



## **NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (FEES) RULES, 2002.**

*Islamabad, the 23rd January 2002*

### **NOTIFICATION**

**S.R.O. 52(I)/2002.**— In exercise of the powers conferred by section 46 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the National Electric Power Regulatory Authority, with the approval of the Federal Government, is pleased to make the following rules, namely:-

### **THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (FEES) RULES, 2002.**

**1. Short title and commencement.**— (1) These rules may be called the National Electric Power Regulatory Authority (Fees) Rules, 2002.

(2) They shall come into force at once.

**2. Definitions.**— (1) In these rules, 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 rules and regulations issued in pursuance of the Act by the Authority, from time to time, relating to the generation, distribution and transmission licences, the grid and distribution codes and any documents, instruments, approvals or authorizations issued or granted by the Authority in exercise of its power under the Act;
- (c) "base rate" means the re-purchase rate for six months Treasury Notes as announced by the State Bank of Pakistan, from time to time;
- (d) "financial year" means a consecutive period of twelve calendar months commencing on the first day of July of any year and ending on the 30th day of June of the following year; and

(e) "Schedule" means the Schedule to these rules.

(2) The words and expressions used in these rules, but not herein defined shall have the same meaning as are assigned to them in the Act.

**3. Payment of fees.**— (1) A licensee or any person other than the licensee, as the case may be, shall pay to the Authority the fees calculated in the amount, manner and at the time specified in the Schedule or an applicable document.

(2) A licensee shall also pay such fees to the Authority as may be specified in an applicable document issued subsequent to the date of grant of a licence.

(3) The fees payable by the licensee or any person other than the licensee, as the case may be, shall be paid in one or more accounts of the Authority designated for the purpose.

(4) Any fee shall be considered paid to the Authority only when the amount is credited to the account of the Authority.

(5) Where a fee is not paid to the Authority by the due date therefore then, without prejudice to any other action or penalty, the Authority may impose under any applicable document for the failure to pay a fee in a timely manner and the licensee or the person other than the licensee, as the case may be, shall be liable to pay late payment charges calculated at the base rate plus two per cent per annum prorated for the period of delay.

(6) The Authority may from time to time, by notification in the official Gazette, alter or modify the manner or time of payment, calculation or the amount of fees specified in the Schedule:

Provided that the Authority shall not increase the amount of fees beyond five per cent of the amount specified in the Schedule without the prior approval of the Federal Government:

Provided further that, any increase in the fees shall be effective only in respect of and after the financial year following the financial year in which the increase is notified.

## SCHEDULE

[See rule 3]

### PART I

#### FEES (Annual)

- 1. Generation licences.**— The fee will be calculated, at the rate of [three thousand seven hundred rupees]<sup>1</sup> per MW, on the basis of the Gross (ISO) MW capacity of the licensed generation facility.
- 2. Transmission licence.**— Until such time the NTDC is sole Transmission Company, and is Government owned and controlled, the fee will be calculated on a fixed rate basis and shall be the Fixed Fee (fixed rate basis) of [one million two hundred thousand rupees]<sup>2</sup> per annum. The fee in general shall be based upon the total number of kilowatt hours of energy transmitted by the licensee through use of its transmission facilities which is delivered at the inter-connection points to the recipients or producers of energy from the licensee, in a given financial year.
- 3. Distribution licence.**— The fee will be calculated at the rate of Rupees [0.00075]<sup>3</sup> kWh based upon the number of kilowatt hours of energy sold by the licensee in a given year.

### PART II.

#### TERMS OF PAYMENT OF FEE BY THE GENERATION, TRANSMISSION AND DISTRIBUTION LICENSEES

1. The fee for the generation, transmission and distribution licences specified in this Schedule shall be paid on a recurring basis in respect of each financial year by the licensee for the term of the licence (hereinafter referred to as the "annual licence fee").
2. The annual licence fee in respect of any financial year shall be paid in advance within thirty days of the expiry of the preceding financial year:

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

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<sup>1</sup> The words "six thousand two hundred rupees" is substituted vide S.R.O. 358(I)/2009 dated 20.04.2009.

<sup>2</sup> The words "three million rupees" is substituted vide ibid.

<sup>3</sup> The figure "0.00125" is substituted vide ibid.

3. 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 annual licence fee.
4. Subject to paragraphs 6 and 7 of this part, the annual licence fee for any financial year in case of transmission and distribution licensees shall be calculated on the basis of the total number of kilowatt hours of energy transmitted or sold in the preceding financial year.
5. The transmission and the distribution licensees shall submit to the Authority, along with the tender of the annual licence fee, an abstract of their relevant accounts for the preceding financial year demonstrating the total number of kilowatt hours of energy transmitted or sold on the basis of which the annual licence fee for the following financial year is calculated. The abstract of accounts shall be certified as to its accuracy by a responsible officer of the licensee.
6. In case of transmission and distribution licensees already engaged in the business of transmission or distribution of energy at the time of application for a licence, the calculation of the annual licence fee for the first financial year shall be made on the basis of the total number of kilowatt hours of energy transmitted or sold, recorded in the books of accounts of the licensee for the preceding financial year.
7. In case of applications for new licences for transmission or distribution where there is no recorded data for the number of kilowatt hours of energy transmitted or sold for the respective area of supply, the annual licence fee for the first financial year shall be calculated on the basis of the transmission or distribution forecast provided by the applicant for the licence, as modified or approved by the Authority.

### **PART III.**

#### **INDEXATION OF FEES**

1. Any and all fees payable pursuant to these rules shall be indexed to the Consumer Price Index (CPI) published from time to time by the Federal Bureau of Statistics.
2. 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:-

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

Where

$$F_{pd} = \text{The actual fee payable on the date of payment}$$

- Ft = The respective fee as set out in Part I of this Schedule.
- CPI pd = The most recent CPI prevalent on the last day of the month immediately preceding the month in which the payment is due.
- CPI rd = The reference or base CPI, prevalent on the last day of the month in which these rules are notified in the official Gazette.

MAHJOOB AHMAD MIRZA,  
*Director Administration.*

## **Amendment in NEPRA (Fees) Rules, 2009**

Part-II

**Statutory Notifications (S.R.O.)**

GOVERNMENT OF PAKISTAN

**CABINET SECRETARIAT**

**(Cabinet Division)**

Notification

Islamabad, the 20<sup>th</sup> April, 2009

**S.R.O. 358(I)/2009.**—In exercise of the powers conferred by section 46 of the Regulation of Generation, Transmission and Distribution of Electricity Power Act, 1997 (XL of 1997), the National Electric Power Regulatory Authority, with the approval of the Federal Government, is pleased to direct that following amendments shall be made in the National Electric Power Regulatory Authority (Fees) Rules, 2002, w.e.f. 01-07-2009 till further orders, namely:—

In the aforesaid Rules, in the Schedule, in Part-I,—

- (a) in paragraph 1, for the words “six-thousand two hundred rupees”, the words “three thousand seven hundred rupees” shall be substituted:
- (b) in paragraph 2, for the words “three million rupees”, the words “one million two hundred thousand rupees” shall be substituted; and
- (c) in paragraph 3, for the figure “0.00125” the figure “0.00075” shall be substituted.

MUHAMMAD FAROOQ,  
*Section Officer (RA-III).*