

# NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

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## PRESS RELEASE

June 21, 2018

Subject: **NEPRA IMPOSES FINE OF RUPEES FIVE MILLION ON GENCO-III FOR POWER BREAKDOWNS**

NEPRA has imposed a fine of Rs. 5,000,000/- (Rupees five million only) on M/s Northern Power Generation Company Limited GENCO-III (a government owned Generation Company) on account of negligence in maintenance of 220 kV switchyard of TPS Muzaffargarh and non-operation of protection system which resulted in power breakdown on **January 15, 2016** in northern network of country i.e. Punjab & Khyber Pukhtunkhwa.

The Authority took serious note of power break down and initiated legal proceedings against GENCO-III and directed NTDC to investigate the matter and submit a report. Subsequently, the Authority after reviewing the inquiry reports of NTDC and Ministry of Energy, held GENCO-III responsible for the power breakdown. Non-operation of primary protection at TPS Muzaffargarh, managed by GENCO-III, caused the cascaded tripping of transmission lines and power plants which eventually resulted in wide spread power breakdown leaving Punjab & KPK in dark.

Prior to the occurrence of subject breakdown, the Authority had taken note of deficiencies and defects in the concerned switchyard and directed GENCO-III, vide letter dated 10-04-2015, to remedy these deficiencies and maintain switchyard. Upon failure to comply with the directions of the Authority, a Show Cause Notice was issued to GENCO-III and an opportunity of hearing was also afforded on 24-01-2018. During the hearing, the representatives of GENCO-III were unable to provide any plausible reason to defend itself against the charges framed and it was established that the directions of the Authority and provisions of Generation License, National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 and Grid Code 2005 were being violated by GENCO-III.

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