



National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/DG(Lic)/LAD-01/ 18411-26

July 19, 2023

Chief Executive Officer

K Electric Limited,
KE House, 39 B, DHA Phase-II,
Karachi

Subject: ORDER OF THE AUTHORITY FOR ALLOWING PROVISIONAL RENEWAL IN THE DISTRIBUTION LICENCE OF K-ELECTRIC LIMITED

Reference: KE's application vide letter No. KE/RA&GR/NEPRA/2022/846 dated 01.12.2022

Enclosed please find herewith Order of the Authority (03 pages) for allowing Provisional Renewal in the Distribution Licence (No. 09/DL/2003 dated July 21, 2003) granted to K-Electric Limited by the National Electric Power Regulatory Authority.

2. This is for your information, record and further necessary action.

Enclosure: As Above


(Engr. Mazhar Iqbal Ranjha)

Copy to:

1. Secretary, Power Division, Ministry of Energy, A-Block, Pak Secretariat, Islamabad.
2. Secretary, Ministry of Finance, Government of Pakistan, 'Q' Block, Pak Secretariat, Islamabad
3. Managing Director, NTDC, 414-WAPDA House, Lahore.
4. Chief Executive Officer, CPPA-G, 73-West, Shaheen Plaza, Blue Area, Islamabad
5. Managing Director, Private Power & Infrastructure Board, Ground & 2nd Floors, Emigration Tower, Plot No. 10, Mauve Area, Sector G-8/1, Islamabad
6. Chief Executive Officer, Faisalabad Electric Supply Company, Abdullahpur, Canal Bank Road, Faisalabad
7. Chief Executive Officer, Lahore Electric Supply Company, 22-A, Queen Road, Lahore
8. Chief Executive Officer, Islamabad Electric Supply Company, IESCO Head Office Street 40, Sector G-7/4, Islamabad
9. Chief Executive Officer, Multan Electric Power Company Limited, MEPCO Headquarters, Khanewal Road, Multan
10. Chief Executive Officer, Quetta Electric Supply Company, Zarghoon Road, Quetta
11. Chief Executive Officer, Tribal Areas Electricity Supply Company, 213-NTDC House, Shami Road, Peshawar
12. Chief Executive Officer, Sukkur Electric Supply Company, Old Thermal Power Station, Sukkur
13. Chief Executive Officer, Hyderabad Electric Supply Company, G.O. R Colony, Hyderabad
14. Chief Executive Officer, Gujranwala Electric Power Company, 565/A, Model Town. G.T Road. Gujranwala
15. Chief Executive Officer, Peshawar Electric Supply Company, Shami Road, Peshawar

National Electric Power Regulatory Authority
(NEPRA)

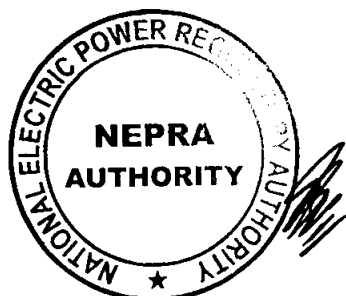
Order of the Authority for Allowing
Provisional Renewal in the Distribution
Licence of K-Electric Limited

July 19, 2023
Case No. LAD- 01

In terms of Regulation-13 of the NEPRA Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 (the "Licensing Regulations") read with relevant provisions of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act"), K-Electric Limited (KEL) has submitted an application on December 01, 2022 for renewal/extension in the term of its Distribution Licence No. 09/DL/2003, dated July 21, 2003.

2. In this regard, it is pertinent to mention that the Authority in terms of Section-20 and 25 of the NEPRA Act granted KEL the above Distribution Licence on an Exclusive basis as stipulated in Article-7 of its Distribution Licence for providing distribution services, making sales of electric power, schemes and engaging in incidental activities in the Service Territory and Concessional Territory on a non-discriminatory basis. Further, the Authority at the time of grant of licence had fixed the term of the same to twenty (20) years which is expiring on July 20, 2023.

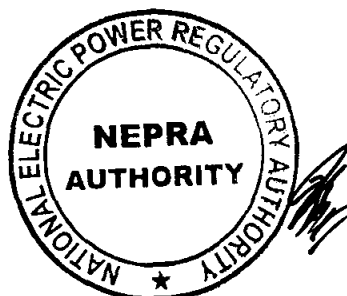
3. In consideration of the above, the Authority has already initiated the required regulatory process for renewal of the Distribution Licence as stipulated in the relevant Regulations. The Authority has considered the matter in its Regulatory Meeting held on July 17, 2023 and decided in principle to hold a public hearing in the matter. Further, the Authority considers that completion of the above regulatory process will require 3-6 months and it will be prudent allowing some interim relief to KEL to continue its operation.



2. In consideration of the above, while the application of KEL for renewal in the term of its Distribution Licence is under process, in the public interest and to ensure uninterrupted supply of electric power to the consumers in the Service and Concessional Territories of KEL, the Authority has decided to provisionally allow renewal in the term of Distribution Licence No. 09/DL/2003, dated July 21, 2003 of KEL for a period of six (06) months from the original expiry i.e. July 20, 2023 or till the time the final determination of the Authority in the matter is made whichever is earlier subject to the conditions as follows: -

- a. KEL shall not have any exclusivity for the provision of Distribution and/or Electric Power Supply services and the Authority shall reserve its right to issue other Licenses in its Service/Concessional Territories;
- b. The provisions of Article-7 of the Distribution Licence No. 09/DL/2003, dated July 21, 2003 of KEL pertaining to the "Exclusivity", will not be applicable anymore as Section-21 of the amended NEPRA Act does not allow the same;
- c. KEL will be obligated to allow Bulk Power Consumer(s)-BPC(s) to obtain the supply from any generation company as stipulated in Section-22 of the amended NEPRA Act;
- d. The Service and Concessional Territories of KEL will be strictly governed in terms of Article-3 of its existing Distribution Licence No. 09/DL/2003, dated July 21, 2003; and
- e. KEL will be obligated to allow use of its system to any third party for supplying/wheeling of electric power to any BPC in terms of Article-9 of its Distribution Licence No. 09/DL/2003, dated July 21, 2003.

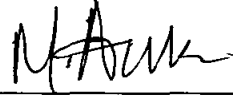
3. All other terms and conditions of Distribution Licence of KEL shall apply *mutatis mutandis* to the extent not in consistent with the provisions of the NEPRA Act as amended up-to-date and the above conditions. Further to the above, KEL shall comply with all relevant determinations, directions of the Authority as may be issued from time to time. The Authority directs KEL to continue to perform its functions



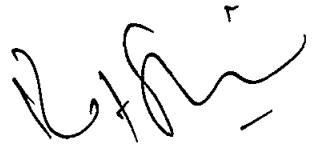
pertaining to the Distribution and Supplier subject to the above mentioned conditions to be followed in true letter and spirit.

Authority

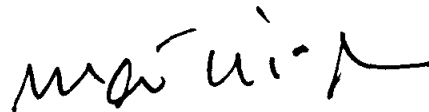
Engr. Maqsood Anwar Khan
(Member)



Rafique Ahmed Shaikh
(Member)



Mathar Niaz Rana (nsc)
(Member)



Amina Ahmed
(Member)

On tour (Did not attend)

Tauseef H. Farooqi
(Chairman)

