

EXCLUSIVE INTERVIEW

ICMA: As the largest IPP in Pakistan, how has HUBCO contributed to the country's energy security and reliability over the years?

Kamran Kamal: HUBCO has been the first IPP in Pakistan, starting with a 1,292MW RFO-fired power plant in Hub, Balochistan. Hub plant remained critical for meeting the energy requirements in the country, contributing upto 10% of electricity for over two decades. HUBCO invested in different sources of power generation and expanded to a capacity of over 3,580 MW over the years.

ICMA: Can you share HUBCO's strategy for expanding generation capacity and diversifying its energy portfolio in Pakistan? How is the company adapting to the changing energy landscape?

Kamran Kamal: HUBCO has two RFO-fired power plants with a combined installed capacity of over 1,500 MW, two Thar coal-based power plants totaling 660 MW, one imported coal power plant of 1,320 MW and one hydel power plant of 84 MW. HUBCO has diversified its energy portfolio by investing in Thar coal mining project SECMC, which currently has a capacity of 7.6 MTPA.



Kamran Kamal
CEO, The HUB Power
Company Limited (HUBCO)

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Furthermore, HUBCO has also invested in oil and gas sector (ENI Pakistan), having a capacity of 10.7 MMBOED.

ICMA: Given the ongoing financial challenges faced by IPPs in Pakistan, such as delayed payments and rising circular debt, what measures is HUBCO taking to ensure financial sustainability?

Kamran Kamal: Being one of the largest players in power sector, HUBCO has also faced the challenges of delayed payments and circular debt. However, HUBCO remained committed to ethical business practices while striving for sustainability and growth. Recently, HUBCO has partnered with BYD, world no. 1 New Energy Vehicle (NEV) manufacturing company, to assemble and sell BYD NEVs in Pakistan.

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ICMA: What regulatory or policy changes do you believe are necessary to improve the operating environment for IPPs in Pakistan?

Kamran Kamal: Electricity value chain can be divided into three segments: Generation, Transmission and Distribution. The generation segment has been performing well with increasing participation from private players. However, transmission and distribution segments require significant improvements to address the constraints in power evacuation from South to North as well as to reduce high T&D losses.

ICMA: What technological innovations is HUBCO implementing to enhance the efficiency of its power plants and reduce environmental impact?

Kamran Kamal: HUBCO has always emphasized on health, safety and environment across its all-power stations. In addition, HUBCO has been serving the neighboring communities in areas of education, health, livelihood and infrastructure development. With the use of advanced technologies in its operations, HUBCO's power plants remain compliant with the National Environment Quality Standards.

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ICMA: In what ways does HUBCO work with government agencies and regulators to address power sector challenges and improve electricity supply?

Kamran Kamal: Being a responsible corporate entity, HUBCO has remained transparent in its records and reporting to the regulator i.e. NEPRA. The Control Rooms of our power stations are always in coordination with the national grid (NTDC) and power purchaser (CPPA). We ensure compliance with all contractual obligations and always cooperate with the government authorities.

ICMA: What role do IPPs play in Pakistan's long-term energy security, and how can public-private partnerships be strengthened?

Kamran Kamal: IPPs have strengthened the country's generation portfolio and have enabled the cost of generation reduce significantly by inclusion of renewable sources. However, long-term energy security demands reciprocating support from public institutions and regulatory bodies. Demand planning is critical for the sector in addition to addressing transmission constraints and reducing T&D losses. An integrated approach is required to resolve the woes in power sector.

The Editorial Board thanks Mr. Kamran Kamal, CEO of The HUB Power Company Limited (HUBCO), for sparing his precious time to give an exclusive interview for the Chartered Management Accountant Journal.