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## **AES Pakistan Success Story**

AES is one of the world's largest global power companies, with 2006 revenues of US \$11.6 billion. Having operations in 28 countries located in five different continents, AES generation and distribution facilities have the capacity to serve 100 million people worldwide. Our 13 regulated utilities amass annual sales of over 73,000 GWh and our 121 generation facilities have the capacity to generate approximately 43,000 MW. Our global workforce of 30,000 people is committed for operational excellence and meeting the world's growing power needs.

AES came into Pakistan in mid 90s and developed two oil fired power plants, AES Lalpir (LP) and AES Pakgen (PG), an aggregated capacity of, 720 MW ("Projects") under Power Policy of 1994 issued by Government of Pakistan. The Projects commenced commercial operations in November 1997 and February 2008 respectively, and are being successfully selling electricity to Pakistan Water & Power Development Authority (WAPDA) pursuant to the 30 year Power Purchase Agreement (PPA).

The aggregated project costs for Lalpir and Pakgen were US\$693 million. The Projects have proven themselves the most reliable power plants in Pakistan. Since inception, AES has undertaken many performance improvement initiatives which include small and medium sized capital intensive activities to improve the heat rate efficiency and reliability of the power plants.

AES Pakgen has the privilege of installing first and the only Fuel Gas Desulphurization unit in Pakistan. Additionally, Lalpir and Pakgen have acquired OHSAS 18001 and ISO 14001 certifications in 1999 and in 2004 respectively. The Projects have also acquired Certification of Compliance in Environmental Guidelines on Occupational Health and Safety requirements of World Bank by Hagler Bailly Pakistan and Audit Certification of Compliance on Environmental Guidelines on Occupational Health and Safety requirements of World Bank by KEMA.

Safety is one of AES core values; AES people worldwide demonstrate safety from their acts and behavior. AES Lalpir and AES Pakgen have been true champions in the field of safety and have an impressive safety track record. Recently, Pakgen has completed 10 years without Lost Time Accident (LTA) and currently Lalpir is running 3539 hours and Pakgen 3773 hours without any LTA.

AES Lalpir and AES Pakgen have received AES Corporation Safety Excellence Award in 2006, ILO-EFP Award for 'Best Practices' in Occupational Health & Safety 2007 & 2008, Employers' Federation of Pakistan award for excellence in "Best Practices Occupational Safety and Health" for Year 2007 and Year 2008, Green Apple Award UK in 2007 and WWF – ACCA Environment reporting award -08 in Multinational category by WWF Organization.

Being a socially responsible corporate entity, AES Lalpir and Pakgen have been undertaking various social responsibility activities. Since inception, AES has executed various projects amounting to approximately US \$2.1 million in the field of education, health, philanthropy, mass afforestation & infrastructure to raise the standard of living of the local community. Approximately, 50,000 patients have been treated so far in the free clinic organized by AES and approximately 1000 eye patients have been operated at free eye camps arranged by AES with the help of LRBT. AES also established the first Diagnostic Centre in the district of Muzafargarh.

AES has donated a Vocational Training Institute building including all the necessary amenities to Punjab Vocational Training Council. AES also donated 10 school buildings to Education Department. AES has sponsored 430 needy students and provided special sponsorships for deserving poor students to pursue their advance education in professional colleges and universities. AES has built and donated 10 family homes in SOS village for homeless children in Multan.

As part of the welfare activities, AES has helped in electrifying 28 villages with the help of WAPDA and have constructed 24 km road connecting the villages to the markets and 5 bridges at Muzafargarh canal and nearby drain.

AES aspire to become leader in Climate Control solution. AES Lalpir and Pakgen have planted trees on around 1,170 acres of land as part of its contribution in off-setting CO<sub>2</sub> emissions. In addition, AES is working on many small scale energy conservation projects for cleaner and safer environment.

AES is in the process of developing 1200MW imported coal based power project which is currently in development phase. The coal project will help country to improve its unfavorable fuel mix and diversify its fuel supply risk by reducing reliance on oil fired power generation.

To build new energy and energy related businesses in the Asia & Middle East Region by focusing on AES' core competency as a global developer and operator and building a brand as a company of high integrity, that delivers a safe, clean and reliable products.

"We will build the world's leading Power Company, using innovation to bring affordable and sustainable energy solutions to the world".