



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/SA(M&E)/LAT-01/ 12524

August 8, 2025

Managing Director,
National Grid Company of Pakistan Limited (NGC),
414-WAPDA House, Shahrah-e-Quaid-e-Azam
Lahore

Subject: Order of the Authority in the matter of Explanation issued to National Grid Company (NGC) under Regulations 4(1) & 4(2) of the NEPRA (Fine) Regulations, 2021, regarding Non-Submission of Report for Violating NGC Specification P-44:2018

Enclosed please find herewith the Order of the Authority (total 04 Pages) in the subject matter for information and compliance.

Enclosure: As above

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA TOWER, ATATURK AVENUE (EAST) G-5/1, ISLAMABAD

Mr. Mian Irfan Younis

(Complainant)

Vs.

National Grid Company

(Respondent)

Venue of Hearing: NEPRA HQs, Islamabad

Date of Hearing: 19th March, 202

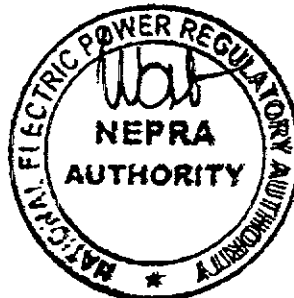
ORDER IN THE MATTER OF EXPLANATION ISSUED TO NATIONAL GRID COMPANY (NGC) UNDER REGULATION 4(1) & 4(2) OF THE NEPRA (FINE) REGULATIONS, 2021, REGARDING NON-SUBMISSION OF REPORT FOR VIOLATING NGC SPECIFICATION P-44:2018

ORDER

BACKGROUND:

1. The Authority received a complaint, which was forwarded to the Monitoring and Enforcement (M&E) department vide email dated 8th November, 2024, for information and immediate necessary action. The subject email, along with its relevant annexures, was preliminarily reviewed, whereby it was noted that Mr. Mian Irfan Younis (the "Complainant") raised some serious concerns regarding the National Grid Company (the "Licensee or NGC"), possesses a Transmission License (No. TL/01/2002, dated 31/12/2002) issued by the Authority under Section 16 of the Regulation of Generation, Transmission and Distribution of Electric Power Amendment Act, 1997 (the "Act") (as amended from time to time), reconsideration of a previously suspended prototype approval for an 11kV Vacuum Circuit Breaker (VCB) by M/s HUATECH China, citing potential human safety risks. The Complainant further alleged that the said VCB's "ON" and "OFF" push buttons do not meet NGC Specification P-44:2018, thus compromising the operator's safety, grid uniformity, and, reportedly, multiple accidents have occurred involving the said equipment. Despite NGC's previous rejections and safety-based refusal to amend specifications, external pressure was being exerted from the Ministry of Energy and NGC's Board for specification changes. At the outset, the Complainant requested strict adherence to NGC's existing safety standards to prevent any potential fatal or non-fatal incidents to grid station operators throughout the country.

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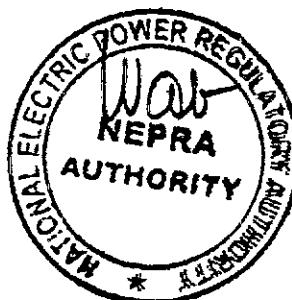


2. Under Section 44 of the Act, the Authority may call for any information required from any person involved directly or indirectly in the provision of electric power services. Additionally, as per Article 35 of the Transmission License, the Licensee is mandated to furnish such information and reports as the Authority may require and deem necessary. Therefore, in light of the foregoing provision, the Authority decided to forward the complaint to NGC to solicit their reply and present the case before them. In compliance thereto, NGC was directed vide email dated 14th November, 2024, to submit comments and report i.r.o. usage of unsafe VCB in violation of NGC specification P-44:2018, IEC standards, and color coding. However, no response on the subject matter was received from NGC within the stipulated time. In response thereto, NGC shared a copy of the letter dated 13th December, 2024, to the Authority for information, which was addressed to GM, PPMC, for seeking opinion on safety hazard vis-à-vis operational requirements of the subject equipment in compliance with the directions of NGC-BoD. Regretfully, no further response/report was received from NGC.
3. Given the foregoing, the Authority decided to proceed against the NGC under Regulation 4(1) &(2) of the NEPRA (Fine) Regulations, 2021 (the "Fine Regulations, 2021"), as per which any person omission to act in a manner which in the opinion of the Authority constitutes violation of the provisions of the Act or the "applicable documents" – as defined under Regulation 2(b) of the Fines Regulations, 2012. The Authority may either order an investigation into the matter in terms of Section 27A of the Act or shall, within fifteen (15) days of coming to know of the violation, cause the Registrar to seek an explanation from such person.

EXPLANATION ISSUED ON THE DIRECTION OF THE AUTHORITY

4. In compliance with the directions of the Authority, an explanation was issued to NGC on 17th January 2025 under Regulation 4(1) & 4(2) of the Fine Regulations, 2021, on account of non-submission of the report, violating Section 44 of the Act read with Article 35 of the Transmission License of NGC. The essential details of the explanation are as follows:
 3. *WHEREAS, pursuant to Section 44 of the NEPRA Act, the Authority may call for any information, required by it for carrying out the purposes of this Act from any person involved directly or indirectly, in the provision of electric power services or any matter incidental or consequential thereto. Any such person shall be liable to provide the information called by the Authority, failing which he shall be liable to a penalty; and*
 4. *WHEREAS, pursuant to Article 35 of the Transmission License, the Licensee shall furnish to the Authority, in such manner and at such times as the Authority may require, such information and shall procure and furnish such reports, as the Authority may require and deem necessary; and*
 5. *WHEREAS, pursuant to Regulation (4) of the NEPRA (Fines) Regulations, 2021, if any person acts or omits to act in a manner which in the opinion of the Authority constitutes violation of the provisions of the Act or the "applicable documents", the Authority may either order an investigation into the matter in terms of Section 27A of the Act or shall within fifteen (15) days of coming to know of the violation, cause the Registrar to seek an explanation from such person herein after referred to as the said person; and*
 6. *WHEREAS, "applicable documents" means the rules, regulations, terms and conditions of any licence, registration, authorization, determination, any codes, manuals, directions, guidelines, orders or notifications issued or approved under the Act; and*

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7. *WHEREAS, the NEPRA vide its email dated November 14, 2024 directed NGC to submit comments and report i.r.o usage of unsafe 11kV Vacuum Circuit Breaker (VCB) compromising safety code & uniformity of "on" & "off" push buttons across all grid stations of Pakistan in violation of NGC specification P44:2018, IEC standards & color coding. The said report was required to be submitted at the earliest possible time, however, despite passage of 15 days, the same was not submitted by NGC. Upon which, a final reminder dated November 29, 2024 was issued to NGC in the subject matter, wherein NGC was directed to submit report within 7 days; and*
8. *WHEREAS, as of today, the licensee has failed to submit the desired report as mentioned at para 7 above, whereby the given deadline for the submission of report has already been expired. This act on the part of the NGC constitute violation of Section 44 of the NEPRA, Act read with Article 35 of the Transmission License and other applicable documents; and*
9. *WHEREAS, from the facts and circumstances mentioned above, you are prima facie, guilty of violating the Section 44 of NEPRA Act read with Article 35 of the Transmission License as explained above; and*

NGC RESPONSE TO THE EXPLANATION

5. In response thereto, NGC vide letter dated 4th February, 2025 (received on February 11, 2025) submitted its detailed report and para-wise reply/justification against the Explanation issued by the Authority. The essential details of the response are as follows:
 - a. NGC submitted its complete report on the basis of complaint referred by the Authority vide email dated November 14, 2024 & subsequent final reminder dated November 29, 2024. Prima-facie, NGC submitted (inter-alia) that the matter was under deliberation in NGC BoD Technical Committee and then Full BoD for informed decision as per directions of MoE (PD) vide letter dated August 26, 2024.
 - b. The Licensee further submitted that the response/opinion of PPMC was solicited so as the final response could be conveyed to NEPRA. In compliance to the directions from BoD. NGC approached PPMC for their opinion regarding safety hazard vis-a-viz operations requirements of the subject equipment. However, no response was received from PPMC. Moreover, the inordinate delay in submission of the requisite report occurred due to the fact that various platforms/entities i.e., MoE (PD), PPMC, DISCOs & BoD NGC, were involved in preparation of the subject report.
 - c. The Licensee also requested an opportunity of hearing to clarify their position at the convenience of the Authority.

HEARING ON 19th MARCH, 2025

6. Keeping in view the request of the NGC, a hearing notice dated 12th March 2025 was issued to MD-NGC for participation along with the senior management and relevant professionals who are well conversant with the facts of the case. Accordingly, the hearing was held on 19th March 2025, wherein both of the DMDs participated online, whereas the concerned senior officers, i.e., GM/CE, along with relevant professionals of NGC, attended the hearing in person.

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7. During the hearing, NGC reiterated the same stance as given in its reply against the served explanation and further clarified to the Authority that, due to some network problems, NGC did not receive the email forwarded by the Authority. Therefore, NGC became aware of the submission of the report after issuance of a final reminder dated 29th November 2024 on the subject matter.
8. Moreover, the NGC further submitted that the instant matter was already under deliberations before the NGC's BOD and beside that during this period, the senior management of the entire company was changed through inter departmental postings/transfers/promotions, which ultimately led to a delay in the submission of the report to the Authority, for which NGC expressed regret before the Authority.

DECISION OF THE AUTHORITY

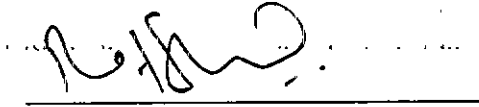
9. The Authority based on the submission of detailed report by National Grid Company (NGC) (previously known as NTDC) and recommendations of the sponsor, has accepted the response of NGC given during the hearing held on June 19, 2025 and decided to close further proceedings against NGC in the instant matter under Regulation 4 (5) of the NEPRA (Fine) Regulation 2021.

DIRECTIONS BY THE AUTHORITY

10. The Authority hereby directs that, in future, no report, information, or response required by the Authority shall be delayed, and the Licensee shall ensure strict compliance with all timelines and directives issued by the Authority.

AUTHORITY

Rafique Ahmed Shaikh
Member (Technical)



Amina Ahmed
Member (Law)



Engr. Maqsood Anwar Khan
Member (Development)



Waseem Mukhtar
Chairman



Announced on 8th Aug, 2025 at Islamabad, and comprises (04) pages only.

