NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Islamabad, February 28, 2020

Press Release

Subject: <u>NEPRA ENERGY WEEK (DISTRIBUTION SESSION AND CONCLUDING THE ENERGY WEEK</u>

Distribution Sector is the last step in the supply chain of electricity and given its terminal nature, the overall financial health of the power sector greatly depends on efficient distribution. This was stated by Mr. Rafique Ahmed Sheikh, Member NEPRA in his opening speech on the fifth day of NEPRA Energy Week 2020. Mr. Sheikh highlighted the issues and challenges of high distribution losses, low recovery, distribution system constraints, inefficient service provision, low outreach to the new clusters of consumers, lackluster expansion of networks and the fact that the financial mismanagement still plague the distribution sector.

- 2. The Distribution session was attended by representatives of various power utilities, industries and organizations/institutions such as DISCOs, WORLD BANK, State Bank of Pakistan (SBP), FPCCI, APTMA, CPPA-G, PPIB, NTDC, Wafaqi Mohtasib, and AEDB etc. Moreover, power sector researchers and academia i.e. NUST, LUMS etc. also shared their ideas to achieve the goal of sustainable development through effectiveness and optimization of the distribution sector.
- 3. The Distribution session focused on the role of DISCOs, introduction of competition through Supplier Regime and CTBCM, wheeling and net metering arrangements, reasons and way forward to eliminate circular debt etc. Guest speakers highlighted the impact of higher consumer end tariffs on the economy particularly on the export sector and suggested the way forward to overcome these challenges.
- 4. The distribution session also concluded with the resolve to ensure provision of affordable electricity to the consumers, eliminating inefficiencies in the system, introduction of competition through supplier regime, CTBCM and wheeling & net metering arrangements.
- 5. The Distribution Session as well as the Energy Week concluded with the closing remarks of Chairman NEPRA, Mr. Tauseef H. Farooqi. Mr. Farooqi thanked the NEPRA Management Committee and team lead for organizing a fruitful event which will ultimately result in revamping the power sector of Pakistan. Furthermore, he appreciated the innovative ideas, valuable recommendations, and latest approaches shared by the National and International Energy experts and hoped to chalk-out the actionable ones. In the end, the Chairman NEPRA distributed souvenirs & certificates among the resource persons.
