



NEPRA QUARTERLY REPORT

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NATIONAL ELECTRIC POWER
REGULATORY AUTHORITY

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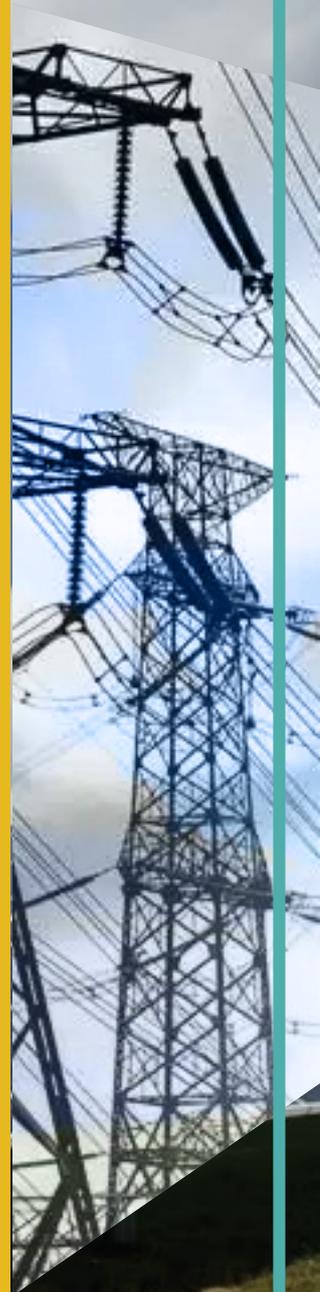
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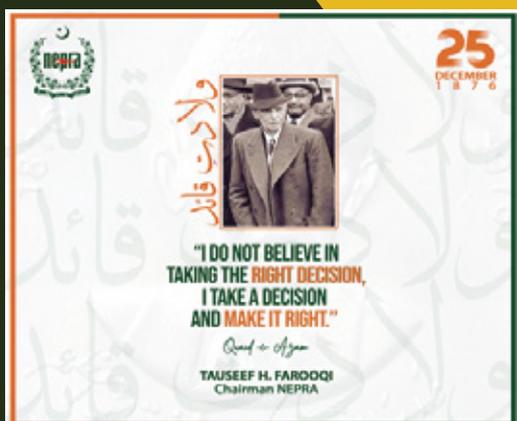
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1. UPDATES 4th QUARTER 2021

- NEPRA Annual Report and State of Industry Reports were issued.
- 1750 Distributed Net-Metering Licenses issued.
- Issued 12 Tariff determinations/Review Motion decisions and 191 tariff adjustments in respect of Generation, Transmission and Distribution companies.
- Issued 03 LPMs/APMs in the already granted Generation/Distribution Licenses.
- Issued 07 Power Acquisition Requests/Contracts (PARs/PACs).
- 78.38% Consumer complaints were disposed of for which 836 cases were resolved after conducting hearings.
- A new chapter on Regulatory Frame Work for Electric Vehicle Charging Stations has been incorporated in Consumer Service Manual (CSM).
- The requirement of distributed generation net metering license up to 25KW capacity has been waived off by the Govt. of Pakistan and the net metering connection shall be installed by the concerned DISCOs to all eligible consumers.
- A web-portal is being developed to facilitate distributed generation installers regarding delay in installation of net meters up to 25 kW.
- Issued an advisory to Ministry of Energy for mitigating the effects of out of merit generation due to shortage of RLNG.
- Issued explanation letters to CPPA-G and NTDC w.r.t to revision in minimum loading limits of AES Lalpir and AES Pakgen power plants.
- Probed into the matter of forced outages on certain economical plants including TPS Guddu, 747 Guddu, Halmore & China HUBCO Coal power plant. Further proceedings on the matter are underway.
- 66 appeals filed by DISCOs/Consumers while 76 appeals were disposed of by the Appellate Board.
- Pursuant to indexation mechanism stipulated in the decisions of the Authority in respect of Wind, Solar and Bagasse based generation companies, the relevant tariff components were adjusted on quarter/bi-annual/annual basis on account of US CPI, Local CPI (General), Exchange Rate and KIBOR/LIBOR variation etc.





Chairman NEPRA and CEO 1LINK, Mr. Najeeb Agrawalla signed an agreement at Karachi to facilitate NEPRA licensees to make online payment of fees through digital banking channels using 1Link platform. NEPRA has now become leading regulatory authority to provide a major step towards digital bill payment solution in Power Sector of Pakistan.



To recognize the outstanding services of NEPRA employees for timely publication and submission of NEPRA's Annual and State of Industry Reports for the year 2020-21, Approval of phase-I of IGCEP 2021-30 & successfully conducting webinar on Safety, Chairman NEPRA and Member (Balochistan) lauded the efforts and hard-work of these employees and rewarded them with cash and appreciation certificates.

2. REGULATORY MEETINGS HEARINGS & CONSULTATIVE SESSIONS

- Smooth and safe online meetings and hearings were started with the help of IT team through Zoom due to continued Covid-19 pandemic. 117 Authority Regulatory Meetings & 44 Authority Hearings were held.
- During the period, a number of new implementation and monitoring features in the Enterprise Content Management Module (ECM) which has a continuous (24x7) paperless access to repository of Authority Meetings / Hearing Schedules and Minutes / Decisions were implemented successfully. Also, go-live of the online implementation module was made to capture and report the updated status of internal compliances of the Authority decisions.

- A virtual webinar on "Preparation Strategy, Methodology and Road Map for IGCEP 2021" in collaboration with NTDC was held. A huge number of Industry Experts, professionals from various organizations and relevant stakeholders actively participated.
- Public Hearing regarding Integration plan into CTBCM submitted by K-Electric Ltd. for approval of the Authority.
- Public Hearings regarding MYT petitions filed by SEPCO and HESCO for determination of Tariff for Distribution & Supply of Power for FY 2020-21 & FY 2024-25 and adjustment request for Indexation of MYT components for FY 2021-22 and adjustments in the Consumer End Tariff of LESCO.
- Public Hearing regarding Fuel Charges Adjustment of K-Electric for the month of October 2021 under MYT FY 2017-2023.
- Public hearing regarding Tariff modification petition filed by CPPA-G on 1,124 MW Kohala Hydropower Project located at AJK.
- Public Hearing Regarding Fuel Charges Adjustment of K-Electric for the Month of September 2021 under MYT FY 2017-2023.
- Public Hearings on the applications/petitions of CPPA-G for Determination of Multi-Year Market Operation Fee for the FY 2021-22 to FY 2023-24 and Tariff determination of QESCO for Supply & Distribution of Power for FY 2020-21 & FY 2024-25.
- Public Hearing on the application/petition of CPPA-G on 4th Quarterly Adjustments of XWDISCOs.
- Public Hearing regarding adjustment request for indexation of MYT components for FY 2021-22 and prior period adjustments in the Consumer-end Tariff of IESCO.
- Public Hearing Regarding Fuel Charges Adjustment of XWDISCOs for the Month of October 2021.

2.1 Corporate Social Responsibility (CSR)

MoU between Akhuwat & K-Electric

Akhuwat Islamic Finance (AIM), K-Electric, and Engro Energy signed a Memorandum of Understanding (MoU) to offer interest free microfinance loans (Qarz-e-Hasna) to households and small business owners for the installation of solar photovoltaic (PV) systems, Chairman NEPRA presided the occasion while NEPRA Members were also present during the ceremony.



MoU Signing Ceremony - Kot Addu Power Company Limited (KAPCO)

MoU signing ceremony was facilitated between NEPRA & KAPCO to provide loan for setting up solar power panels.



MoU Signing Ceremony between NEPRA & Ladies Fund Energy Pvt Ltd

MoU was signed between ladies fund Energy Pvt Ltd & NEPRA to support women empowerment

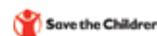
MoU between Akhuwat & Engro

MoU signed between Akhuwat & Engro & NEPRA to provide loan for setting up solar power panels.



Consultative Session with Community Development Organizations

A consultative session was conducted at NEPRA head office for future collaboration of development organizations with Power Sector licensees.



2.2 Health Safety & Environment (HSE)

■ NEPRA Incident Alert: Distribution Transformer Explosion

An Incident Alert at NEPRA's website regarding an explosion of HESCO transformer was recovered. By sharing Findings and Lessons learned, Licensees will be able to identify similar potential hazards in their operations and take appropriate actions to minimise these risks to avoid similar incidents in the future.

■ Emergency drill



Emergency drill at NEPRA Tower in collaboration with the Directorate of Emergency & Disaster Management, CDA conducted.

First-ever NEPRA's HSE Performance Evaluation Award ceremony followed by webinar on "Electrical Circuits and Apparatus"



3. MONITORING & ENFORCEMENT

3.1 Excess Capacity Charges paid to TPS Guddu

An inquiry was initiated regarding availability of unit 13 of TPS Guddu vis-à-vis its availability during the last five years and the capacity payment made to units 1-4 of TPS Guddu after COD of 747 MW and a comprehensive report was presented before the Authority. The Authority decided to initiate legal proceeding against CPGCL and CPPA-G on account of excess capacity charges paid to TPS Guddu.

3.2 Analysis of WAPDA Hydrel Power Stations

A comprehensive analysis of power plants operating under WAPDA for the FY 2018-19 and 2019-20 was carried out and presented before the Authority and shared with WAPDA and in-house professionals.

3.3 Directions to Distribution Companies

Distribution Companies have been directed to check and perform all required tests including Grounding/Earthing of all those transformers which have been in operation for more than 20 years to ensure that those transformers can further be utilized without any risk or hazard. The Distribution companies have further been directed to immediately replace the transformers which are found faulty during checking/-tests to avoid any accident.

3.4 Total Power System Collapse dated 09.01.2021

The power system breakdown occurred on 09.01.2021 at 23:40 hours which plunged the whole country into darkness and the system was completely restored on 10.01.2021 after 20 hours (approximately). NEPRA took serious notice of the above incident and constituted an Inquiry Committee (IC) to probe into the matter which submitted a comprehensive report to the Authority. The Authority started legal proceedings against CPGCL, NTDC, K-Electric and 16 No. of IPPs for their lapses, deficiencies and failure in the said breakdown.



4. INVESTIGATION

4.1 SEPCO

The Authority issued Show Cause Notice to SEPCO on account of 11 (out of 20 fatal accidents) and imposed fine of Rs. 28 Million. The Authority also directed SEPCO to provide compensation to bereaved families of the victims (public persons) equal to the amount given in case of employees. SEPCO has submitted the Review Motion against the said Order of the Authority, which is under process.

4.2 FESCO

The Authority took serious notice of 17 fatal accidents. Show Cause Notice was issued to FESCO and imposed fine of Rs. 6 Million. Further, the Authority directed FESCO to provide compensation to the bereaved families of victims (public persons) equal to the amount given in case of employees. FESCO has submitted the Review Motion against the Order of the Authority which is under process.

4.3 GEPCO

The Authority took notice of 13 fatal accidents in GEPCO and issued Show Cause notice to GEPCO on account of 08 fatal accidents occurred due to violations of NEPRA Laws. The Authority imposed a fine of Rs. 21 Million on GEPCO and directed GEPCO to give jobs to the next of kin of the victims (public person) and provide compensation to bereaved families of public persons equal to the compensation given in case of its employees.

4.4 HESCO

The Authority issued Show Cause Notice to HESCO on account of 12 (out of 15 fatal accidents) and imposed a fine of Rs 31 Million. The Authority also directed HESCO to provide compensation to bereaved families of public persons equivalent to the compensation given in case of its employees. HESCO has submitted the Review Motion against the Order that was admitted by the Authority.

The Authority also took notice of 200 KVA transformer blast in Latifabad & Islamabad chowk Hyderabad. The Authority imposed a fines of Rs. 26 Million in the first case and started proceedings for second case.



4.5 LESCO

The Authority took serious notice of the 200 KVA transformer falling at Ichra Bazar, Lahore which resulted in the death of a woman and the injury of her daughter. An investigation was conducted, and a detailed report was presented before the Authority.

5. Admin & HR



Chairman NEPRRA along-with NEPRRA employees celebrated Christmas in solidarity with Christian employees. On that occasion, Chairman NEPRRA on behalf of NEPRRA extended Christmas greetings to the Christian employees followed by cake cutting ceremony.



NEPRRA's 2nd Inter Departmental Futsal tournament 2021.

Chairman NEPRRA along with Authority Member and Senior Professionals bid farewell to Consultant CSR, Mrs. Huma Zafar while wishing her the best of luck for her future endeavors.





Briefing session was held at the NEPRA Auditorium in which 25 participants of the Management Trainee Program at Lahore University of Management Sciences (LUMS) briefed and shared their key learning, experiences and possible implementation with the Chairman NEPRA and NEPRA Professionals.

6. Miscellaneous

6.1 Data Exchange Portal (Distribution Module)

During October to December 2021, data from all the DISCOs was collected through the Data Exchange Portal (Distribution Module) to gather and analyze all relevant data/information from Distribution Companies and use insights to mitigate risk and promote efficiency in the future by shifting its Paper-based System to electronic filing, physical space saving and increasing security. The Distribution Companies are providing information regarding the Loading Position of the Distribution Network, TOU Meters, Damaged Transformer, Pending Connections, Defective Meters, Restoration time of Power Breakdown. The same is being monitored and analyzed on monthly basis.

6.2 Review of Progress of Interconnection Arrangements for Different Power Projects

The progress of interconnection arrangements for different power projects is being monitored on regular basis. In this behalf meeting with NTDC, PEDO, WAPDA, and other stakeholders was held on October 5, 2021. PEDO's Jabori, Karora, Matiltan and Koto were visited to monitor the progress and resolve the project interconnection issues.

6.3 Compliance Monitoring of Grid Code

- The matter of voltage and frequency limits as prescribed in the Grid Code has been taken up with NTDC. The response against frequency revealed that no frequency limits violation occurred during this period.
- The revision of Grid Code is actively pursued with NTDC. NEPRA has provided its comments to NTDC on the earlier draft Grid Code provided by the Consultant. Accordingly, Grid Code has also been uploaded for comments of the stakeholders.
- The matter of frequent tripping of transmission lines and low voltage profile is being actively pursued with NTDC and were directed to take measures/steps to avoid such incidents and ensure the continuity and stability of electric power supply to the consumers.

6.4 Transmission Data Portal

To bring in efficiency, M&E transmission team in coordination with IT department has initiated the development of transmission data portal including reporting frequency, data formats and analysis.

7. Authority's Visits and Events



NEPRA Authority called on Chief Minister Gilgit Baltistan

7.1 Authority Visit at HESCO & SEPCO



7.2 Events



Public Hearing Regarding Fuel Charges Adjustment of XWDISCOs for the Month of November 2021 held at NEPRA.

Chairman NEPRA delivered a detailed presentation to the professionals of National Institute of Management (NIM) about NEPRA mandate & structure, its policy framework & current measures for alternative power solutions.



Public Hearings on the applications/petition of FESCO for adjustment in Tariff for FY 2021-22 and by LESCO for modification of re-determination of the NEPRA regarding Multi-Year Consumer End Tariff held at Islamabad.

Public hearings regarding recommendation of extension of incremental consumption package for K-Electric Industrial Consumers and Winter Incentive Package for electricity consumers on incremental construction for K-Electric and XWDISCOs by the Federal Government held at NEPRA HQs Islamabad.





NEPRA in line with its monumental initiative called 'Power with Security' hosted an in-house seminar on Cyber Security. The main objective was to create awareness about power assets of Pakistan among NEPRA Professionals on Cyber Security with special emphasis on protection of the Supervisory Control & Data Acquisition (SCADA).



Public Hearing on the motions filed by the Federal Govt. w.r.t. recommendations of Consumers-End Tariff for XWDISCOs and K-Electric.

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