

# Day Break

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## Power Generation & Distribution

### Dec-24: Power Generation up by +2%/y

- As per latest data available on NEPRA's website, overall power generation during the month of Dec-24 witnessed a minor uptick of +2%/y to 7,800Gwh owing to subdued demand from both the domestic and industrial sectors on the back of high tariffs and overall slowdown in industrial activity. However, Generation was down by 3%/m during Dec-24 compared to Nov-24 due to the ongoing winter season.
- Owing to higher cost of generation and lower demand, power generation through RFO declined by 98%/y to 3Gwh during Dec-24.
- Gas/LNG based power generation increased by +23%/y to 2,574Gwh whereas Coal based power generation decreased by 46%/y (1,693Gwh) to 908Gwh during Dec-24.
- Going forward, generation mix is likely to be led by coal, gas and LNG plants owing to lower cost of generation. RFO based generation is likely to remain low due to the high cost of generation.

### Power generation increased by +2%/y during Dec-24

As per latest data available on NEPRA's website, overall power generation during the month of Dec-24 witnessed a minor uptick of +2%/y to 7,800Gwh owing to subdued demand from both the domestic and industrial sectors on the back of high tariffs and overall slowdown in industrial activity. However, Generation was down by -3%/m during Dec-24 compared to Nov-24 due to the ongoing winter season. This brings total generation for 1HFY25 to 66,641Gwh, down by -3%/y, primarily led by 89%/y decline in production through RFO. Hydrel/LNG/Gas contribution stood at 35%/17%/9% in 1HFY25 as compared to 36%/18%/8% respectively in the same period last year.

Power Generation Source-wise								
Gwh	Dec-24	Dec-23	YoY	Nov-24	MoM	1HFY25	1HFY24	YoY
Hydel	1,778	1,859	-4%	2,860	-38%	23,366	24,260	-4%
RFO	3	168	-98%	0	-	152	1,352	-89%
Gas	960	826	16%	858	12%	5,762	5,572	3%
LNG	1,615	1,268	27%	907	78%	11,639	11,791	-1%
HSD	0	6	-100%	0	-	0	6	-100%
Coal	908	1,693	-46%	1,496	-39%	11,864	11,496	3%
Nuclear	2,065	1,464	41%	1,655	25%	10,936	11,296	-3%
Imported Iran	33	28	17%	37	-11%	236	160	48%
Mixed	0	0	-	0	-	0	0	-
BAGGASSE	101	101	0%	52	94%	339	269	26%
Wind	262	150	74%	98	167%	1,789	2,253	-21%
Solar	76	62	23%	69	10%	558	426	31%
<b>Total</b>	<b>7,800</b>	<b>7,627</b>	<b>2%</b>	<b>8,032</b>	<b>-3%</b>	<b>66,641</b>	<b>68,887</b>	<b>-3%</b>

Source: NEPRA, IGI Research

### RFO generation down by 98%/y during Dec-24

Owing to higher cost of generation and lower demand, power generation through RFO declined by 98%/y to 3Gwh during Dec-24. This brings total generation for 1HFY25 to only 152Gwh as compared to 1,352Gwh generated in the same period last year, i.e. down by 89%/y.

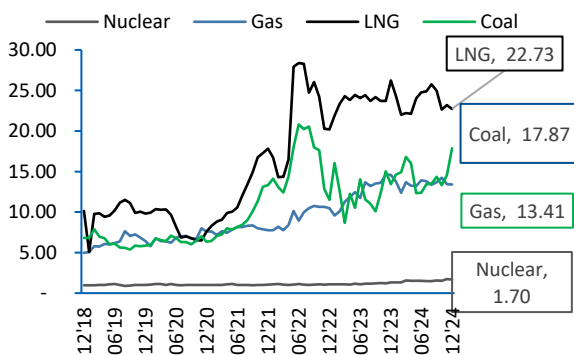
### Gas/LNG generation up by +23%/y during Dec-24

Gas/LNG based power generation increased by 23%/y to 2,574Gwh in Dec-24 on the back of higher generation from a) Haveli Bahadur (up by 173Gwh) b) GENCO-II (up by 91Gwh) and other IPPs (cumulatively up by 242Gwh). This brings total generation in 1HFY25 to 17,401Gwh remaining almost flat on a y/y basis.

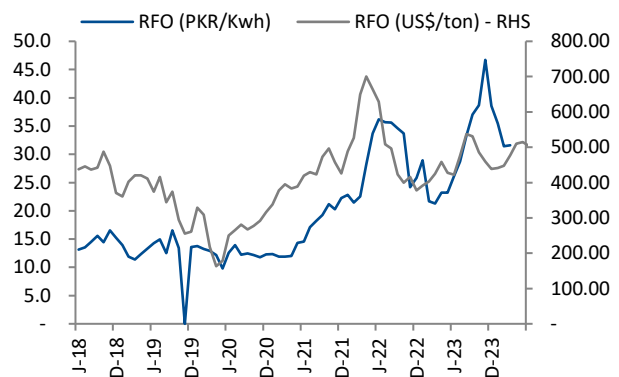
### Coal based power production is down by 46%/y during Dec-24

Coal based power generation decreased by 46%/y (down by 1,693Gwh) to 908Gwh during Dec-24 on the back of lower generation from Thar Coal Block I (down by 177Gwh) and Thar Energy (down by 167Gwh). During 1HFY25 generation is up by +3%/y to 11,864Gwh against 11,496Gwh recorded last year.

**Exhibit: Cost of generation (According to Data released by NEPRA)**



**Exhibit: FO Prices (USD/Mton) and Fuel Prices (PKR/Mton)**

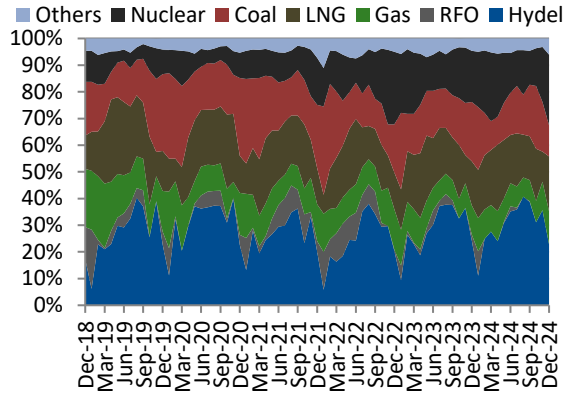


Source: NEPRA, Bloomberg, IGI Research

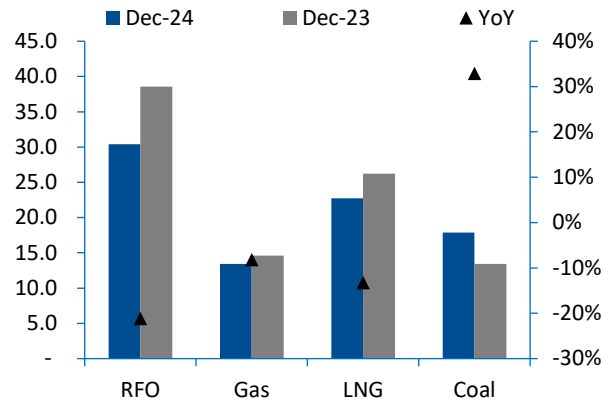
### Total Cost of Generation down by 10%/y during Dec-24

As per NEPRA, total cost of generation decreased by 10%/y to PKR 9.09/kwh during Dec-24. Power cost on RFO is down by 21%/y to PKR 30.39/Kwh. Moreover, cost of gas based power generation decreased to PKR 13.41/Kwh, down by 8%/y, while generation cost through LNG stood at PKR 22.73/Kwh. For the month of Jan-25, international RFO prices have averaged USD 473.25/Mton as compared to USD 447.03/Mton in the preceding month.

**Exhibit: Fuel Wise Generation Mix (%)**



**Exhibit: Fuel Wise cost of Generation – Jun-24 (PKR/Kwh)**



Source: NEPRA, IGI Research

### Outlook

Going forward, generation mix is likely to be led by coal, gas and LNG plants owing to lower cost of generation. RFO based generation is likely to remain low due to the high cost of generation.

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