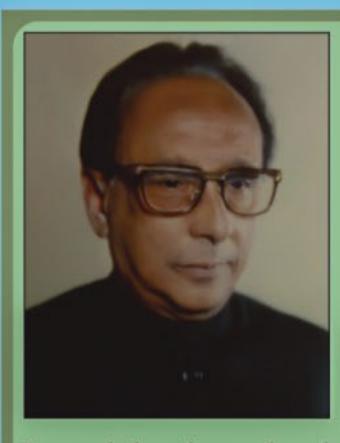


Special Supplement on inauguration of a Power Plant at Siddhirganj

14 February, 2010

Art & Design : Department of Films & Publications . Assistance : Press Information Department, Ministry of Information





PEOPLE'S REPUBLIC OF

BANGLADESH

Message

I am glad to know that the first unit of the two 120-megawatt peaking power plants is being inaugurated at Siddhirganj near Dhaka.

Electricity plays an important role in the flourishing of civilization and improvement of people's living standard. The demand for electricity is rising in tandem with socio-economic uplift of the people of Bangladesh, urbanization, increased use of technology and modernisation. Realizing this reality, the present government has attached top priority to the power sector and has encouraged local and foreign investments, which are praiseworthy. Bringing the country's deprived population within the purview of electricity coverage quickly is certainly a positive initiative. Everybody expects that this endeavour will continue.

I welcome this initiative to set up two power plants.

Khoda Hafez, May Bangladesh Live Forever.

Message

specific programmes framed for the purpose.

The present government is pledge-bound to meet the

rising demand for electricity in the country and all-out

initiatives have already been taken for implementing

On this auspicious occasion of inaugurating the 1st unit

of 2×120 megawatt power plant at Siddihirganj, I

sincerely congratulate all persons involved with the

I hope that the experiences gained from Siddhirganj will

find proper reflection in other projects taken up in the



Or. Towfiq-e-Elahi Chowdhury

Adviser to Honourable Prime Minister

Bir Bikram

Relevant Issues of Power Sector Development

A S M Alamgir Kabir

Chairman, Bangladesh Power Development Board

Electricity is an essential ingredient for socio-economic progress and qualitative improvement of people's lifestyle. The power sector is working tirelessly for ensuring reliable power supply commensurate with a rapidly rising demand.

Advancements in the Power Sector in One Year

The installed capacity of electricity in January 2009 was 5450 megawatt. But actual production was 3500 megawatt.

During the first year of the present government, 531 megawatt of electricity has been added by launching new power plants (including commissioning and test runs). As a result, installed capacity has risen to 6000 megawatt. Because of the worsening of gas crisis, actual production stood at 3750 megawatt in January 2010. Production of 4500 megawatt electricity would have been possible if there was no gas crisis.

Present Status of Power Generation and Distribution

The power generation capacity derated is at present 5425 megawatt. Of this, production capacity in the public sector is 3438 megawatt, while it is 1987 megawatt in the private sector. Current demand for electricity is 4500 megawatt, which will rise to 5800 megawatt next summer. At present, reliable capacity of production ranges between 3800 and 4500 megawatt. The record of maximum production till now has been 4296 megawatt (on 28 September 2009). Demand for electricity is rising at a rate of 8% on an average.

Future Plans for increasing Power Generation

In the backdrop of present gas shortage, installation of power plants run by imported coals and liquefied natural gas in future are being considered now. The government has taken up a plan for 'limited gas, coal, oil and liquefied gas' based power generation instead of the previous 'adequate gas' based ones.

The government has undertaken massive programmes for filling the gap between demand and supply of power in the backdrop of a failure in the past to set up new power plants for keeping pace with the rising demand for electricity.

Swift Initiative: For very swift implementation considering the availability of primary fuel, establishment of oil (diesel and furnace oil) based 530 megawatt capacity rental power plants are now under process. Agreements for generating 265 megawatt power have already been signed under this initiative.

Short-term Initiative: Steps have been taken for setting up 820-megawatt capacity oil (furnace oil) based power plants in the public sector for execution within June 2011. Of these, the cabinet committee on purchases has already approved establishment of 5 power plants having a total capacity of 350 megawatt. Besides, plans have been approved for constructing two 100-megawatt capacity peaking plants in the private sector at Kaliakoir and Savar.

Medium-term Initiative: Work has started on setting up 300-450 megawatt plants at Bibiana, 150-225 megawatt plants at Bhola and 300-450 megawatt combined cycle power plants at Meghnaghat in the private sector, which will be implemented within the next 3 to 5 years. A notable initiative under this plan-category is setting up of 2,600-megawatt

capacity efficient power plant based on imported coal within the year 2014-15.

If these initiatives are implemented on time, then the country will be able to free itself from the horror of power-crisis by the year 2013. For implementing these projects US \$ 7 billion will be required where the power sector will require US \$ 10 billion in next 5 years. Three road-shows were organised recently in London, Singapore and New York for attracting investments. A huge response was observed among investors during these events.

Long-term Initiative: Atomic energy generated and coal based big Power Plan will be established in the long-run.

Renewable Energy-based Power Generation: Work has already started for setting up 100 to 200 megawatt capacity wind-driven power plant and 9 to 14 megawatt solar power plants under the Renewable Energy Policy- 2008.

Inter-State Exchange of Power: Plans have been taken up under the purview of international trade to import power from the north-eastern region of India, Bhutan and Nepal in future, including 250-500 megawatt electricity from India's West Bengal. It will be possible to launch this import/export programme within 2012 after installing 125 kilometre long 400 KV transmission line. Energy-saving Measures: Staggered holidays are being continued in industrial establishments.

Programme for

keeping shopping malls and markets closed after 8 pm at night has been implemented.

Steps have been taken for installing energy-saving bulbs in all government and autonomous bodies. Around 10 million efficient CFL bulbs are being given to electricity subscribers free of charge.

All government, semi-government and autonomous bodies have been instructed to keep the temperature of their air-conditioners at 24 degree Celsius or above and users are being encouraged to switch off their ACs during peak hours.

Directives have been issued to officers and employees for not wearing suits in public and private offices during March-November period.

Daylight Saving Time (DST) system has been introduced for the first time in Bangladesh between 19 June and 31 December 2009, by advancing the clock by one hour.

As a result of these initiatives demand for power has decreased by 900 megawatt.

Irrigation Management: Management measures have been taken to ensure uninterrupted power supply for irrigation pumps from 11 pm at night to 7 am in the morning during the irrigation season.

Steps have been taken for sustained supply of power for irrigation pumps through load-shedding (if needed) in urban areas during off-peak hours (from 11 pm at night to 5 pm the afternoon).

System Loss: System loss in the power sector is currently (2009 fiscal year) 14.6%, which was over 30% even a decade ago. Tariff: The Power Development Board has to incur a loss of 0.29 taka per unit in case of bulk sales, as the production cost is higher compared to sales price. The sales price of electricity need to be enhanced in order to sustain the programme for increasing power generation. A step by step increase in price is justified in order to make it tolerable for

At present, 47 percent of the country's population has come under the purview of electricity coverage. Around 75 million people remain outside this coverage, and the remaining 70 million do not get reliable electricity supply. Per capita power generation in the country is currently 184 kilowatt hour, which is very low compared to other countries of the world. In this backdrop and in accordance with its Vision-2021, the government has undertaken massive programmes for increasing power generation in order to bring dependable power supply to the doorsteps of the whole population by keeping it within their purchasing power.

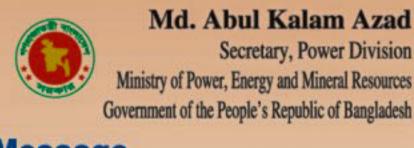
Translation: Helal Uddin Ahmed

the subscribers.



project.

power sector.



Dr. Towfiq-e-Elahi Chowdhury, Bir Bikram

Message

Bringing the entire population of Bangladesh under the purview of electricity coverage and making the country self-reliant in power generation by the year 2021 is a major goal of the government's strategic vision. Despite various adversities and existing fuel crisis, the auspicious inauguration of the newly constructed first unit of 2×120-megawatt power plant at Siddhirganj will take the government one step forward towards achieving that objective.

Enhancement of power generation and development of transmission and distribution system are essential for socio-economic development of the country. Various short, medium and long-term action-plans have been undertaken for meeting the rising demand for electricity on an urgent basis, and the government has been working in line with that. Besides, the government has already taken numerous initiatives for using alternative fuel in generation of electricity.

I am hopeful, other power plant construction projects of EGCB will also be completed on time.

Md. Abul Kalam Azad

Siddhirganj 2 X 120 MW Peaking Power Plant

A. M. M. Murtaza Ali, Managing Director, EGCB Ltd.

The objectives of this project are:

◆ To improve the quality and reliability of the electric supply system. ◆ To improve peak power generation capacity to reduce load shedding. • To reduce low voltage problem of the adjacent area and technical losses of the system. • To increase access to the people to electricity services.

This project has been funded by Asian Development Bank (ADB Loan No. 2039 BAN)

: 31st January, 2007

: 2 Gas Turbine

: 105 MW (each)

: Asian Development Bank (ADB)

Salient Features of the Project Electricity Generation Company of Bangladesh (EGCB) Ltd.

Implementing Agency Financing Agency

Turnkey Contract Signed

Implementation Period

No. of Units

Net Capacity of Each Unit

Consultant Turn Key Contractor

Construction Cost

: KEMA Netherlands, TCE India and e.Gen Consultants Bangladesh. : Bharat Heavy Electricals Ltd., in India

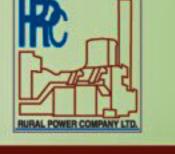
: 2004-2005 to 2008-2009, extended upto 2010

: Total: 1133 Crore BDT, Project Aid: 791 Crore BDT (USD 113 Million)

Sponsored by









PRIME MINISTER **GOVERNMENT OF THE PEOPLE'S** REPUBLIC OF BANGLADESH

Message

I am very happy to know about the launching of the first unit of two 120-megawatt capacity power plants at Siddhirganj.

Electricity plays a pivotal role in the growth of industries and factories, socio-economic development and above all, qualitative improvement of people's lifestyle. The present government has therefore undertaken various programmes by identifying the power sector as a priority area.

Alongside existing plans, new plans have been drawn up to set up newer power plants throughout the country under short, medium and long term planning. Work has already started on construction of a number of new power plants in the public and private sectors.

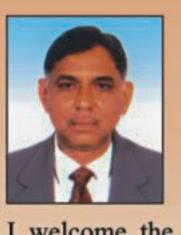
Emphasis is being attached to establishing coal-based power plants and renewable energy-based electricity generation side by side with consumption of gas as fuel for generating power. We are determined to become self-reliant in electricity generation by the year 2014.

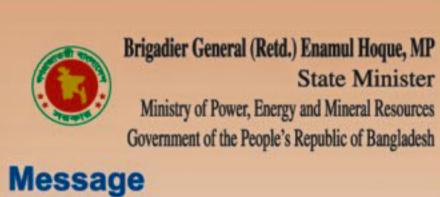
We added 1,570 megawatt of additional electricity to the national grid during our previous tenure of 1996-2001. We were the first to open up power generation to the private sector and built newer plants, which yielded benefits for the countrymen.

I hope, the newly constructed power plant will play an important role in meeting the rising demand for electricity in the country.

> Joi Bangla, Joi Bangabandhu May Bangladesh Live Forever

Zw Engra





I welcome the launching of the first unit of 2×120megawatt power plant at Siddhirganj as part of multifarious measures taken by the present government for curbing deficits in the power sector.

The government is firmly committed to develop the power and energy sector in the country. The present government is therefore working hard with the objective of ensuring electricity for all by the year 2021. It is possible to overcome the present situation only by increasing electricity generation as well as coordinated development of transmission and distribution system. With this objective, short, medium and long-term action-plans have been taken up on an urgent basis. Participation of public and private sectors as well as public-private-partnership is being encouraged for implementation of these plans.

Various initiatives are also being taken for ensuring a mix of traditional and renewable fuel in power generation. At the same time, I call upon all to maintain austerity in the use of power and energy.

I hope, the second unit of the Siddhirganj power plant will be completed on time.

Enamul Hoque, MP





Chairman **Electricity Generation Company** of Bangladesh Limited

Message

The 'Electricity Generation Company of Bangladesh Limited' (EGCB Ltd.) commenced its operations on 16 February 2004 as part of the country's power sector reforms.

With financial assistance from the Asian Development Bank, EGCB Ltd. signed an agreement with the Bharat Heavy Electrical Limited on 31 January 2007 for setting up 2×120 megawatt capacity gas-turbine power plant in Siddhirganj. In accordance with that agreement, the first unit of the power plant started generating power on an experimental basis on 20 November 2009. Work has also started on construction of another gas-turbine power plant and one combined cycle power plant under the aegis of EGCB Ltd. A total of 900 megawatt electricity will be supplied to the national grid from these three projects. The generated power will play a notable role in overall prosperity of the country through utilisation in housing, agriculture and industries sectors.

I sincerely thank all officers and employees of EGCB Ltd on the auspicious occasion of inaugurating the Siddhirganj 2×120 megawatt power plant (first unit) as part of multifarious effective measures taken by the present government for reducing power deficit in the country.

M A Muttalib