



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/ NRG-14/2426-41

February 10, 2023

Subject: **Decision of the Authority in the matter of National Electric Power Regulatory Authority (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015**

Dear Sir,

Enclosed please find herewith the subject Decision of the Authority (02 Page) in the matter of National Electric Power Regulatory Authority (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 for information please.

Encl: As above


(Engr. Mazhar Iqbal Ranjha)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat
Islamabad

Copy to: (alongwith copy of subject Decision):

1. Secretary
Cabinet Division
Cabinet Secretariat
Constitution Avenue,
Islamabad
2. Secretary
Ministry of Finance
'Q' Block, Pak Secretariat,
Islamabad
3. Chief Executive Officer
Alternative Energy Development Board
(AEDB)
2nd Floor, OPF Building,
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Shahrah-e-Jamhuriat,
Islamabad
4. Chief Executive Officer
Central Power Purchasing Agency
Guarantee Limited (CPPA-G)
Shaheen Plaza, 73-West, Fazl-e-Haq
Road,
Islamabad

- 5 Chief Executive Officer,
Faisalabad Electric Supply Company
Ltd.
Abdullahpur, Canal Bank Road
Faisalabad
- 6 Chief Executive Officer,
Gujranwala Electric Power Company Ltd.
565/A, Model Town
G.T. Road, Gujranwala
- 7 Chief Executive Officer,
Hyderabad Electric Supply Co. Ltd.
WAPDA Offices Complex,
Hussainabad, Hyderabad
- 8 Chief Executive Officer
Islamabad Electric Supply Co. Ltd.
Street # 40, Sector G-7/4,
Islamabad
- 9 Chief Executive Officer,
Lahore Electric Supply Company Ltd.
22-A, Queens Road,
Lahore
- 10 Chief Executive Officer
Multan Electric Power Co. Ltd.
MEPCO Headquarter, Khanewal Road
Multan
- 11 Chief Executive Officer,
Peshawar Electric Supply Company
(PESCO)
WAPDA House, Shami Road,
Sakhi Chashma, Peshawar
- 12 Chief Executive Officer
Quetta Electric Supply Company Ltd.
Zarghoon Road,
Quetta
- 13 Chief Executive Officer,
Sukkur Electric Power Company Ltd.
Administration Block,
Thermal Power Station,
Old Sukkur
- 14 Chief Executive Officer
Tribal Areas Electricity Supply Company
Limited (TESCO)
Room No. 213, 1st Floor, WAPDA House,
Shami Road, Sakhi Chashma, Peshawar
- 15 Chief Executive Officer
K-Electric Limited (KEL)
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Defence Housing Authority, Karachi

DECISION OF THE AUTHORITY IN THE MATTER OF NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (ALTERNATIVE & RENEWABLE ENERGY) DISTRIBUTED GENERATION AND NET METERING REGULATIONS 2015

1. NEPRA initiated the process of amendments in the National Electric Power Regulatory Authority (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 ("the Regulations") and proposed the following amendment;

In Sub-Regulation 5 of Regulation 14 of the Regulations, the word "National Average Power Purchase Price (NAPPP)" be replaced with "National Average Energy Purchase Price (NAEPP)".

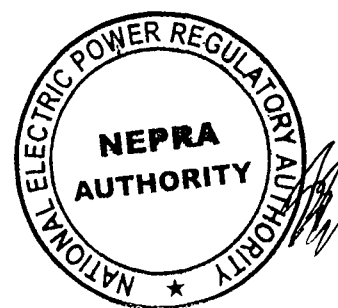
2. The process for amendment in the Regulations was initiated, keeping in view increase in National Average Power Purchase Price (NAPPP), from existing Rs.12.95/kWh to Rs.19.32/kWh, after notification of revised consumer end base tariff by the Federal Government w.e.f. 25.07.2022.

3. The proposed amendment in Regulations was published in the newspapers for eliciting public opinion for a period of 30 days. The Authority, however, considering the comments received from various stakeholders and media reports, decided to conduct a public hearing in the matter, which was accordingly scheduled for 27.09.2022. In this regard notice for public hearing was published in the newspapers on 21.09.2022, and also uploaded on NEPRA website.

4. The public/ consumers, during the hearing, strongly opposed the proposed amendments citing reasons that electricity through net metering is one of the most efficient methods incurring low distribution losses, with no investment for distribution infrastructure, and the proposed amendment in the Regulations would discourage net metering / solar installation.

5. The Authority has carefully reviewed the submissions of the stakeholders, made during the hearing & in writing and is also cognizant of the vision of the Government for induction of cheap and clean renewable energy into the system. Although, net metering is predominantly based on the concept of minimizing the electricity cost through roof top solar self-generation for self-consumption and not for commercial sale and DISCOs have to maintain Grid & Generation Capacities for the Net Metering Consumers during non-solar hours as well. However, at the same time the economic benefits of net metering in terms of displacement of costlier electricity, savings of foreign exchange and incurring minimal losses, cannot be ignored. Moreover, the quantum of net metering units, at present is very low i.e. below 1% of the total energy purchased by DISCOs.

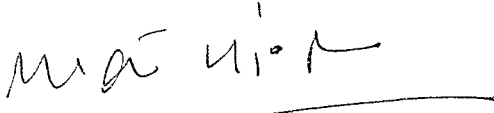
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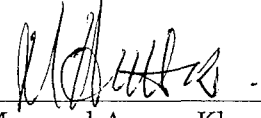
Decision of the authority in the matter of proposed amendment in NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations 2015

6. In view of the above discussion, the Authority has decided not to amend the existing NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulation, 2015.


AUTHORITY




Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Rafique Ahmed Shaikh
Member



Tauseef H. Farooqi
Chairman

