

NEWSLETTER



1st QUARTER

(January-March, 2024)

NATIONAL ELECTRIC POWER
REGULATORY AUTHORITY



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1. Key Highlights 1ST Quarter 2024

- 1.1 NEPRA finalized the Regulatory framework including Special Purpose Agent, Agency Code, Registration templates, and draft formation of NEPRA Performance Standards, proposed amendments in providing Dry run Market Commercial Code (MCC) and facilitating market operations.
- 1.2 NEPRA enhancing cyber security through collaborations with its Licensees is in process of identification of critical infrastructure.
- 1.3 NEPRA Media Department published 29 ads, shared 04 briefs, and made payments totaling Rs. 5.96 million.
- 1.4 NEPRA granted five (05) Generation License, one (01) supply licenses to XWDISCOs and one (01) Licensee proposed modification (i.e. WAPDA)
- 1.5 NEPRA issued 628 Net Metering Licenses / concurrence for combined generation capacity of 74.096 MW.
- 1.6 NEPRA issued tariff determination and adjustments as per following:

Particulars	No.s.
Monthly FCA for Generation Companies	33
Tariff Adjustment Decisions of Generation Companies including Quarterly Adjustments	16
Monthly FCA for XWDISCOs	03
Quarterly Tariff Adjustments for XWDISCOs	-
Monthly FCA for K -Electric	-
Quarterly Tariff Adjustments for K -Electric	01
Determination of Review Motion/ Order	-

- 1.7 NEPRA received and processed 3428 consumers' complaints out of which 2639 were resolved, whereas 789 consumers' complaints are under process.
- 1.8 During the reporting period 101 Authority Regulatory Meetings were conducted and 24 Public Hearings / Hearing / Consultative Sessions were held.
- 1.9 Enforcement of performance standards through legal actions against DISCOs on account of undue/excessive load shedding, fatal accidents, lack of earthing/ grounding of HT/LT structure/poles and pending ripe connection etc.

2. Tariff Department

2.1 Hydropower

2.1.1 Laraib Energy Ltd.

- i. Decision of the Authority in the matter of Quarterly Indexation / Adjustment (Jan-Mar 2024) (Decision issued on Feb 29, 2024)

2.1.2 Mira Power (Gulpur Hydropower)

- i. Decision of the Authority in the matter of Quarterly Indexation / Adjustment (Jan-Mar 2024) (Decision issued on Mar 14, 2024)

2.1.3 Malakand-III

- i. Decision of the Authority in the matter of Quarterly Indexation / Adjustment (Jan-Mar 2024) (Decision issued on Feb 29, 2024)
- ii. Decision of the Authority in the matter of Quarterly Indexation / Adjustment (Oct-Dec 2020 to Oct-Dec 2023) (Decision issued on Mar 14, 2024)

2.2 Distribution Tariff

2.2.1 Decision of the Authority issued on 28-03-2024 in the matter of Requests filed by XWDISCOs for Periodic Adjustment in Tariff for the 2nd Quarter of FY 2023-24

2.2.2 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Faisalabad Electric Supply Company Limited (FESCO) for Determination of Distribution Tariff under MYT Regime for the FY 2023-24 to FY 2027-28

2.2.3 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Faisalabad Electric Supply Company Limited (FESCO) for Determination of Supply Tariff under MYT Regime for the FY 2023-24 to FY 2027-28

2.2.4 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Islamabad Electric Supply Company Limited (IESCO) for Determination of Distribution Tariff under MYT Regime for the FY 2023-24 to FY 2027-28

2.2.5 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Islamabad Electric Supply Company Limited (IESCO) for Determination of Supply Tariff under MYT Regime for the FY 2023-24 to FY 2027-28

2.2.6 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Lahore Electric Supply Company Limited (LESCO) for Determination of Distribution Tariff under MYT Regime for the FY 2023-24 to FY 2027-28

- 2.2.7 Determination of the Authority issued on 14-03-2024 in the matter of Petition filed by Lahore Electric Supply Company Limited (LESCO) for Determination of Supply Tariff under MYT Regime for the FY 2023-24 to FY 2027-28
- 2.2.8 Decision of the Authority issued on 26-02-2024 in the matter of Fuel Charges Adjustment for the month of January 2024 for XWDISCOs
- 2.2.9 Decision of the Authority issued on 02-02-2024 in the matter of Fuel Charges Adjustment for the month of December 2023 for XWDISCOs
- 2.2.10 Decision of the Authority issued on 04-01-2024 in the matter of Fuel Charges Adjustment for the month of November 2023 for XWDISCOs

2.3 K-Electric


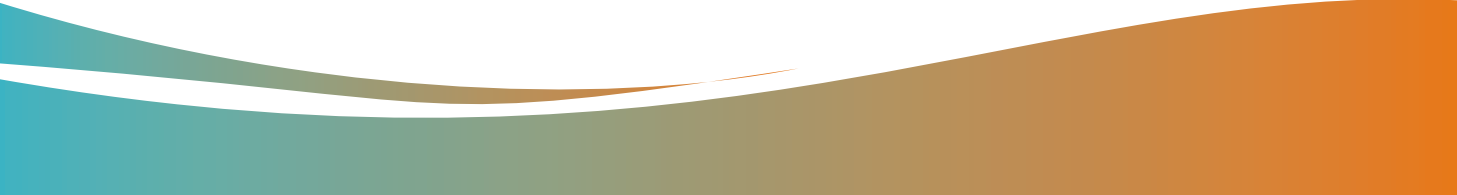
- 2.3.1 Decision of the Authority issued on 01-01-2024 in the matter of Quarterly Adjustments of **K-Electric Limited** for the **Quarter ending March 2023**

2.4 Generation of Thermal, Coal and Nuclear

- 2.4.1 Decision of the Authority in the matter of Approval of Interim Tariff for Open cycle Operations on Gas requested by Central Power Generation Company Limited for its Block-I and Block-II (CPGCL) issued vide letter dated 1st February 2024.
- 2.4.2 Decision of the Authority in the matter of Petition filed by Engro Powergen Qadirpur Limited for Modification in Fuel Cost Component allowed by NEPRA in the Reference Tariff at Commercial Operations Date for its 226.52 MW Project located at Qadirpur District Ghotki, Sindh issued vide letter dated 20th February 2024.
- 2.4.3 Fuel Price Adjustment, Quarterly Indexation, Insurance Adjustment, CV Adjustments and Withholding Tax Adjustment of various IPPs have been processed.

2.5 Renewable Energy

- 2.5.1 Decision of the Authority dated January 29, 2024 in the matter of quarterly indexation of the Relevant Reference Tariff Components of Pak Matiari-Lahore Transmission Company (Pvt.) Ltd. (PMLTC) Transmission Tariff for the Quarter Jan-Mar 2024.
- 2.5.2 Processed quarterly indexation requests of 55 Renewable Power Projects.
- 2.5.3 Working papers in the matter of Interim relief requests filed by Pakpattan Hydropower project, Marala Hydropower project and Chianwali Hydropower project of Punjab Power Development Company have been approved by the Authority on April 08, 2024 and issuance of the decision is under process.

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- 2.5.4 Issuance of the Authority's decision in the matter of Modification petition filed by NPPMCL-Balloki is under process.
 - 2.5.5 Issuance of the Authority's decision in the matter of Modification petition filed by NPPMCL-HBS is under process.
 - 2.5.6 Decision in the matter of Tariff adjustment at COD of Lucky Renewables (Pvt.) Limited (Formerly Tricom Wind Power (Pvt.) Limited) has been finalized and issued on March 22, 2024.
 - 2.5.7 Decision in the matter of Tariff adjustment at COD of Atlas Solar Limited has been finalized and is in circulation.
 - 2.5.8 Hopefully case reports in the matter of Tariff adjustment at COD of Metro Wind Power Limited (MWPL), Indus Wind Energy Limited, Din Energy Limited, and Act 2 Din Wind (Private) Limited (AWPL) are likely to be submitted for the Authority's consideration in due course of time.
 - 2.5.9 Hearing conducted on January 12, 2024 in the matter of review motion filed by Star Hydro Power Limited against decision of the Authority dated July 29, 2020 and case report in the matter was submitted for the consideration and decision of the Authority on March 26, 2024.
 - 2.5.10 Case report in the matter of tariff modification petition filed by CPPAG for exclusion of principal debt damages from Star Hydro Power Limited was submitted for the consideration and decision of the Authority on March 27, 2024.
 - 2.5.11 Case Report in the matter of Tariff adjustment at COD of Lucky Electric Power Company (Pvt.) Ltd has been submitted for the consideration and decision of the Authority.
 - 2.5.12 Case Report in the matter of COD adjustment of PMLTC has been finalized.
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3. Licensing Department

3.1 Generation License

The Authority granted five (05) generation licences to Foundation Solar Energy (Private) Limited for five different distinct locations

3.2 IAA

The Authority has granted the Registration to PPIB to act as an Independent Auction Administrator.

3.3 Supply License

The Authority has granted electric power supply licences to K-Electric Limited pursuant to Section-23E & 23F of the NEPRA Act, to engage in electric power supply business to act as SoLR.

3.4 Distribution License

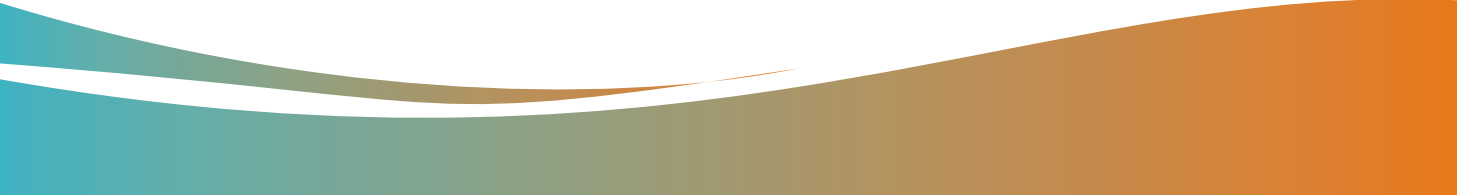
The Authority has granted distribution licence to K-Electric Limited pursuant to Section-20 of the NEPRA Act.

3.5 Net-metering

The Authority granted six hundred and twenty eight (628) distributed generation net metering licences (more than 25 KW) having cumulative capacity of 74.096 MW.

3.6 Licensee proposed Modification (LPM)

The Authority has approved two LPM (LPM-VI & VII) in the generation licence (GL(Hydel)/05/2004 dated Nov 03, 2004) of Water and Power Development Authority regarding addition of 1530 MW Tarbela 5th Extension and revision of auxiliary consumption of various HPPs



4 Consumer Affairs Department & Complaints Management

4.1 No. of complaints and hearings

Consumer Affairs Department (Head Office & Provincial/Regional Offices) has received/processed a total No. of 3428 complaints during the period January - March, 2024 out of which 2639 complaints have been redressed/ disposed of and 789 complaints are under process. Moreover, a total No. of 1583 hearings were also conducted (including online, Head Office and in Regional Offices) by Consumer Affairs Department during the above said period and directions were issued accordingly.

4.2 Court Cases

- i. Decision in the matter of W.P.No. 12090/2022 referred by Appellate Tribunal (NEPRA) in response to directions issued by the Honorable Lahore High Court, Multan Bench, Multan filed by M/s Colony Textile Mills Limited regarding provision of Zero Rated Industry relief or Industrial Support Package.
- ii. Decision in the matter of W.P.No. 13914/2013 referred by Honorable Lahore High Court, Multan Bench, Multan filed by M/s Colony Textile Mills Limited against MEPCO regarding charging of markup on installments.
- iii. Decision in the matter of W.P.No. 4182/2023 referred by Honorable Islamabad High Court filed by Mr. Muhammad Asif Mehmood against IESCO regarding non-adjustment of net metering units in peak hours and non-provision of benefit of net metering.
- iv. Decision in the matter of W.P.No. 57775/2022 referred by Honorable Lahore High Court, Lahore filed by Sitara Cemical Industries Limited against FESCO regarding non-provision of connection.
- v. Decision in the matter of W.P.No. 1999/2024 referred by Honorable Lahore High Court, Multan Bench, Multan filed by Mr. Farooq Ahmed s/o Nemat Ali, Chief Executive, M/s Shoaib Paper Mills through Counsel Malik Muhammad Ali, and Advocate Supreme Court against MEPCO regarding Audit Para.
- vi. W.P.No. 16084/2023 referred by Honorable Lahore High Court, Multan Bench, and Multan titled M/s Silver Line Spinning Mills Ltd. vs FOP against MEPCO regarding charging of markup on installments.
- vii. W.P.No. 2255-P/2021 referred by Honorable Peshawar High Court, Peshawar titled Sher Shah vs WAPDA against PESCO regarding load shedding.
- viii. W.P.No. 4725/2024 referred by Honorable Lahore High Court, Multan Bench, Multan titled Masood Spining Mills vs LESCO regarding high demand notice for deposit works of grid station.
- ix. W.P.No. 3690/2024 referred by Honorable Lahore High Court, Multan Bench, Multan titled Sardar Waseem Ahmed vs FESCO regarding excessive billing.
- x. W.P.No. 11144/2024 referred by Honorable Lahore High Court, Lahore titled Munir Ahmad vs FOP against LESCO regarding excessive billing.
- xi. W.P.No. 846/2024 referred by Honorable Lahore High Court, Multan Bench, Multan titled M/s Taj Ice Factory vs MEPCO regarding installments of bill.

- xii. W.P.No. 1703/2024 referred by Honorable Lahore High Court, Bahawalpur Bench, Bahawalpur titled Faheem Iqbal vs MEPCO regarding detection bill.
- xiii. W.P.No. 4129/2024 referred by Honorable Lahore High Court, Lahore titled Muhammad Mohsan vs LESCO regarding excessive billing.
- xiv. W.P.No. 17315/2024 referred by Honorable Lahore High Court, Lahore titled Sardar Waqas Hasan Mokhal vs FOP against LESCO regarding detection bill.

4.3 Major Cases

- i. Complaint filed by Mr. Farooq Ahmed s/o Nemat Ali, Chief Executive, M/s Shoaib Paper Mills through Counsel Malik Muhammad Ali, and Advocate Supreme Court against MEPCO regarding fixed charges.
- ii. Complaint filed by the Owner, M/s Ajmeri Garden Phase-II against MEPCO regarding charging of feeder rehabilitation on account of external electrification.
- iii. Complaint filed by Sponsor, M/s Rehan Garden, Phase-II against MEPCO regarding external electrification of Rehan Garden Phase-II, Chishtian.
- iv. Complaint filed by M/s TATA Textile Mills Limited through legal Counsel Malik Bashir Ahmed Khalid, Advocate High Court against MEPCO regarding detection bill.
- v. Complaint filed by Mr. Kamran Anwar against LESCO regarding over billing.
- vi. Complaint filed by Mr. Muhammad Tahawar Asif against FESCO regarding detection bill.
- vii. Complaint filed by Mr. Ijaz Ahmed s/o Malik Ghulam Rasool against GEPCO regarding Industrial Support Relief Package.
- viii. Complaint filed by Ms. Shakeela Naeem against LESCO regarding wrong billing.
- ix. Complaint filed by Chief Engineer (Electrical), M/s Punjab Industrial Estates Development & Management Company (PIEDMC) against LESCO regarding arrears in the bill.
- x. Complaint filed by Mr. Sultan Ahmed s/o Dost Muhammad against FESCO regarding wrong billing & disconnection.
- xi. Complaint filed by Mr. Nabeel Ahmed against QESCO regarding provision of confiscated transformer.
- xii. Complaint filed by MCB Bank through Mr. Rao Hussain against LESCO regarding excessive billing.
- xiii. Complaint filed by Ms. Azra Amir against LESCO regarding wrong billing.
- xiv. Complaint filed by Prof. Muhammad Ayub s/o Mian Moula Bukhsh through Haji Muhammad Razzaq Gujjar against LESCO regarding excessive billing.
- xv. Complaint filed by Mr. Shoukat Ali s/o Mr. Taj Din against LESCO regarding excessive billing.
- xvi. Complaint filed by Sheikh Nauman ul Haque against LESCO regarding excessive billing.
- xvii. Complaint filed by Mr. Shahid Butt, Manager Retail Development, M/s Attock Petroleum Limited against PESCO regarding removal of 132 kVA grid lines & poles.
- xviii. Complaint filed by Mr. Muhammad Sarwar s/o Muhammad Sadiq against LESCO regarding detection bill.
- xix. Complaint filed by Sponsor, Rantex Pvt. Ltd. against FESCO regarding relief of ISP-2 to net metering connection.

- xx. Complaint filed by Dr. Tahir Izhar against LESCO regarding excessive billing.
- xxi. Complaint filed by M/s Master Beverages & Foods Ltd. through Mr. Swim Raja, Advocate against GEPCO regarding issuance of additional demand notice.
- xxii. Complaint filed by Mr. Ali Hassan against LESCO regarding detection bill.
- xxiii. Complaint filed by the Chief Executive Officer, M/s Pakistan Expo Centers Pvt. Ltd. against LESCO regarding change of tariff.
- xxiv. Complaint filed by Mr. Jamshaid Ali, Zonal Warehouse Manager, M/s Mullar & Phipps Pakistan Pvt. Ltd. against LESCO regarding excessive billing.
- xxv. Complaint filed by Mr. Ashfaq against PESCO regarding detection billing.
- xxvi. Complaint file by Mr. Waseem Abbas against FESCO regarding issuance of additional demand notice.
- xxvii. Complaint filed by Mr. Muhammad Ashraf s/o Lal Khan against GEPCO regarding issuance of additional demand notice.
- xxviii. Complaint filed by MCB Bank through Mr. Rao Hussain, Financial Control Group against LESCO regarding wrong billing.
- xxix. Complaint filed by Mr. Abrar-ul-Haq, Advocate High Court against PESCO regarding fixed charges.
- xxx. Complaint filed by Mr. Hafeezullah Khan against MEPCO regarding detection bill.
- xxxi. Complaint filed by Mr. Muhammad Iqbal against LESCO regarding excessive billing.
- xxxii. Complaint filed by Mr. Muhammad Ashraf Khan against FESCO regarding disconnection.
- xxxiii. Complaint filed by Major (R) Muhammad Riaz, General Manger, Coordination, and AJ Tower against IESCO regarding escalation charges.
- xxxiv. Complaint filed by Mr. Javid Nawaz & Usman Nawaz against LESCO regarding excessive billing.
- xxxv. Complaint filed by Rana Ahmed Nawaz against LESCO regarding excessive billing.
- xxxvi. Complaint filed by Mr. Hayat Muhammad s/o Muhammad Ramzan against MEPCO regarding issuance of additional demand notice.
- xxxvii. Complaint filed by Mr. Muhammad Zahid against MEPCO regarding issuance of additional demand notice.
- xxxviii. Complaint filed by Mr. Munir Ahmed Khan c/o Mr. Shaukat Ali against MEPCO regarding refund of paid amount of additional demand notice.
- xxxix. Complaint filed by Mr. Waqar Ahmad Bajwa s/o Shahid Pervez against LESCO regarding excessive billing.
- xl. Complaint filed by Mr. Muhammad Faheem against LESCO regarding excessive billing.
- xli. Complaint filed by Mr. Muhammad Ramzan Shad s/o Noor Muhammad against LESCO regarding billing at disconnected premises.
- xlii. Complaint filed by Mr. Najeeb Ullah Abid and Mullana Hizbullah Usmani against QESCO regarding detection bill.
- xliii. Complaint filed by Mr. Umair Ahad against LESCO regarding correction of bill.
- xliv. Motion for leave for review in the matter of complaint filed by Ms. Noor Bano against KE regarding illegal installation of 3-Phase meter and excessive billing.
- xlv. Complaint filed by Mr. Aashiq Hussain against LESCO regarding correction of bill.
- xlvi. Complaint filed by Mian Waleed Tahir c/o Insha Industries Pvt. Ltd. against LESCO


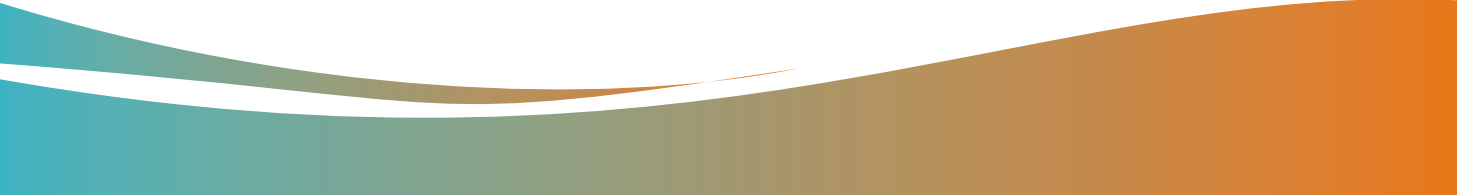
- regarding excessive billing.
- xlvi. Complaint filed by Mr. Muhammad Mudassar s/o Shakeel Ahmad against LESCO regarding excessive billing.
- xlvi. Complaint filed by Mr. Muhammad Shafique s/o Muhammad Latif against LESCO regarding excessive billing.
- xlix. Complaint filed by Ms. Aneela Bashir w/o Ali Raza against LESCO regarding excessive billing.
- l. Complaint filed by Mr. Muhammad Naeem s/o Abdul Hamid against GEPCO regarding delay in replacement of damaged transformer.
- li. Complaint filed by Mr. Imran Khan s/o Muhammad Aslam Khan against PESCO regarding excessive billing.
- lii. Complaint filed by Mr. Nizam-ud-Din Nizami, Senior Officer (Grid), M/s S.M. Group of Industries Ltd. against MEPCO regarding permission of standby 20/26 MVA power transformer at volka grid station.
- liii. Complaint filed by Mr. Saleh Muhammad against QESCO regarding excessive billing.
- liv. Complaint filed by Mr. Shahid Shahzad (Manager KK Textile Chemicals) c/o PRGMEA against LESCO regarding excessive billing.

4.4 Hearings conducted

Consumer Affairs Department has processed / disposed of a total No. of 14 Complaints/Cases/ Writ Petitions referred by various Courts of law. Moreover, 54 Nos. of major cases/complaints have also been decided by Consumer Complaints Tribunal during the period January March 2024 and directions were issued accordingly.

4.5 Other Highlights

- i. An Explanation has issued to SEPCO for non-compliance / non-submission of reports which caused delay in redressal of consumers' grievances/ complaints.
- ii. On recommendations of the Investigation Committee, directions were issued to GEPCO for updation of missing record of Security Deposit against the industrial consumers of GEPCO besides submission of report to NEPRA on quarterly basis till the record of each connection is updated in the MIS of GEPCO.
- iii. A hearing was conducted by the Authority on receipt of several complaints from residents of Bahria Town against the management of BTPL regarding 70% credit against net metering exported units and other related issues and as an interim relief, BTPL has been directed not to deduct 30% units exported by net metering consumers of Bahria Town till the final decision by the Authority.
- iv. In order to probe further into the matter of export of net metering units to IESCO / NTDC system by BTPL; a joint site inspection was carried out on February 19, 2024 in presence of all the relevant parties, i.e. BTPL, NTDC & IESCO to check the reading of all check meters installed at different locations of BTPL.
- v. A webinar was conducted on January 29, 2024 by the Consumer Affairs Department in order

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- to familiarize the officials of DISCOs with the newly developed mobile application for filing of complaints “NEPRAASAAN APPRAOCH”.
- vi. In order to provide uninterrupted power supply to the medical facilities/ hospitals; all the DISCOs including K-Electric have been directed to proceed as under in respect of hospitals (having load 25kW and above with admission and operation theater facility):
 - a. Hospitals whose supply is from independent/ dedicated feeders be exempted from load shedding, immediately.
 - b. Shift the hospitals from higher loss feeders to low loss feeders on cost deposit basis.
 - c. Make arrangement to exempt hospitals from load shedding subject to technical feasibility on cost deposit basis.
 - vii. K-Electric has been directed to take all necessary measures to curb illegal distribution of electricity within its territorial jurisdiction including issuance of notices to all such consumers involved in obtaining illegal electricity supply from unauthorized sources (though unlawfully installed generators) and also report such illegal activity to law enforcement agencies and Electric Inspectors for taking action against the delinquents as per law.
 - viii. In light of recommendations of the Inquiry Committee constituted by the Authority; directive / directions have been issued for compliance in the matter of excessive & wrong billing by distribution companies to its consumers in the month of July 2023 & August 2023 in violation of Consumer Service Manual (CSM).
 - ix. Directions have issued to all the DISCOs including K-Electric to ensure processing of the net-metering applications submitted by consumers either in person or through registered vendor / installer duly authorized by the consumer, strictly in accordance with NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 in true letter and spirit.
 - x. In light of decision of the President Secretariat (Public) received from Wafaqi Mohtasib (Ombudsman)'s Secretariat Regional Office, Gujranwala vide letter dated December 27, 2023; the Authority has constituted an Inquiry Committee under Section 27A of the NEPRA Act, to investigate issuance of fake / detection bills in Narowal-I under the territory of GEPCO.
 - xi. An online meeting with DISCOs has been held to discuss the matter of not providing net-metering connections on the basis of guidelines issued by Alternate Energy Development Board (AEDB) and asking consumers to upgrade the distribution system on cost deposit basis.
 - xii. Directions have been issued to QESCO in the matter of compensation claim against non-fatal accident of a child Syed Sibghatullah electrocuted due to negligence of QESCO.
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5. Registrar

The following Decisions / Licences were issued by the Registrar Office.

Sr. No.	Particular	No(s)
1	Generation Licence	Five (05)
2	Change of Name in Generation Licence	Three (3)
3	Certificate of Registration - IAA	One (01)
4	Supply Licence to XWDISCOs	One (1)
5	Licence/Authority Proposed Modification (IPMs/APMs)	Two (2)
6	Determinations	Nineteen (19)
7	Power Acquisition Request	Four (4)
8	Decisions	One Hundred and Eighty Six (186)

Besides above, five (05) Concurrence / Generation Licence applications, six (06) Tariff Petitions and one (01) Supply Licence application have been processed by the Registrar Office for admission by the Authority.

6 CTBCM Department

6.1 Achievement of CTBCM

- The CTBCM team played a proactive and integral role during in finalization of the Agency Code, ensuring its adherence to industry standards and regulatory requirements. Their involvement extended to creating and distributing License templates to streamline distribution procedures and ensure regulatory compliance. Moreover, they were instrumental in establishing rigorous NEPRA Performance Standards (Distribution) Regulations, leveraging their expertise to set benchmarks that enhance efficiency and quality within the industry. The amendments to the NEPRA (Electric Power Procurement) Regulations, 2022, are currently in an advanced stage of development, given their critical role in facilitating the smooth operation of the market. CTBCM team has been actively engaged in consultations with the Market Operator to finalize the test run report, and refine proposed amendments to the Market Commercial Code, and accord approval for COMOD declaration. Through the collective endeavor of CTBCM team, the consolidated Power Acquisition Program of XW-DISCOs and KE has progressed to the final stages of approval.
- In addition, the team facilitated crucial discussions, including stakeholder consultations on the Final Test Run Report (FTR) submitted Market Operator, KE integration Plan, use of system agreement, use of system charge and necessary regulatory framework amendments.
- NEPRA's CTBCM team has taken comprehensive initiatives, spanning strategic planning, regulatory enhancements, and operational improvements within the power sector. Their proactive approach not only guarantees a robust and dependable energy landscape but also lays the groundwork for a resilient economic future for the nation.

7 Monitoring & Enforcement Department

7.1 Generation

- 7.1.1 Performance Evaluation Report of all operational power plants for the FY 2022-23 under NEPRA Performance Standards (Generation) Rules, 2009 was uploaded on the NEPRA web after approval of the Authority.
- 7.1.2 The Authority accepted the response received from CPPA-G in the matter of Show Cause Notice issued on account of non-submission of initialed PPAs/EPAs/TPPAs for approval of NEPRA prior to execution of such documents. Accordingly, an order was issued to CPPA-G.
- 7.1.3 Post-visit brief/report in the matter of visit to TCB-1 Power Plant was presented before the Authority in the previous quarter. In this regard, pursuant to instructions of the Authority, the findings of the subject site visit report was shared with the management of above plant and allowed them one (01) month to rectify the same and submit a compliance report in this regard. Moreover, CPPA-G was directed to provide the details pertaining to actual Forced Outage/Partial Forced Outage hours availed by the said plant during the first agreement year vis-à-vis the details pertaining to the Capacity Payments deducted (if any) and corresponding LDs charged (if any) by CPPA-G in accordance with the relevant provisions of the PPA.
- 7.1.4 Letters were issued to different power plants which are not yet registered on the portal developed by M&E Department in coordination with IT Department for online acquisition of daily data pertaining to KPIs from generation licensees in respect of their operational generation facilities. In response, four (04) more plants have registered on the portal, bringing the total to 123 plants.
- 7.1.5 Provision of para-wise comments on appeals filed by different licensees against the Authority's decisions before the Appellate Tribunal (NEPRA), Islamabad.
- 7.1.6 Responses to the explanations issued to various power plants on account of delay in synchronization with the national grid following the blackout occurred on 23.01.2023 have been reviewed and a detailed write-up was shared with NPCC and CPPA-G for their comments. Comments have been received and are under review for preparation of separate CORs.
- 7.1.7 M&E is monitoring generation dispatch of KE and NTDC for operation of their plants in accordance with their respective Economic Merit Orders (EMOs). NEPRA's effective oversight has led to a substantial improvement in the System Operation of KE and NTDC, resulting in a substantial reduction of financial impact incurred due to inefficiencies of system operation and violation of Economic Merit Order.

7.2 Transmission

- 7.2.1 Legal Proceedings against NTDC in the matter of Partial Blackout at 500 kV Jamshoro Grid

Station


An incident of partial blackout occurred at a 500 kV Grid Station in September 2021 due to lightning, causing a power supply failure to K-Electric and HESCO. NTDC enquired about the matter and submitted the inquiry report. Based on the inquiry report, legal proceedings were initiated against NTDC for failing to provide sufficient reasons, and an explanation was issued to NTDC. However, no response was submitted by NTDC and a Show Cause Notice was issued in July 2022, NTDC did not respond until June 2023. The Authority imposed a fine of Rs 10 million in September 2022, and a notice of demand issued to NTDC in November 2022. The Case Officer Report was shared with HODs for comments on Sep 26, 2023 and the COR along with HOD comments was forwarded to C&I on November 01, 2023 for scheduling a hearing. A hearing scheduled on January 15, 2024 was held at NEPRA Head Office, Islamabad wherein the Authority rejected the review petition filed by NTDC (MOM issued on February 02, 2024). In this regard, a draft fine order was prepared on March 22, 2024 and the issuance of the same is in process.

7.2.2 Legal Proceedings against NTDC in the matter of Tower Collapse in Wake of Cyclonic Winds

As per directions of the Authority NTDC enquired the matter and submitted the report. Based on the report submitted by NTDC legal proceedings were initiated against NTDC under NEPRA fine regulations, 2021, and finally a fine of Rs. 10 million was imposed on NTDC. NTDC filed a review, which was admitted by the Authority on November 21, 2022. A hearing was held on June 5, 2023, wherein, the Authority issued some directions. However, NTDC responded on June 16, 2023. Accordingly, the Case Officer Report was prepared and shared with HODs for comments after legal vetting and was forwarded to C&I on August 15, 2023, for scheduling a meeting/hearing. A hearing scheduled on January 15, 2024 was held at NEPRA Head Office, Islamabad wherein the Authority rejected the review petition filed by NTDC (MOM issued on February 02, 2024). In this regard, a draft fine order was prepared on March 19, 2024 and the issuance of the same is in process.

7.2.3 Legal Proceedings against NTDC on the issues pertaining to Jhimpir-II Grid Station

The M&E team visited the under-construction and energized 220 kV Jhimpir-II Grid of NTDC, and a report was submitted by NTDC. Unsafe conditions were noted from the report, including lack of fencing, boundary wall, risk of damage heavy rains, etc. A report was placed before the Authority and as per directions of the Authority, an explanation was issued to NTDC, however, the response against the explanation submitted by NTDC was not satisfactory and a Show Cause Notice was served to NTDC on December 26, 2022. After hearings and directions issued on June 14, 2023, NTDC responded on June 16, 2023. The Case Officer Report was presented to the Authority on October 17, 2023, the Authority after detailed deliberations, gave some directions and the same was conveyed to NTDC on November 28, 2023. In response, NTDC submitted its reply on December 27, 2023 and a letter was again sent to NTDC conveying the directions of the Authority on January 26, 2024 for submitting its reply within a period of thirty (30) days. A reply from NTDC was received



vide letter dated March 08, 2024. Based on the reply of NTDC and as per directions of the Authority a tentative visit plan for Jhimpir-II grid station has been approved by the Authority.

7.2.4 Performance Evaluation Report (PER) for the FY 2023-24

The performance Evaluation Report of Transmission Licensees for FY 2022-23 has been uploaded on NEPRA's website on 06.02.2024. The work on the PER for 2023-24 has already been started and the transmission licensees have been directed to provide the quarterly data. In this regard, NTDC has submitted the data for the first quarter, moreover second quarter data is also awaited. It is observed that some information is missing in the submitted data, an email was sent to NTDC to submit the complete information.

7.2.5 Non-compliance of the Authority's direction by NTDC with respect to reimbursement of power dispersal cost to Nandipur

NPGCL, Nandipur approached NEPRA for reimbursement of power dispersal/evacuation cost given to NTDC. A working paper was presented before the Authority in RM 23-276 held on 14 June 2023 wherein the Authority directed to schedule a hearing for resolution of the issue of payment dispute between the two parties. Subsequently, a hearing was arranged at NEPRA Headquarter on 22 June 2023 and both parties attended the hearing. The Authority directed both parties to organize a meeting to resolve the issue of payment dispute and a compliance report in this regard be submitted to NEPRA within a period of seven (07) days. The Authority's above-mentioned directions were conveyed to NTDC and NPGCL on 05 July 2023. An Explanation has been issued to NTDC on 21 September 2023. In response to the explanation, NTDC submitted its reply on 16 October 2023. The draft working paper has been forwarded to Legal department on November 22, 2023 and HODs for their comments and forwarded the same to C&I on December 19, 2023 for scheduling a meeting. A meeting in this regard was held on February 27, 2024 (MOM issued on March 18, 2024) and directions of the Authority were to schedule a hearing. The file was therefore forwarded to C&I Department on March 19, 2024 for provision of date for scheduling a hearing. In this regard a hearing has been scheduled on April 25, 2024 at NEPRA Head Office, Islamabad.

7.2.6 Transmission Data Exchange Portal

All transmission licensees were instructed to regularly submit data on portal. NTDC & KE are submitting information/data on NEPRA data exchange portal, in this regard, NTDC & KE are submitting partial information on data. Additionally, M&E, in coordination with the IT department, has addressed several issues related to the uploading of data as when requested by the licensees. M&E department is working to develop some new forms to get the information on DXP.

7.2.7 Tripping's and other issues taken up by M&E transmission team during Jan Mar 2024:

NEPRA directed NTDC to conduct a detailed inquiry and take necessary actions to avoid




tripping's and submit a report. In this regard, letters were issued to NTDC during the reported period on the following incidents:

- Tripping incidents occurred at 500kV Jamshoro-HVDC & 500kV Moro-Matiari T/Line in the service area of HESCO.
- Tripping incidents occurred at 220kV grid station NTDC (ISPR) Sangjani Islamabad.
- Tripping of 500kv Jamshoro-HVDC Matiari circuit-I Transmission Line at 00:58 hrs dated 24-01-2024 due to yellow phase disc insulator string broken at loc# 60 owing to foggy weather condition.
- Tripping of 500kv Moro-Matiari circuit at 23:54 hrs dated 23-01-2024 due to blue phase disc string broken at tower no. 163 owing to foggy weather conditions.
- Tripping incident occurred at 500 kv Guddu-Shikarpur circuit-I transmission line owing to collapse of tower no. 293, 294 & 295 dated Feb 26, 2024 due to heavy storm/wind.

7.3 Distribution

- 7.3.1 Monthly data related to different parameters from all DISCOs is being collected through the Online Data Exchange Portal to analyze all relevant 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. NEPRA being a regulator is keeping a vigilant eye on all the parameters including status of Pending Ripe Connections submitted by DISCOs on a monthly basis and from time to time directs them to take corrective measures and improve their performance.
- 7.3.2 During the process of MYT determination of IESCO, it was revealed that IESCO has started AMI/AMR project at mega level, which covers the installation of AMR meters on PMT level, and on individual consumer level, particularly in Rawalpindi and Cantt circles. The Authority considered the efforts of IESCO and directed IESCO to submit a monthly progress report pertaining to the execution of the said project regularly.
- 7.3.3 According to Rule 7 of PSDR-2005, each distribution company is required to submit an Annual Performance Report (APR) to NEPRA before 31st August of the succeeding year. The APR contains all the relevant information with respect to compliance with these Rules during the year. Accordingly, the APRs submitted by all Ex-WAPDA Distribution Companies (DISCOs) and K-Electric Limited (KEL) for the FY 2022-23 were reviewed on the basis of parameters mentioned in PSDR, 2005 and a comprehensive Performance Evaluation Report (PER) has been prepared and published on NEPRA website.
- 7.3.4 According to Section 7.1 of the NEPRA Power Safety Code, all the Licensees are required to establish their independent Safety directorate/departments of Occupational Health, Safety, and Environmental. In this regard, legal proceedings have been initiated against HESCO, SEPCO, and QESCO for the non-establishment of their safety directorates. During



proceedings, Explanation were issued to HESCO, SEPCO and QESCO, and hearings on the matter has been held. After the detailed deliberations, responses of HESCO and QESCO have been rejected and Show Cause issued on 22 Mar, 2024 Notices have been issued to them. Moreover, COR for SEPCO has been prepared and forwarded to C&I department.

- 7.3.5 The Authority took notice and initiated legal proceedings against IESCO on account of a non-fatal accident of 08 years old girl who got electrocuted while plucking vegetable at their farm field along with its father, due to the less clearness and sagged 11kV line. A Show Cause Notice under section 27 A of NEPRA Act have been issued on 20 Mar, 2024 to IESCO in this regard.

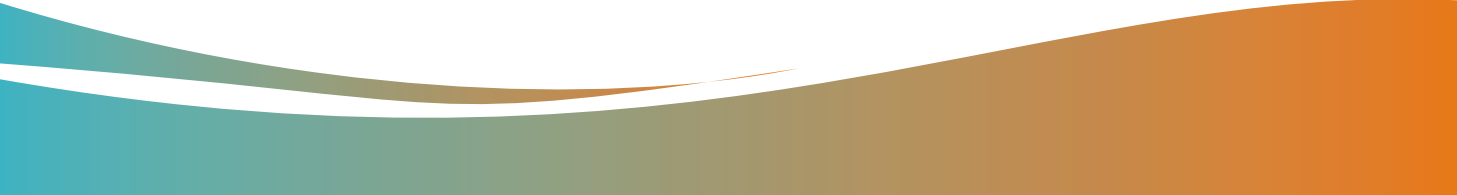
8. Technical Department

Cases processed:

- i. Hearing of FESCO in the matter of review motion regarding distribution investment plan (DIIP) held on 18th Jan, 2024.
- ii. Hearing of IESCO in the matter of review motion regarding distribution investment plan (DIIP) held on 1st Feb, 2024.

9. Coordination & Implementation (C&I)

9.1 Regulatory Meetings & Hearings

- i. During the reporting period 101 Authority Regulatory Meetings were conducted and 24 Public Hearings / Hearing / Consultative Sessions were held.
- 



10. Information Technology (IT)

- i. The electricity infrastructure is one of the critical and essential service for a country. With Industry/ Energy 4.0, the electricity sector is undergoing major transformation. NEPRA in collaboration with its Licensees is in process of identification of critical infrastructure. Further, to strengthen NEPRA's cyber security defense, NEPRA invited cyber-security firms and service providers through an open framework agreement for provision of cyber security-related services and solutions.
- i. NEPRA is set to sign a MoU with Securities and Exchange Commission of Pakistan (SECP) for integration of services with e-Licensing so that company related data can be verified directly from SECP.
- ii. NEPRA's mobile app “NEPRA Asaan Approach” for consumer complaints has been developed, which is now deployed on both Google Play Store for Android users and Apple's App Store for iOS users. The MobileApp is ready for release to the public.
- iii. On NEPRA website 1,953 documents are uploaded relating to Authority decisions, determinations, tariff adjustments, comments, net metering licensee, advertisement, tenders and other documents.
- iv. PPRA EPADS has been operationalized at NEPRA, functioning as a platform for effectively handling electronic procurement procedures. This system includes features such as electronic bidding, supplier management, contract management, and the creation of purchase orders. Presently, three procurement activities are underway using EPADS.



11. Human Resource, Administration & Media

11.1 ROUTINE ADMINISTRATIVE TASKS

The Administration Department continues to provide administrative as well as logistic support to the whole organization besides general office management, safety and security, management of Regional/Provincial Offices, transport and inventory management are some of the other multiple tasks undertaken by the Department.

11.2 CABINET DIVISION'S CORRESPONDENCE

During this quarter, NEPRA has been responding to letters of the Cabinet Division instinctively after seeking legal advice(s) to answer and tackle with the allegations raised therein.

11.3 NEPRA EXTERNAL AUDIT 2022-23:

A team of Auditors visited from Auditor General of Pakistan (AGP) office to conduct Audit of NEPRA for FY 2022-23. NEPRA Administration Department facilitated the audit team by providing them vicinity and all the required documents for Audit and successfully handled the audit by providing to the point answers to the queries raised, resultantly many audit paras were dropped.

11.4 DIGITIZATION/ SCANNING OF FILES & RECORDS

To upgrade its reporting processes, collecting and analyzing data in real time and using insights to mitigate risk and promote efficiency in future NEPRA continues to adopt digitization process by scanning all its data, document and processes.

11.5 RATE REVISION OF MEDICAL FACILITIES ON NEPRA PANEL

In order to streamline provision of medical services to employees of NEPRA, rates of panel hospitals have been revised and will be notified shortly. This has been done due to the untiring efforts of officers and Staff of NEPRA Administration Department. It is worth mentioning here that the Administration Department was able to cap the existing consultation charges for various hospitals at the same rates which are already been invoiced. Moreover, for a few laboratories and hospitals the Administration Department reduced the rates instead of increasing, despite inflation and rupee/dollar fluctuations.

11.6 PROCUREMENTS THROUGH EPADS

As instructed by M/s. Public Procurement Regulatory Authority (PPRA) vide S.R.O. 266(i)/2023, NEPRA has started carrying out all of its procurements activities of petty cash, RFQ, Open Competitive Bidding etc. through e-Pak Acquisition & Disposal System (E.PADS). Procurement process for a number of official laptops, printers, badminton court mats and cyber security services was initiated using the said mechanism.

11.7 AUCTION OF NEPRA VEHICLES:

NEPRA successfully auctioned its eight (08) vehicles including five (5) vehicles and three (03) motorbikes on a price higher than the purchase price during this quarter.

11.8 NEPRA Media Department keeps the media and all the stakeholders including the general public informed about Power Sector's important developments, decisions and enforced actions of



paramount importance. In this regard, NEPRA Media Department publishes advertisements, Issues Press Releases/ briefs for information of all.

11.9 NEPRA Media Department in the 1st quarter of the year 2024 has published a total of 29 advertisements in accordance with the Press Information Department (PID)'s Standing Operating Procedures (SOPs) and guidelines with subsequent uploading of the same on NEPRA website. Similarly, 04 briefs of paramount importance were also shared with the external media personnel of print and electronic media and in-turn received huge coverage of the same as well as minimized misreporting. Apart from that, payment amounting to Rs. 5,967,335/- (5.96 Million) was also paid to the newspapers for the published advertisements.

11.10 INTERNSHIP OPPORTUNITIES

NEPRA intermittently offers Paid/Unpaid internship opportunities to young and talented professionals of reputable local/ foreign educational institutions. Besides providing practical exposure, the program is boosting NEPRA's image as a socially responsible organization.

During this quarter, NEPRA hired the services of two interns on voluntary basis.

11.11 TRAINING AND DEVELOPMENT

With an aim to develop and enhance knowledge, skills, learn latest market practices, ripen leadership potential and to optimize efficiency and effectiveness at workplace *vis-a-vis* for better service delivery at the operational/strategic level and to create value in the best national interest. NEPRA always accepted the foreign trainings offered by international organizations.

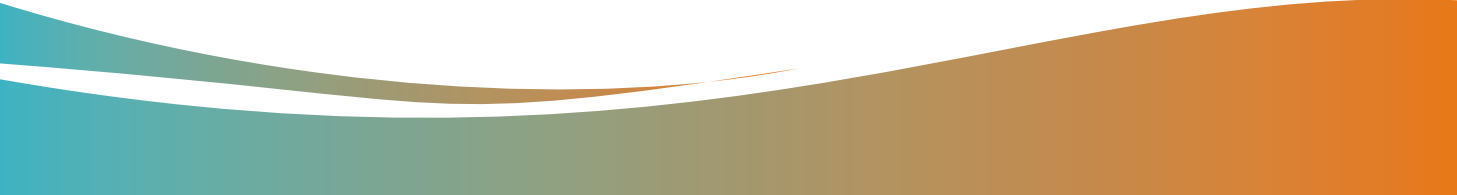
In this quarter, two (02) NEPRA female employees successfully completed the course offered by the Asian Institute of Technology (AIT) and visited Thailand to attend the awarding ceremony of the said training course. The programs were specifically designed for women working in the power sector.

11.12 DIGITILIZATION OF PERSONAL FILES

Personal files of employees are assets particularly for HR Department. Accordingly, HR Department digitized all personal files of the employees in this quarter.

11.13 JOB ROTATION

Interdepartmental transfer/ posting of NEPRA employee were being carried out during this quarter. The idea of job rotation is highly effective and essential to encourage the support staff besides enhancing their personal capabilities, skills & knowledge and it also provides employees with necessary skills required for performing multiple-task and reaching career developing goals.



12 Anticipated Activities and Development for the 2nd Quarter of FY 2024:

Tariff Department

1. Seven tariff Modification Petitions are under process namely;
 - (i) NPGCL Nandipur
 - (ii) K-Electric Petition for its Generation Plants
 - (iii) JPCL EPC stage tariff
 - (iv) CPGCL open cycle tariff
 - (v) Karachi nuclear Unit 2
 - (vi) Karachi nuclear Unit 3
 - (vii) Suo moto proceeding in the matter of revision of Coal Pricing Mechanism dated 23-09-2016.
2. Four Review motions filed by Lucky Electric, Port Qasim, HSR and CHIC against Authority decisions are in process along with revision in coal pricing mechanism and routine Fuel Price Adjustment, Quarterly Indexation, Insurance Adjustment, CV Adjustments and Withholding Tax Adjustment of various IPPs.
3. Decision of the Authority in the matter of Motion for Leave for Review Filed by Gul Ahmed Energy (Pvt) Limited against Decision of the Authority dated February 22, 2023 in the matter of Approval of Generation Tariff issued vide letter dated 15th November 2023
4. Decision of the Authority in the matter of Motion for Leave for Review filed by Tapal Energy (Pvt) Limited against Decision of the Authority Dated 23rd January 2023 in the matter of Approval of Generation Tariff issued vide letter dated 22nd November 2023.
5. Fuel Price Adjustment, Quarterly Indexation, Insurance Adjustment, CV Adjustments and Withholding Tax Adjustment of various IPPs have been processed.

Other

1. Revision in Coal Pricing Mechanism

Petitions

2. COR in the matter of Petition for Modification of Reference Tariff of Combined Cycle Power Plant Nandipur, Gujranwala (NPGCL-GENCO-III)
3. Petition filed by Engro Powergen Qadipur Limited for Modification in fuel cost component allowed by NEPRA.
4. Petition filed by K-Electric for its Generation Plants

5. Jamshoro EPC stage tariff Petition
6. CPGCL open cycle tariff Modification Petition.
7. K2 and K3 Tariff Modification Petition

Reviews

8. Motion for Leave for Review filed by Lucky Electric Power Company Limited against decision of monthly fuel price adjustments.
9. Motion for leave for Review filed by HSR, Port Qasim and CPHGC against monthly fuel price adjustments.

Monitoring & Enforcement Department

Distribution

- (i) Effectively monitoring the operational performance of the Distribution Sector.
- (ii) Effectively monitoring the compliance status of concerned entities against applicable documents, SOPs etc.
- (iii) To ensure implementation of Distribution Integrated Investment Plan
- (iv) To ensure Earthing/Grounding of HT/LT Poles/Structures in all DISCOs.
- (v) To ensure provision of new connection and net metering connection within permissible time as specified in NEPRA PSDR, 2005.
- (vi) Implementation of AMI/AMR metering at PMT level in all DISCOs
- (vii) Conversion of existing Rules into Regulations

Licensing Department

- (i) Formulation of NEPRA (Generation) Regulations, 2023 in lieu of NEPRA (Generation) Rules, 2000;
- (ii) Formulation of NEPRA (Technical Standards & Connectivity with the grid) Regulations, 2023;
- (iii) Formulation of NEPRA (Bulk Power Consumer) Regulations, 2023;
- (iv) Modifications in NEPRA (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 to consider the provisions of Concurrence instead of Licence;
- (v) Modifications in NEPRA Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 to include provisions for Concurrence;
- (vi) Modifications in NEPRA Licensing (Fee) Regulations, 2021 to include provisions for Concurrence;
- (vii) Approval of IFCEP for the 2023-2032;

- (viii) Approval of TSEP for the 2023-2032;
- (ix) Grant of 20-30 Licence to Competitive Supplier for Supplying to BPC(s) earlier granted Second Tier Supplier Authorization;
- (x) Grant of 5-10 Licenses to Competitive Supplier for Supplying to BPC(s) under the CTBCM regime;
- (xi) Grant of Concurrence for 15-20 generation companies;
- (xii) Grant of Approx. 1000 Net Metering concurrence.

CTBCM

- (i) Declaration of Commercial Market Operations Date for CTBCM
- (ii) Determination of Use of System Charges for the CTBCM
- (iii) Approval of Use of System Agreement
- (iv) Formulation of National Electric Power Regulatory Authority
- (v) Investment Standards and Procedures (Transmission and Distribution) Regulations
- (vi) Review and Approval of Security Package Documents for CTBCM
- (vii) Approval of Power Acquisition Programme of DISCOs. (On final Stages)
- (viii) Approval of the Power Acquisition Programme of KE. (On final Stages)
- (ix) Grant of Special Purpose Agent Registration to CPPA-G and approval of Agency Code. (On final Stages)
- (x) Security Package Documents
- (xi) Institutional Restructuring

Consumer Affairs Department

- (i) Development of Mobile application for lodging of consumer complaints against all DISCOs.

Information Technology (IT)

- (i) NEPRA is in the process of collecting data from its Licensees for designating critical information infrastructure (CII) in Pakistan's power sector.

Technical Department

- (i) Online Access to CPPA-G portal regarding verification of different technical parameters for monthly FCAs and QTAs.
- (ii) Online Access to KE portal regarding verification of different technical parameters for monthly FCAs and QTAs.
- (iii) Development of tool for assessment of EMO violations in the system operations and calculation of financial impact thereon.