



**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

**Publication of draft National Electric Power
Regulatory Authority (Fee) Regulations , 2020
for eliciting public opinion**

The National Electric Power Regulatory Authority (NEPRA) has framed National Electric Power Regulatory Authority (Fee) Regulations, 2020, in exercise of powers conferred under Section 47 of the Regulation of Generation, Transmission and Distribution of Electricity Power Act, 1997 (XL of 1997). In this regard, the following notification is hereby published for eliciting public opinion. Comments may be sent to the Registrar (NEPRA) within 30 days of this publication.

NOTIFICATION

S.R.O. .— In exercise of the powers conferred by section 47 of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 (XL of 1997), the National Electric Power Regulatory Authority hereby notifies the following regulations, namely:—

1. Short title and commencement.—(1) These regulations may be called the National Electric Power Regulatory Authority (Fee) Regulations, 2020.

(2) These regulations shall come into force at once.

2. Definitions.— (1) In these regulations, unless there is anything repugnant in the subject or context,

(a) "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997);

(b) "applicable documents" means the Act and the rules, regulations, licences, registrations, directives, codes, standards, guidelines, notifications, circulars, orders, determinations, documents, instruments, approvals and authorizations issued or granted from time to time by the Authority in exercise of its powers under the Act;

(c) "base rate" means the re-purchase rate for six (06) months Treasury Notes as announced by the State Bank of Pakistan, from time to time;

(d) "financial year" means a consecutive period of twelve (12) calendar months commencing on the first day of July of any year and ending on the thirtieth day of June of the following year;

(e) "licensee" means a holder of a licence under the Act;

(f) "registered person" means a person registered under the Act;

(g) "Schedule" means the Schedule to these regulations.

(2) Words and expressions used but not defined in these regulations shall have the same meaning as in the Act and rules and regulations made thereunder.

3. Fees.— (1) Any person licenced or registered under the Act shall pay to the Authority fees calculated in the amount and manner specified under these regulations, the Schedule attached hereto, and any other applicable document.

(2) Fees shall be paid in one or more accounts of the Authority designated for the purpose.

(3) Fees shall be considered paid to the Authority when the amount has been credited to the account(s) of the Authority.

(4) In case a fee is not paid to the Authority within the due date specified in these regulations, or outlined in an applicable document, the payee shall, without prejudice to any another action or penalty that the Authority may take or impose, be liable to pay late payment charges calculated at the base rate plus two (02) per cent per annum prorated for the period of delay.

(5) Fees shall be accompanied with an undertaking by the licensee or the registered person as to authenticity and accuracy of calculation of applicable fee in terms of installed capacity of transmission system or distribution system or actual demand of electricity for the purpose of supply of electricity, as the case may be, in the financial year preceding the financial year for which the fee is being paid.

4. Payment.— (1) Fees payable by persons licensed or registered under the Act shall be –

- (a) paid on a recurring basis in respect of each financial year from the date of grant of licence or registration till the expiration, suspension, revocation, rescindment or cancellation of licence or registration, as the case may be; and
- (b) paid in full in advance thirty (30) days before expiry of the financial year that precedes the financial year for which the fee is being paid:

Provided that fee for the first financial year shall be paid within thirty (30) days of grant of licence or registration and shall be prorated for the number of months remaining before the expiry of the financial year in which the licence or registration is granted.

Explanation.— (1) For the purpose of this regulation, “**fee**” means the annual fee payable for each financial year.

(2) In case of generation licences, the Gross (ISO) MW capacity for which the generation licence is granted shall form the basis for the calculation of the fee.

(3) In case of national grid license, provincial grid license or any transmission license other than special purpose license, a fixed fee shall be charged to the licensee.

(4) In case of special purpose transmission license, transmission capacity of special purpose transmission line as provided in the license shall form basis for calculation of fee.

(5) In case of distribution licence, total installed capacity of the distribution system in a given year shall form basis for the calculation of the fee.

(6) In case of supplier license, the total demand of electricity in a given year shall form basis for the calculation of the fee.

Provided that, and subject to the applicable provisions of the Schedule, where there is no recorded data for installed capacity or electricity demanded or otherwise, as the case may be, the fee for the first financial year shall be calculated on the basis of forecasted information and data, to be submitted by the person licensed or registered person under the Act in such form and manner as the Authority may deem fit.

5. Miscellaneous.— (1) Any modification in fees under the Schedule shall be applicable to the financial year following the financial year in which such modification is notified.

(2) Notwithstanding anything contained in these regulations, the Authority may, by notification in the official Gazette, impose fees on any person for the provision of electric power services, including services and activities relating to electric power markets and excluding electric power services for which fees have been imposed under these regulations.

(3) Notwithstanding anything contained in these regulations or any other applicable document no fee shall, in part or in whole, be refunded, waived, deferred or prorated on account of suspension, revocation, rescindment or cancellation of the applicable document for which fees are payable.

SCHEDULE
[See regulations 3, 4 and 5]

PART I
FEES (Annual)

Sr No.	Licence, Registration or Other	Annual Fee
1.	Generation	The fee will be calculated, at the rate of Rs. [20 thousand] per MW, on the basis of the Gross (ISO) MW capacity of the licensed generation facility.
2.	National Grid	The fees will be charged at the fixed rate of Rs. [10.00 million].
3.	Provincial Grid	The fees will be charged at the fixed rate of Rs. [2.50 million].
4.	Special Purpose Transmission Line	The fee for Special Purpose Transmission shall be calculated at the rate of Rs. [2500] per megawatt, on the basis of maximum transmission capacity as given in the license of special purpose transmission line, with a maximum ceiling of Rs.10 Million.
5.	K-Electric (Transmission)	The fee will be charged at the fixed rate of Rs. [7.00 Million].
6.	Distribution	Rs. [6500] per MVA or Rs. [1200,000] whichever is more.
7.	Electric Power Supplier	Rs. [10000] per MW or Rs. [1200,000] whichever is more.
8.	Market Operator	The fee will be charged at the fixed rate of Rs. [10.00] million.
9.	System Operator	The fee will be charged at the fixed rate of Rs. [10.00] million.

PART II
INDEXATION OF FEES

- Any and all fees payable pursuant to these regulations shall be indexed to the National Consumer Price Index ("N-CPI") published from time to time by the Federal Bureau of Statistics.
- The indexation shall be done on the basis of the most recent CPI prevailing on the date of payment of the fees and shall be increased or decreased, as the case may be, in accordance with the following formula, namely:-

$$F_{pd} = F_t \left[\frac{N-CPI_{pd}}{N-CPI_{rd}} \right]$$

Where

F_{pd} = The actual fee payable on the date of payment.

F_t = The respective fee set out in Part-I of this Schedule.

$N-CPI_{pd}$ = The most recent N-CPI (Base Year 2015-16) prevalent on the last

day of the month immediately preceding the month in which the payment is due.

N-CPI rd = The reference or base N-CPI (Base Year 2015-16) prevalent on the last day of the month in which these regulation are notified in the Official Gazette.

Registrar NEPRA

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