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USAID ENERGY POLICY PROGRAM

MONTHLY REPORT AUGUST 2012

REPAIR AND REHABILITATION OF MUZAFFARGARH THERMAL POWER STATION

September 2012

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AUGUST 2012

REPAIR AND REHABILITATION OF MUZAFFARGARH THERMAL POWER STATION

Contract No: AID-EPP-I-00-03-00004

Order No: AID-391-TO-12-00002

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Rehabilitation of Muzaffargarh TPS under Activity Agreement:

The rehabilitation/replacement work to date has resulted in 280MW of capacity being restored out of total estimated gains of 475 MW. After rehabilitation of the boiler super heater tubes at units 1, 2 & 3, 230 MW of capacity has been restored and with the replacement of air pre-heater elements (intermediate and cold end) at unit 4, another 50MW was added.

For the remaining equipment, delays were anticipated in the procurement process due to the GENCO's weak financial standing and inability to pay on time through a letter of credit. EPP staff worked with USAID and the GENCO to redefine the reimbursement process and revise the FARA to facilitate the GENCO in making timely payments. A new Activity Agreement and implementation letter were signed in April providing the GENCO with sufficient funds to make timely payments to the vendors. The completion date per the revised activity agreement is June 30, 2013.

Based on the revised payment process, payments will be made to the GENCO at the time of opening of the L/C to ensure supply of sufficient funds to the GENCO. A total of USD 3.18 million has been disbursed to the GENCO under the revised payment process, effective from April 2012.

On August 7, 2012, a meeting was held with USAID to discuss the megawatts gains. An update version of the MW gain sheet was submitted to USAID. EPP also informed USAID that NPGCL intends to purchase Computerized Maintenance Management System (CMMS) through local competitive bidding.

As of August 2012, a total of \$ 7,648,888 has been disbursed to the GENCO. The status of MTPS Activity Agreement is tabulated on the next page:

LINE ITEM NO.	UNIT NO.	WORK ITEM DESCRIPTION	AGREEMENT AMOUNT	CLAIMS SUBMITTED ON THE BASIS OF OLD FARA	CLAIMS SUBMITTED ON THE BASIS OF NEW PIL	PRESENT STATUS
1	1,2&3	Rehabilitation of Boiler super heater tubes to overcome failure of tubes	\$4,080,000	\$4,080,000		Material received and installed at site. 100% Claim reimbursed from USAID
2	1- 4	Special Cooling Water Treatment.	\$187,440			Tender opened for the fourth time on 26.06.2012 but no firm participated. It will be tendered again on 11.09.2012.
3	1-6	Use of Fuel Oil Additive as done on Unit-4 (450 Tons).	\$921,225			Re-Tendered and opened in March 2012. Evaluation completed and file is under process for CEO approval.
4	1,2&3	Replacement of Cold layer element for RAH (2 sets)	\$170,000	\$170,000		Material received and installed at site. 100% Claim reimbursed from USAID
5	1,2&3	Modification of Excitation system (3 set)	\$191,700			Tender opened in April 2012 and Bid Evaluation is in process
6	1,2&3	Electric motors for C.T. Fan (02 No) and for GRC fan. (01 No).	\$184,245		\$184,245	PO was issued on 23.09. 2011 for electric motors while LC opened on 02.02 2012 for GRC fan. Material is expected to reach at site in September 2012. Claim for 100% Payment (\$184,245) reimbursed by USAID.
7	3	D.C. Storage batteries (01 Set).	\$60,000	\$60,000		Material received and installed at site. 100% Claim reimbursed from USAID
8	1,2&3	220Kv circuit breaker SF6 type (06 No).	\$337,605			LC established on 03.08.2012 and claim lodged but there is some problem in specification. NPGCL will provide the justification for it.
9	4	Re-blading of LP. Rotor (LP Turbine Rotor blades of row (6&7), pins &	\$787,035			PO issued and LC opened on 02.02.2012. Claim for 100% Payment (\$787,035) received but the claim was turned down because one

LINE ITEM NO.	UNIT NO.	WORK ITEM DESCRIPTION	AGREEMENT AMOUNT	CLAIMS SUBMITTED ON THE BASIS OF OLD FARA	CLAIMS SUBMITTED ON THE BASIS OF NEW PIL	PRESENT STATUS
		locking device).				item in PO was not included in the PIL. NPGCL will retender the dropped item and then file the claim again.
10	4	Air Pre-Heater Elements (Intermediate and Cold) 02 sets	\$255,000		\$255,000	Material received and installed at site. Claim for 100% Payment (\$255,000) reimbursed by USAID.
11	4	Up-grading of AVR System (01 set).	\$249,210			PO issued on 20.07.2012. Request to release cash for foreign exchange.
12	4	Replacing UPS I&2. (01 set).	\$62,835			LOI issued on 25.05.2012. Request to release cash for foreign exchange.
13	4	DEH (01 set).	\$319,500			Approved for Retendering due to high rate. Retender is expected to be opened on 18.09.2012.
14	4	Up-grading of FSSS System (01 set).	\$138,450			Approved for Retendering due to high rate. Retender is expected to be opened on 18.09.2012.
15	4	Up-grading of TSI system BNC 3300 or equivalent (Turbine Supervisory Instrument) (01 set).	\$266,250			Approved for Retendering due to high rate. Retender is expected to be opened on 18.09.2012.
16	1-6	Training and software/hardware cost for CMMS and off-line efficiency monitoring system. All Units	\$1,000,000			Technical offer opened in Feb 2012 but it is now be retendered.
17	5&6	I.D. Fan Rotor/Impeller along with	\$625,000	\$562,500		Consignment received on 26.02.2011 and installed partially at unit

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		Housing and Dampers (04 Set).				5. 90% claim (\$562,500) reimbursed by USAID
18	5&6	Air Pre heater Elements Hot end, intermediate & cold end layers along with seals for both units (04 Set).	\$639,000			PO issued on 20.07.2012. Request to release cash for foreign exchange.
19	5&6	Procurement of G.R.C. Fan Impeller/Rotor (01 Set).	\$33,548		\$33,548	Po issued and LC opened on 27.01.2012. Material received at site on 16.07.2012. Claim for 100% payment (\$33,548) reimbursed by USAID.
20	5&6	Procurement of Cooling Tower Fan Gear Box & its parts. (06 No. gear box).	\$236,963		\$236,963*	PO issued and LC opened on 27.01.2012. Material received on site on 27.08.2012. Claim for 100% payment (\$236,963) with justification from NPGCL submitted to USAID ENR.
21	5&6	Economizer Tubes for both Units (02 Sets)	\$2,130,000		\$2,130,000	PO issued and LC opened on 05.04.2012. Material is expected to reach at site in the first week of September. Claim for 100% Payment (\$2,130,000) reimbursed by USAID.
22	5&6	IP Turbine Rotor (01 No).	\$641,130			PO issued on 14.06.2012. Request to release foreign exchange.
23	5&6	Replacement of Damaged Exhaust flue gas ducts of material Russian Grade Steel sheets (50 M.T), Plate Type Heat Exchanger for Inner Water Cooling System of Generator and Motor for Starting Oil Pump (Vertical) Units 5-6	\$287,550			Tender opened and LOI issued on 28.05.2012. PO issued on 29.06.2012. Request to release foreign exchange.

LINE ITEM NO.	UNIT NO.	WORK ITEM DESCRIPTION	AGREEMENT AMOUNT	CLAIMS SUBMITTED ON THE BASIS OF OLD FARA	CLAIMS SUBMITTED ON THE BASIS OF NEW PIL	PRESENT STATUS
24	5&6	Conversion of Boiler Ignition System from Natural Gas to HSD/Furnace Oil	\$277,965			Tenders opened and evaluation completed. LOI to be issued.
25	5&6	Repair of winding and stator of Generators and testing	\$319,500			Draft tender documents sent to GM office on 06.08.2012.
26	5&6	Hydraulic coupling of Boiler Feed Water Pumps (01 No).	\$63,900			Tender opened but only one firm participated and rate quoted by the firm is ten times higher than the estimated cost.
27	5&6	Modification of Excitation System	\$166,140			Tender opened and is under evaluation
28	5&6	Procurement of 0.4KV Motors for Cooling Towers Fan and APH 02	\$10,650		10,650	PO issued and LC opened in April 2012. Material received at site on 10.08.2012. Claim for 100% payment (\$10,650) reimbursed by USAID.
29	5&6	Procurement of 6.6KV Motor for C.W. Pumps, CP, ID Fan, FD Fan & BF Pumps (05 No).	\$162,945		\$162,945	Po issued and LC opened in April 2012. Claim for 100% payment (\$162,945) reimbursed by USAID.
30	5&6	Procurement of 6.6/0.4KV Breaker (5 No. 6KV breaker, 18Nos. 0.4Kv Breakers).	\$295,005			PO issued and request to establish LC has been made. Claim for 100% payment (\$295,005) received but LC of second PO was missing and has not been opened yet.
31	5&6	Protection Relay for Generators.	\$29,820			Tenders opened and LOI issued on 24.02.2012. PO issued on 31.05.2012. Request to release foreign exchange.

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32	5&6	MK Breakers, Seal Oil Coolers, PMG	\$169,335		\$169,335*	Consignment received at site. Claim for 100% payment (\$169,335) received and submitted to USAID on May 29, 2012
33	5&6	Supply, Installation, Commissioning & Testing of complete distributed control system (DCS) including field equipment such as sensors, transmitter & actuators etc. for turbine governing system DEH-III and Boiler Turbine Auto regulation system YEWPACK-II	\$213,000			Retendered and bid evaluation in process.
34	5&6	Rehabilitation of Furnace safety Supervisory System (FSSS) including Furnace camera, flame monitoring & ignition system	\$266,250			Tender opened and is under process.
Total			\$15,778,195	\$ 4,872,500	\$ 3,182,686	

Amount Reimbursed = US\$ 7,648,888

*Claims submitted to USAID/ENR and reimbursement in process = US\$ 406,298

Summary by Status as of August 31, 2012

Description	Number	Amount
Material Received at Site	9	\$ 5,640,496
LC opened and material is awaited	5	\$ 3,601,830
PO issued and LC is awaited	6	\$ 2,141,715
Performance Bond received and PO is awaited	-	-
LOI Issued and Performance Bond is awaited	1	\$ 62,835
Tender/Re-Tender opened and in process	7	\$ 2,100,180
Tender/Re-Tender Awaited	6	\$ 2,231,140
Total PIL Line Items	34	\$ 15,778,195

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