

**Issues of Hearing in the matter of**  
**Power Acquisition Programme (PAP) for FY 2024-30**  
**Submitted by the K-Electric Ltd (KEL)**

1. Whether the PAP has been prepared in accordance with the NEPRA (Electric Power Procurement) Regulations, 2022 (the “Procurement Regulations”) and market commercial code (the MCC)?
2. Whether the output of the PAP i.e., the firm and indicative procurement for the control period (FYs 2024-30) is in line with the generation capacity addition in the latest approved Indicative Generation Capacity Expansion Plan (IGCEP 2022-31) on year-on-year basis? In case of any deviations, what are the justifications and which document should take precedence to ensure least-cost procurement by the SOLRs?
3. Whether the demand forecast used in the combined PAP is aligned with the forecasting methodology of XW-DISCOs and Distribution Code, demand forecast used in the IGCEP 2022-31 as well as its network investment programmes? Also explain the basis for choosing the base case scenario of the IGCEP 2022-31 for preparation of PAP.
4. Whether the impact of rooftop solar and captive generation has been considered during preparation of the PAP and what is the expected impact of the same on the proposed PAP?
5. Whether the capacity obligations prepared by the CPPAG as market operator during the test-run period should be considered for approval of the PAP or otherwise?
6. Whether it is prudent to allow the extension in contracts of projects whose PPAs have already expired as proposed by KEL in the PAP or new projects be proposed to replace such projects? Has there been any financial and technical assessment study conducted to justify the same?
7. Whether the availability of transmission/evacuation arrangements for all projects envisaged in the PAP have been considered during preparation of PAP and are part of network investment programmes of the KEL under approval at NEPRA?
8. What is the rationale behind proposing certain projects through the cost-plus and negotiated regime rather than competitive auctions? Further, Whether the proposal of 18 MW solar project from K-Solar, which is a wholly owned subsidiary of KEL, through negotiated procurement justified and in accordance with the Procurement Regulations?
9. Whether it is prudent to procure electric power over and above the capacity obligations compliance report as calculated by the market operator to ensure security of supply and alignment with the IGCEP for least-cost addition of electric power in the system?
10. If the PAP approved as proposed, what is the forecasted financial/tariff analysis and impact of the proposed PAP on the end-consumer tariff as well as basket price of KEL? Are the projected costs of the power acquisition programme reasonable and consistent with industry benchmarks and best practices?

11. Whether interconnection connection agreement and power procurement agency agreement (PPAA) have been signed between KEL, NTDC/CPPAG regarding 2050 MW capacity considered in PAP by KEL from June 2024? For how many years PPAA terms is negotiated and firmed up? What is an alternative plan of the procurements for long-term horizon, in case the capacity contracted from the national grid is reduced or withdrawn?
12. Is there any action plan developed to be shared to improve the fuel availability on KEL's own plants? Has the same been considered while working out capacity/obligations?
13. Any other issue with the approval of the Authority.

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