects. The objective of these visits was to assess the pace of projects’ completion and carry out ‘due diligence’ on behalf of USAID. Detailed reports on these assessment visits were prepared by EP and submitted to the Mission. Subsequently, EP also made a detailed presentation to the Mission and Embassy staff on key findings of the Gomal Zam assessment visits.
- In a related move, EP team visited sites in the Sindh province proposed by GOP for setting up wind power project. In the process EP held detailed meetings with officials of the Alternative and Development Energy Board (AEDB) as well as private sector investors. Subsequently, EP developed a comprehensive assessment report which was shared with USAID for consideration.
- During April 2010 EP provided extensive technical assistance to the Mission in preparation of briefing materials for high level USG visits.
- In close collaboration with the Mission, EP finalized the FARAs for one hydro and three thermal power plants. The FARAs were signed by the relevant GOP counterparts.
- The Senior Energy Policy expert, contracted by EP to be the USG contribution to the Friends of Democratic Pakistan’s (FODPs) ADB led “Pakistan Energy Sector Task Force” held on April 19-20, 2010.
- NEPRA formally approved the methodology and plan proposed by the EP team to conduct Phase Two of replication of select elements of the Cost of Service Study (CoSS). The technical work was successfully completed by the EP team, and the final presentation to NEPRA scheduled in early July 2010.
- The five local short-term energy experts hired by EP and seconded to the Planning Commission (PC) to support the development of the energy component of the GOP’s Tenth Five Year Development Plan completed their assignment. The work carried out by the experts was highly appreciated by the PC officials.
- EP staff accompanied USAID officials on a visit to Karachi. The objective of the meeting was to have meetings with independent power producers and assess their projects. Subsequently, EP prepared a report of the visit and the draft was submitted to USAID for review.
- EP participated in a meeting held between USAID and private sector developers of Munda multipurpose dam project. Technical aspects of the projects were discussed along with unresolved legal issues between the GOP and private investors.
- USAID formally requested EP to provide continuous technical support for implementation and monitoring of the four signed FARAs. In response the EP team developed drafts of separate work plans to assess the pace of the progress against each FARA. The drafts were submitted to USAID for review and feedback.
- EP conducted the first three day training session for plant managers and engineers from five

hydro power plants, including Tarbela, as well as one senior engineer from the Planning Commission (PC). The training was developed and rolled out by EP to support the USG supported R&M efforts. The event was held at WAPDA Engineering Academy, Faisalabad. The course content and material was highly appreciated by the public sector stakeholders, and they termed it as very relevant to their current and future work. The second and third phases of training on R&M of hydro power plants are planned in September and October 2010, respectively. EP is following the same process for training of plant managers and engineers from thermal power plants, which include the three thermal power plants USAID is assisting in the context of R&M.

- At the request of the AEDB, EP developed a Terms of Reference (TORs) for continued USAID support to complete the new Medium Term Renewable Energy Policy and its supporting implementation rules and regulation. An expert was identified and proposed to the AEDB, and was later approved by the Board management. The expert will be hired by EP and seconded to the AEDB to provide technical assistance and support.
- EP provided technical support to the Mission in review and analysis of documents related to Munda and Karrot hydro power projects. These two projects are among the potential projects under consideration for USG's support.
- On invitation of NEPRA, EP attended tariff petition hearings conducted for select public sector DISCOs, i.e., Multan Electric Power Company (MEPCO), Quetta Electric Supply Company (QESCO), Peshawar Electric Supply Company (PESCO), Lahore Electric Supply Company (LESCO) and Hyderabad Electric Supply Company (HESCO). EP also attended the public hearing of a tariff petition held by NEPRA for a Fauji Fertilizer Company for their 50 MW wind power plant located in Sindh.
- EP provided the Mission advice on a subcontractor problem which the Gomal Zam dam project, a possible recipient of USG assistance, is encountering.
- Responding to a request made by the AEDB, EP in close collaboration with GOP's Environmental Protection Agency (EPA), finalized the Scope of Work for the international expert identified to provide technical assistance in the preparation of Environmental Impact Assessment (EIA) guidelines for renewable energy resources, in particular wind.

PROVINCIAL HIGHLIGHTS – NWFP

DISTRICT: SWABI

- EP technical support to the R&M of Tarbela hydro power plant. The process is continuing in close collaboration with the Mission (for details see bullet nos. 6, 12 & 13 above)

PROVINCIAL HIGHLIGHTS – PUNJAB

DISTRICT: MUZAFFARGARH

- EP technical support to the R&M of Muzaffargarh thermal power plant. The process is continuing in close collaboration with the Mission (for details see bullet nos. 6, 12 and 13 above)

PROVINCIAL HIGHLIGHTS – SIND

DISTRICT: KASHMORE

- EP technical support to the R&M of Guddu thermal power plant. The process is continuing in close collaboration with the Mission (for details see bullet nos. 6, 12 and 13 above)

DISTRICT: JAMSHORO

- EP technical support to the R&M of Jamshoro thermal power plant. The process is continuing in close collaboration the Mission (for details see bullet nos. 6, 12 and 13 above)

DISTRICT: THATTA

- In response to request by the USAID, EP’s technical support to review and assessment of potential sites, Gharo and Jhampir, for wind power project/s that may be considered for USG’s support (for details see bullet no. 4 in “National Highlights”)

PROVINCIAL HIGHLIGHTS – BALUCHISTAN

DISTRICT 1

- Text
- Text
- Text

DISTRICT 2

- Text
- Text
- Text

DISTRICT 3

PROJECT HIGHLIGHTS

- Text
- Text
- Text

Key Personnel

Confidential information redacted

PROJECT STAFFING

A- LONG TERM STAFF

Region	Planned (Total)	Progress During This Quarter					Overall Progress				
		Filled Positions			Percentages		Filled Positions			Percentages	
		Male	Female	Total	% of Total Filled	% Female of Total Filled	Male	Female	Total	% of Total Filled	% Female of Total Filled
Management Positions											
FEDERAL	3	3	0	2	100%	0%			3	100%	0%
NWFP											
PUNJAB											
SIND											
BALUCHISTAN											
Sub Total	3	2	0	2	100%	0%			2	100%	0%
Professional Positions											
FEDERAL	3	2	1	3	100%	33%			3	100%	33%
NWFP											
PUNJAB	1	1	0	1	100%	0%			1	100%	0%
SIND											
BALUCHISTAN											
Sub Total	4	3	1	4	100%	25%			4	100%	25%
Support Staff Positions											
FEDERAL	2	1	1	2	100%	50%			2	100%	50%
NWFP											
PUNJAB											
SIND											
BALUCHISTAN											
Sub Total											
TOTAL	9	7	2	9	100%	22%	7	2	9	100%	22%

B- SHORT TERM TECHNICAL STAFF

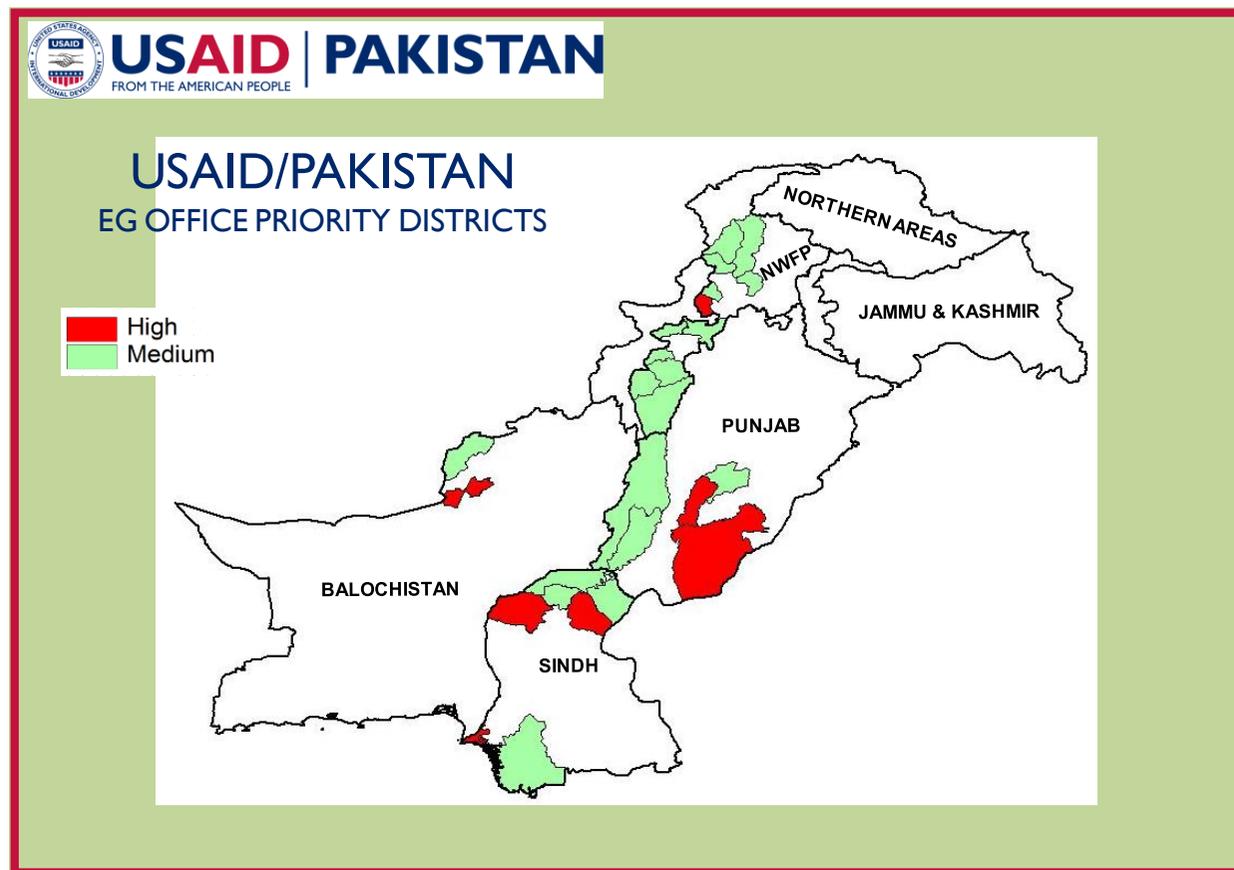
Region	Planned (Total)	Progress During This Quarter					Overall Progress				
		Filled Positions			Percentages		Filled Positions			Percentages	
		Male	Female	Total	% of Total Filled	% Female of Total Filled	Male	Female	Total	% of Total Filled	% Female of Total Filled
FEDERAL	8	7	1	8	100%	14%	8	1	8	100%	14%
NWFP											
PUNJAB	1	1	-	1	100%	0%	1	-	1	100%	0%

PROJECT STAFFING

SIND											
BALUCHISTAN											
TOTAL	9	8	1	9	100%	11%	9	1	9	80%	11%

GEOGRAPHIC COVERAGE

Insert a map like below which shows geographic area of your program activities. Perhaps you should provide color coding to indicate percentage of project funds spent in each province, <5%, 5% - 10%, 11% - 15%, 16% +.



PROGRESS AND ACCOMPLISHMENTS



PROGRESS AND ACCOMPLISHMENT – NATIONAL

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved
1.1	Power sector policy development and implementation	The number of public/private professionals provided with USG supported training (formal coursework, on-the-job, seminars) on issues concerning energy policy and regulation.	Mentoring support provided to NEPRA I areas related to replication of Cost of Service Study (CoSS) and 'benchmarking'.	Improved forms and formats developed and shared for improving the cost recovery and rationalization.
2.1	Improvement of existing policies and institutional capacities	The number of energy and concerned agencies, utilities, etc, where USG programs have directly supported assessment of institutional capabilities in order to develop plans to enhance them.	On NEPRA's request, EP carried out detailed process of 'benchmarking'. The data will facilitate NEPRA in assessing costs and setting tariffs in line with established 'good practices'. EP also provided local expertise to the PC in development of the energy component of GOP's Tenth Five Year Plan. This was done in response to PC's request and based on assessment of limited technical support available with the Commission.	Improved guidelines for institutional capacity for improving tariff determination and follow through. 'Benchmarking' will increase credibility and effectiveness of NEPRA's performance. Assistance extended to the PC effectively bridged the resource gap and provided GOP managers with urgently required, focused, technical support.
3.1	Support to energy entities in institutional capability development	The number of energy and concerned agencies, utilities etc. where USG programs are directly supporting strengthening of institutional capabilities.	Training provided to support USG assisted efforts of repair and maintenance (R&M) of hydro power plants. Support to PC through hiring and seconding five senior local energy experts to help in the development of energy component of GOP's Five Year Development Plan. Extensive technical support to AEDB in development of new Medium Term Renewable Energy Policy. Support to NEPRA in areas related to replication of CoSS and 'benchmarking'. Technical support to GOP through short term expert hired and seconded to the FODP's Energy Sector Task Force.	Three day training on R&M designed and delivered to public sector plant managers and engineers. Development of integrated energy strategy as part of Five Year Development Plan for improving sector performance and efficiency. Comprehensive Medium Term Renewable Energy Policy developed and adopted for promoting renewable energy resources and to attract investment. Adoption and application of improved forms and formats developed as part of CoSS replication. Reference

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved
				and integration of international best practices shared with NEPRA through 'benchmarking' database.
4.1	Analysis of current GOP energy sector measures and reforms	The number of reforms/regulations/administrative procedures analyzed to enhance sector governance and/or facilitate private sector participation and competitive markets as a result of USG assistance	Review of existing tariff determination methodologies and recommendations to institutionalize standardized systems and procedures. Recommendations made through FODP's Energy Sector Task Force to improve sector performance, efficiency and competitiveness. Review and analysis of potential projects for USG support to the GOP in the energy sector.	More enabling policies and regulations to, increase sector efficiency, attract investment and enhance sustainability.
5.1	Draft and present policy reforms/regulations and administrative procedures for submission to appropriate GOP stakeholders.	The number of reform measures, regulations, rules and procedures etc. that have been analyzed as part of the USG program with the objective of improving overall sector governance, the enabling environment, private sector investment and management, competition within the sector etc.	Draft and submission to AEDB draft of Medium term Renewable Energy Policy and its supporting policy instruments. Tools and forms for facilitating full cost recovery tariffs shared with NEPRA. FODP's Energy Sector Task Force recommendations shared with the GOP.	Develop and encourage more meaningful sector reforms and improved performance.
6.1	Secure full, formal approval of reform measures, rules and procedures etc.	The number of reform measures, regulations, rules and procedures etc. that have been enacted/adopted/approved as part of USG program with the objective of improving overall sector governance, the enabling environment, private sector investment and management, competition within the sector etc	Drafts of various reform tools are at varying levels of review and approval by the concerned stakeholders.	Adoption of critical policy/procedures for sector efficiency and improved performance.

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

PROGRESS AND ACCOMPLISHMENT – NWFP

DISTRICT 1

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 2

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 3

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

PROGRESS AND ACCOMPLISHMENT – PUNJAB

DISTRICT I

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 2

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 3

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

PROGRESS AND ACCOMPLISHMENT – SIND

DISTRICT 1

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 2

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 3

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

PROGRESS AND ACCOMPLISHMENT – BALUCHISTAN

DISTRICT I

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 2

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

DISTRICT 3

ACTIVITIES

Activity Ref.#	Activity	Description	Descriptive Results	Impact Achieved

NEXT STEPS

- Text
- Text

CHALLENGES OR COMING EVENT REQUIRING USAID SUPPORT

- Include issues/challenges or coming events for which you need USAID support
- Text

Section
2

QUARTERLY PROJECT INDICATORS UPDATE

QUARTERLY PROJECT INDICATOR UPDATE – NATIONAL

Ind. Ref. #	Result Indicator	Activity Ref. # ²	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1	Number of people trained in energy related policy and regulation practices	1.1	25	25	The number reflects technical mentoring provided to the AEDB in the context of development of Medium Term Renewable Energy Policy and proposed Sindh wind project/s. The reported number also includes technical ‘on-the-job’ support provided to public sector personnel located at Satpara and Gomal Zam multipurpose dam projects in anticipation of possible USG assistance.	75
Component 2:						
2.1	Number of energy agencies, regulatory bodies, utilities and civil society organizations undertaking capacity assessment	2.1	1	3	Number based on technical support to WAPDA and three GENCOS in the context of R&M work. Target for 2010 overachieved.	2
Component 3:						
3.1	Number of energy and concerned agencies, utilities etc. where USG programs are directly supporting	3.1	1	2	New phase of technical assistance to NEPRA involved assessment of existing regularly practices,	3

² Include activity reference number from the previous section.

Ind. Ref. #	Result Indicator	Activity Ref. # ²	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
	strengthening of institutional capabilities				identification of areas requiring improvement and defining measures to strengthen these. Extensive technical support to the PC in the process of development of the energy component of GOP's Tenth Five Year Development Plan was also geared towards building institutional capabilities and capacities, and involved in-depth analysis of existing policy tools and procedures. Target set for the reporting period overachieved.	
Component 4:						
4.1	Number of policy reforms/regulations , administrative procedures analyzed to enhance sector governance and/or facilitate private sector participation and competitive markets	4.1	1	2	Recommendation provided to the GOP through the FODP's Energy Sector Task Force channel. Review and analysis of new projects in support of USG's assistance to GOP. EP has achieved the target for 2010, as the target achieved during the last quarter was 2.	4
Component 5:						
5.1	Number of policy reforms/regulations/administrative procedures drafted and presented for public stakeholder consultation to enhance sector governance and/or facilitate private sector participation and competitive markets	5.1	1	2	CoSS forms and formats finalized for all Pakistan replication and submitted to NEPRA. Input into GOP's Tenth Five Year Development Plan made and submitted to the PC.	3
Component 6:						
6.1	Number of reform measures, regulations, rules and procedures etc. that have been enacted/adopted/approved with the objective of improving overall sector governance, the enabling environment, private sector investment and	6.1	1	1	Energy component of GOP's Tenth Five Year Development Plan approved. This component incorporated technical input provided by the five local energy experts hired by EP and seconded to the PC. Drafts of other reform tools are at varying levels of	2

Ind. Ref. #	Result Indicator	Activity Ref. # ²	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
	management, competition within the sector etc.				stakeholders' review and consideration. Favorable responses received from the public sector policy makers indicate likelihood of approval.	

QUARTERLY PROJECT INDICATOR UPDATE – NWFP

DISTRICT – I

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.2						
1.3						
Component 2:						
2.2						
2.3						
Component 3:						
3.2						
3.3						
Component 4:						
4.2						
4.3						
Component 5:						
5.1						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
5.2						

DISTRICT – 2

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT – 3

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
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Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

QUARTERLY PROJECT INDICATOR UPDATE – PUNJAB

DISTRICT – I

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT - 2

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
4.2						
Component 5:						
5.1						
5.2						

DISTRICT - 3

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

QUARTERLY PROJECT INDICATOR UPDATE – SIND

DISTRICT – I

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT – 2

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT – 3

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
4.1						
4.2						
Component 5:						
5.1						
5.2						

QUARTERLY PROJECT INDICATOR UPDATE – BALUCHISTAN

DISTRICT – I

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT – 2

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

DISTRICT – 3

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component1:						
1.1						
1.2						
Component 2:						
2.1						
2.2						

Ind. Ref. #	Result Indicator	Activity Ref. #	Target results for the reporting quarter	Actual results for the reporting quarter	Comments	Cumulative Total (2009)
Component 3:						
3.1						
3.2						
Component 4:						
4.1						
4.2						
Component 5:						
5.1						
5.2						

KEY EVENTS AND MEETINGS

Section

3

TRAININGS AND MENTORING

TRAININGS AND MENTORING – NATIONAL

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	
Training on Repair and Maintenance of hydro power plants	June 28-30, '10	16	-	16	Capacities and skills of public sector plant managers and engineers built in areas related to improved repair and maintenance of hydro power plant operations. Trainees included plant managers and engineers from Tarbela, Ghazi Barotha, Mangla, Warsak and Chashma hydro power plants.

TRAININGS AND MENTORING – NWFP

DISTRICT 1

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 2

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 3

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

TRAININGS AND MENTORING – PUNJAB

DISTRICT 1

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 2

TITLE	DATE	Participants			Outcome/Result

		Male	Female	Total	

DISTRICT 3

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

TRAININGS AND MENTORING – SIND

DISTRICT 1

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 2

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 3

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

TRAININGS AND MENTORING – BALUCHISTAN

DISTRICT 1

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 2

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

DISTRICT 3

TITLE	DATE	Participants			Outcome/Result
		Male	Female	Total	

MEETINGS³

MEETINGS – NATIONAL

Meeting with	DATE	Purpose	Outcome/Result
Grant Thornton	06-04-10	Consultants from Grant Thornton presented reports assessing the managerial and financial capacities of the three plants to operate under Fixed Amount Reimbursement Agreements (FARAs).	Pakistani officials agreed with the conclusions of the report. Since none of the three plants satisfies prudent standards, additional safe guard measures, including a PMU, are needed, USAID mission staff are now fine-tuning the safeguards which will be included in the final FARA document.
GOP stakeholders (Ministry of W&P, WAPDA, AEDB and PPIB).	07-04-10	EP senior staff made a presentation to high level GOP stakeholders on 'Carbon Trade, Capture and Storage'.	The presentation was very well received by the GOP stakeholders who showed a keen interest in the technical details shared by senior EP team member.
NEPRA technical staff	20-04-10	EP team held series of meetings with senior technical staff of NEPRA to discuss the model of Cost of Service Study (CoSS) for replication at select DISCOs	Agreement was reached with NEPRA on the elements for replication of the CoSS model. On NEPRA's request, EP also processed acquisition of commercial database for 'benchmarking' information related to South Asian DISCOs and GENCOs,
Mission/Embassy/CG Peshawar staff	23-04-10	EP team made a presentation to Mission/Embassy/CG Peshawar staff on the findings and technical recommendations relating to the Gomal Zam multipurpose dam project.	EP had also done due diligence on behalf of the mission.
NEPRA	28-04-10	To discuss the methodology and plan proposed by EP team to conduct the Phase Three of replication of select elements of the Cost of Service Study (CoSS).	NEPRA formally approved the methodology.
Chairman AEDB	05-05-10	The next phase of USAID support to the work related to the finalization of implementation tools of the new Medium Term Renewable Energy Policy were discussed	AEDB requested EP to take a coordinating role in streamlining the efforts being channelized into the process by other donors
AEDB	12-05-10	EP team visited two sites in Sindh for potential wind energy projects. The sites have been identified by GOP for	EP has submitted its draft assessment report to the Mission for initial review.

³ Include only high level meetings involving people in important or powerful positions from government or donor agencies at a more extreme or advanced level than usual.

		possible USG support. During the assessment visit EP team held series of meetings with officials from Alternative Energy Development Board (AEDB), as well as private sector investors.	
Planning Commission	12-05-10	Key issues related to the energy component of the upcoming GOP Tenth Five Year Development Plan were discussed	PC also appreciated the support extended by EP in hiring and seconding five local short term experts to help PC in the process of developing the energy component of the Plan.
USAID Mission	19-05-10	EP team provided USAID with information on other potential projects identified for Mission's support, such as Bara hydro power plant. EP also joined USAID team in a meeting held with the Alternative Energy Development Board (AEDB) to discuss technical and financial elements of proposed wind project.	As a follow-up step EP shared with Mission example that could be used by AEDB for developing its Project Development Plan for the proposed wind project.

MEETINGS – NWFP

DISTRICT 1

Meeting with	DATE	Purpose	Outcome/Result
Mission/Embassy/Consulate Gernral Peshawar staff	23-04-10	EP team made a presentation to Mission/Embassy/CG Peshawar staff on the findings and technical recommendations relating to the Gomal Zam hydro power project.	EP had also done due diligence on behalf of the mission.

DISTRICT 2

Meeting with	DATE	Purpose	Outcome/Result

DISTRICT 3

Meeting with	DATE	Purpose	Outcome/Result

MEETINGS – PUNJAB**DISTRICT I**

Meeting with	DATE	Purpose	Outcome/Result
Grant Thornton	06-04-10	Consultants from Grant Thornton presented reports assessing the managerial and financial capacities of the three plants to operate under Fixed Amount Reimbursement Agreements (FARAs).	Pakistani officials agreed with the conclusions of the report. Since none of the three plants satisfies prudent standards, additional safe guard measures,, including a PMU, are needed, USAID mission staff are now fine-tuning the safeguards which will be included in the final FARA document.

DISTRICT 2

Meeting with	DATE	Purpose	Outcome/Result

DISTRICT 3

Meeting with	DATE	Purpose	Outcome/Result

MEETINGS – SINDH**DISTRICT I**

Meeting with	DATE	Purpose	Outcome/Result
AEDB	12-05-10	EP team visited two sites in Sindh for potential wind energy projects. The sites have been identified by GOP for possible USG support. During the assessment visit EP team held series of meetings with officials from Alternative Energy Development Board (AEDB), as well as private sector investors.	EP has submitted its draft assessment report to the Mission for initial review.

DISTRICT 2

Meeting with	DATE	Purpose	Outcome/Result

DISTRICT 3

Meeting with	DATE	Purpose	Outcome/Result

MEETINGS – BALUCHISTAN

DISTRICT 1

Meeting with	DATE	Purpose	Outcome/Result

DISTRICT 2

Meeting with	DATE	Purpose	Outcome/Result

DISTRICT 3

Meeting with	DATE	Purpose	Outcome/Result

SUCCESS STORY



(Two Success Stories titled “Bridging the capacity gap” and “Changing the world of maintenance” attached with this Quarterly Progress Report)

PROBLEMS AND OBSTACLES

FEDERAL LEVEL

Problems/Obstacles/Issues	Steps Taken to Remedy Them
Issues related to poor Repair and Maintenance (R&M) of GOP power facilities are long standing. As the USG embarks on the proposed significant R&M effort it must ensure that the GOP stakeholders “buy-in” into much improved R&M practices so that USG assistance proves sustainable.	EP initiated Repair and Maintenance (R&M) training in late June '10. First course was for plant managers and engineers from five hydro power plants, with very positive results.
The Project is expected to perform ‘due diligence’ in its role of evaluating promising ‘greenfield’ or projects already underway submitted by the GOP for USAID and other donors’ consideration. There are difficulties in obtaining accurate, up-to-date information in this regard. Data obtained is often contradictory, incomplete, in a variety of formats and not easily secured from one source. Proposed projects often are located in difficult to reach places and visits by non-Pakistanis are discouraged.	The Project has established an ‘Energy Policy Resources Base’ in its office, which compiles all information obtained on specific projects and in most cases in an improved, user-friendly format. In addition to being used by EP staff this resource is available to USAID and other donors as well. EP has enlisted high level GOP support in obtaining permission to visit these sites and as a general policy limits travel to these locations to Pakistani nationals to minimize site visit clearance issues, GOP travel approval requirements and security considerations
The National Power Regulatory Authority (NEPRA) has serious problems relating to political interference and training & retention of a sufficient number of capable technical staff.	To ensure that our Technical Assistance (TA) and training interventions are optimally applied, we have focused a significant portion of our efforts on promoting a more transparent data submission process in determining and adjudicating power tariff determinations, as well as initiated ‘Benchmarks’ to assist NEPRA to assess its performance in a number of areas.

PROVINCIAL LEVEL

Problems/Obstacles/Issues	Steps Taken to Remedy Them

DISTRICT LEVEL

Problems/Obstacles/Issues	Steps Taken to Remedy Them

ADMINISTRATIVE ISSUES

Problems/Obstacles/Issues	Steps Taken to Remedy Them
Engaging qualified technical consultants is made more difficult by the existing Mission TCN policies.	EP has encouraged the Mission to adopt a more flexible TCN policy as relates to TCN remuneration as a number of other USAID missions (such as Mission Kabul) have done.

SECURITY RISKS

FEDERAL LEVEL

Security Risks	Steps Taken to Overcome Them
Worsening security situation requires a heavy emphasis on office and expat residential security.	EP increased the screening process at the office-cum-residential premises. As an additional security measure, all EP staff members were issued photo identification cards.

PROVINCIAL LEVEL

Security Risks	Steps Taken to Overcome Them

DISTRICT LEVEL

Security Risks	Steps Taken to Overcome Them

PROJECT SNAPSHOT

NEXT 90 DAYS (APRIL – JUNE 2010)

NATIONAL

ACTIVITIES

Ind. Ref. #	Result Indicator	Activity Description	Tentative Completion Date
1.1	Number of people trained in energy related policy and regulation practices.	Design and roll out of training to public sector managers located at thermal power plants.	Jan.-Sep. 2010
1.1	Number of people trained in energy related policy and regulation practices.	Design and roll out of training to public sector managers located at hydro power plants.	Jan.-Sep. 2010
1.1	Number of people trained in energy related policy and regulation practices.	Design and roll out of training to public sector managers on areas related to economic dispatch.	Jan.-Sep. 2010
1.1	Number of people trained in energy related policy and regulation practices.	Elements of LESCO Cost of Service Study replicated through 'hands-on' training for all other DISCOs at NEPRA.	Jul.-Sep. 2010
3.1	Support to energy entities in institutional capability development.	Manage and monitor Repair & Maintenance (R&M) of selected hydro and thermal power plants.	Jan.-Sep. 2010
3.1	Support to energy entities in institutional capability development.	Support to Ministry of Water and Power, GOP, in policy formulation.	Jul.-Sep. 2010
3.1	Support to energy entities in institutional capability development.	Further technical assistance to Alternative Energy Development Board (AEDB) in finalizing the new medium Term Renewable Energy Policy and its supporting implementation tools.	Jul.-Sep. 2010
3.1	Support to energy entities in institutional capability development.	Providing GOP entities (such as WAPDA and GENCOs) technical assistance in developing and/or completing/rehabilitating power generation facilities	Jul.-Sep. 2010
4.1	Analysis of current GOP energy sector measures and reforms.	'Benchmarking', comparisons, metrics, disclosure,, data acquisition and strengthening operational capacity of NEPRA.	Jul.-Sep. 2010
5.1	Draft and present policy reforms/regulations and administrative procedures for submission to appropriate GOP stakeholders.	Draft and submit recommendations to NEPRA for tariff rebalance and rationalization in line with international 'good practices'.	Jan.-Sep. 2010
5.1	Draft and present policy reforms/regulations and administrative procedures for submission to appropriate GOP stakeholders.	Draft and submit Environment Impact Assessment guidelines for select renewable energy resources to Environmental Protection Agency (EPA), Ministry of Environment.	Jul.-Sep. 2010
6.1	Secure full, formal approval of reform measures, rules and procedures etc.	Drafts of Medium Term Renewable Energy Policy approved by the GOP stakeholders. PC-1 for replacement of gas water heaters with solar water heaters approved by relevant GOP entity.	TBD

TRAININGS

Ind. Ref. #	Result Indicator	Training Title and Description (Also add details about type and number of expected participants)	Tentative Completion Date

Ind. Ref. #	Result Indicator	Training Title and Description <i>(Also add details about type and number of expected participants)</i>	Tentative Completion Date

OTHERS (INCLUDE MEETING & EVENTS OTHER THAN TRAINING)

Ind. Ref. #	Result Indicator	Description	Tentative Completion Date

NWFP**ACTIVITIES**

Ind. Ref. #	Result Indicator	Activity Description	Tentative Completion Date
1.1	See first activity under 1.1 under Federal above		

TRAININGS

Ind. Ref. #	Result Indicator	Training Title and Description <i>(Also add details about type and number of expected participants)</i>	Tentative Completion Date

OTHERS (INCLUDE MEETING & EVENTS OTHER THAN TRAINING)

Ind. Ref. #	Result Indicator	Description	Tentative Completion Date

PUNJAB**ACTIVITIES**

Ind. Ref. #	Result Indicator	Activity Description	Tentative Completion Date
	See first activity under 1.1 at the Federal above		

TRAININGS

Ind. Ref. #	Result Indicator	Training Title and Description <i>(Also add details about type and number of expected participants)</i>	Tentative Completion Date

OTHERS (INCLUDE MEETING & EVENTS OTHER THAN TRAINING)

Ind. Ref. #	Result Indicator	Description	Tentative Completion Date

SIND

ACTIVITIES

Ind. Ref. #	Result Indicator	Activity Description	Tentative Completion Date

TRAININGS

Ind. Ref. #	Result Indicator	Training Title and Description <i>(Also add details about type and number of expected participants)</i>	Tentative Completion Date

OTHERS (INCLUDE MEETING & EVENTS OTHER THAN TRAINING)

Ind. Ref. #	Result Indicator	Description	Tentative Completion Date

BALUCHISTAN

ACTIVITIES

Ind. Ref. #	Result Indicator	Activity Description	Tentative Completion Date

TRAININGS

Ind. Ref. #	Result Indicator	Training Title and Description <i>(Also add details about type and number of expected participants)</i>	Tentative Completion Date

OTHERS (INCLUDE MEETING & EVENTS OTHER THAN TRAINING)

Ind. Ref. #	Result Indicator	Description	Tentative Completion Date

ANNEX – B: LIST OF SUCCESS STORIES

Success Story Title	Component	Project Year	Release Date	Comments
"Bridging the capacity gap."	Three day Training to support USAID assisted repair and maintenance efforts for hydro power plants.	2010		Being shared with the current QPR
"Changing the world of maintenance"	Three day Training to support USAID assisted repair and maintenance efforts for hydro power plants.	2010		Being shared with the current QPR

ANNEX – C: LIST OF COMPLETED DELIVERABLES

Title	Completion Date
Component 1:	
Component 2:	
Component 3:	
Component 4:	
Component 5:	

ANNEX – E: GANNT CHART FOR NEXT QUARTER

Item no.	Task Name	Jan '10	Feb '10	Mar '10	Apr '10	May '10	Jun '10	Jul '10	Aug '10	Sep '10	
1.1	No. of people trained in energy related policy & regulation practices	[Task bar from Jan to Sep]									
	Design and roll out of training to public sector managers located at thermal power plants.	[Task bar from Jan to Sep]									
	Design and roll out of training to public sector managers located at hydro power plants.	[Task bar from Jan to Sep]									
	Design and roll out of training to public sector managers on areas related to economic dispatch.	[Task bar from Jan to Sep]									
	Elements of LESCO Cost of Service Study replicated through 'hands-on' training for all other DISCOs at NEPRA.	[Task bar from Jan to Sep]									
3.1	Support to energy entities in institutional capability development.	[Task bar from Jan to Sep]									
	Manage and monitor Repair & Maintenance (R&M) of selected hydro and thermal power plants.	[Task bar from Jan to Sep]									
	Support to Ministry of Water and Power, GOP, in policy formulation.	[Task bar from Jul to Sep]									
	Further technical assistance to Alternative Energy Development Board (AEDB) in finalizing the new medium Term Renewable Energy Policy and its supporting implementation tools.	[Task bar from Jan to Sep]									
	Providing GOP entities (such as WAPDA and GENCOs) technical assistance in developing and/or completing/rehabilitating power generation facilities	[Task bar from Jul to Sep]									
4.1	Analysis of current GOP energy sector measures and reforms.	[Task bar from Apr to Sep]									
	'Benchmarking', comparisons, metrics, disclosure,, data acquisition and strengthening operational capacity of NEPRA.	[Task bar from Apr to Sep]									
5.1	Draft and present policy reforms/regulations and administrative procedures for submission to appropriate GOP stakeholders.	[Task bar from Jan to Sep]									
	Draft and submit recommendations to NEPRA for tariff rebalance and rationalization in line with international 'good practices'.	[Task bar from Jan to Sep]									
	Draft and submit Environment Impact Assessment guidelines for select renewable energy resources to Environmental Protection Agency (EPA), Ministry of Environment.	[Task bar from Jul to Sep]									
6.1	Secure full, formal approval of reform measures, rules and procedures etc. (TBD)	[Task bar from Jan to Sep]									
	Drafts of Medium Term Renewable Energy Policy approved by the GOP stakeholders. PC-1 for replacement of gas water heaters with solar water heaters approved by relevant GOP entity.	[Task bar from Jan to Sep]									