



# **NEWSLETTER**

## **3rd Quarter**

**July-Sep. 2024**

**NATIONAL ELECTRIC POWER**  
**REGULATORY AUTHORITY**

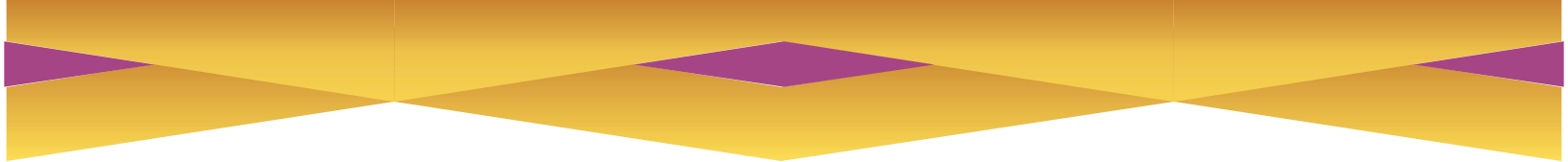
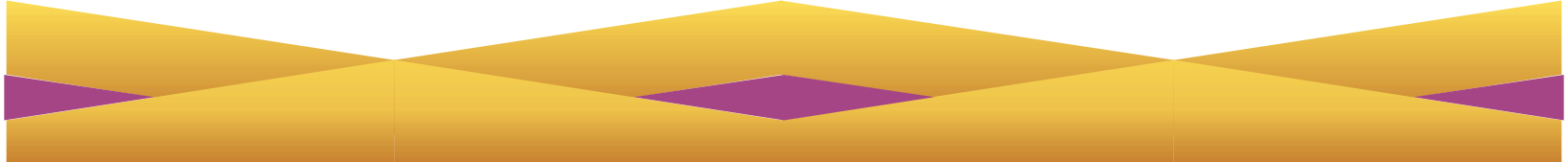


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## 1. Key Highlights 3<sup>rd</sup> Quarter 2024

- 1.1 During Q3 2024 (July-September), key matters including indexation, distribution tariffs, tariff modification petitions, and K-Electric's fuel charge adjustments and review motions were addressed by the Authority.
- 1.2 PEDO has been issued with a generation license for the 157 MW Madyan Hydro Power Project. Also issued 2186 Net Metering Licenses / concurrence for combined generation capacity of 323.56 MW.
- 1.3 The Authority's Consumer Affairs Department processed 5,667 complaints, resolving 4,171 and continuing work on 1,496. Additionally, 1,535 hearings were conducted, eight court-referred cases were addressed, and 30 major complaints were resolved by Consumer Complaints Tribunals with directives issued accordingly.
- 1.4 In response to consumer complaints about prolonged load shedding in K-Electric's service area during Karachi's heat wave, the Authority directed KE to limit load shedding to essential cases compliant with NEPRA regulations, avoid it during night hours, and restrict it to a maximum of one hour per occurrence.
- 1.5 NEPRA's collaboration with international organizations like the World Bank and ADB are strengthening regulatory frameworks and building capacity. Efforts with the World Bank focused on private sector participation in DISCOs, tariff guidelines, performance standards, and policy reviews. The ADB partnership emphasized automated oversight of network investment plans and training NEPRA professionals in global best practices. Progress was also made toward launching the Wholesale Electricity Market, with key submissions and agreements under review.
- 1.6 The Authority reviewed responses from various power plants regarding delays in synchronization with the national grid following the January 2023 blackout, issuing Show Cause Notices (SCNs) to entities. SCNs were also issued to entities for not finalizing operating procedures and black start facilities. SCNs were issued to several power plants, for their role in the 2023 power collapse.
- 1.7 The Authority has been reviewing several key matters, including the Revised Transmission Investment Plan (TIP) and loss assessments for NTDC for FY 2022-23 to FY 2024-25.
- 1.8 NEPRA has upgraded its ICT infrastructure by acquiring more assets and software vis a vis enhanced security and network coverage with dual-band access points supporting 5G. Technical support had been provided for NEPRA's data exchange portals and a mobile app "NEPRA Asaan Approach," has also been launched to facilitate the consumers for filing and tracking their complaints.

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- 1.9 From July to September 2024, NEPRA nominated three professionals to attend a USAID-sponsored Generation Planning workshop in Lahore, aimed at enhancing their expertise in power generation management. Additionally, 46 employees were promoted for their exceptional contributions, demonstrating NEPRA's commitment to merit-based advancement.
  - 1.10 Reduced misreporting by publishing 26 advertisements following the PID guidelines and issued 7 press releases.
  - 1.11 During the reporting period 133 Authority Regulatory Meetings were conducted and 25 Public Hearings / Hearing / Consultative Sessions were held.
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## 2. Tariff Department

### 2.1 Hydropower

#### 2.1.1 **Laraib Energy Ltd.**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on Sep 26, 2024.
- Decision of the Authority in the matter of Reimbursement of Pass-Through Withholding Tax on Dividend decision issued on July 31, 2024.

#### 2.1.2 **Karot Hydropower HPP**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on Sep 10, 2024.

#### 2.1.3 **Gulpur HPP (Mira Power)**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on Aug 29, 2024.

#### 2.1.4 **Chianwali Hydropower**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on August 08, 2024.

#### 2.1.5 **Marala HPP**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on July 31, 2024.

#### 2.1.6 **Pak Pattan Hydropower**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on July 31, 2024.

#### 2.1.7 **Patrind HPP (Star Hydropower)**

- Decision of the Authority in the matter of Adjustment in the Insurance for the period November 08, 2023 to November 07, 2024 decision issued on July 10, 2024.
- Decision of the Authority in the matter of Tariff modification Petition filed by Central Power Purchasing Agency Guarantee Limited (CPPA-G) for exclusion of Principle Debt Damages from Star Hydropower Limited decision issued on August 07, 2024.

#### 2.1.8 **Malakand-III HPP**

- Decision of the Authority in the matter of Quarterly Indexation / Adjustment (July-Sep 2024) decision issued on Sep 10, 2024.

### 2.2 Distrubution Tariff

2.2.1 Decision of the Authority in the matter of Fuel Charges Adjustment for the month of July 2024 for XWDISCOs decision issued on 06 September, 2024.

2.2.2 Decision of the Authority in the matter of requests filed by XWDISCOs for Periodic Adjustment in tariff for the 4th Quarter of FY 2023-24 decision issued on 06 September, 2024.

2.2.3 Decision of the Authority in the matter of Fuel Charges Adjustment for the month of June 2024 for XWDISCOs decision issued on 08 August, 2024.

2.2.4 Decision of the Authority in Review of the Decision dated July 11 2024 in the matter of Motion filed by the Federal Government under Section 7 and 31(7) of the NEPRA Act 1997

read with Rule 17 of NEPRA (Tariff Standards and Procedure) Rules, 1998 with respect to Recommendation of Consumer-end-Tariff of XWDISCOs and K-Electric decision issued on 13 July, 2024.

2.2.5 Decision of the Authority in the matter of Motion filed by the Federal Government under Section 7 and 31(7) of the NEPRA Act 1997 read with Rule 17 of NEPRA (Tariff Standards and Procedure) Rules, 1998 with respect to Recommendation of Consumer-end-Tariff decision issued on 11 July, 2024.

2.2.6 Decision of the Authority in the matter of Fuel Charges Adjustment for the month of May 2024 for XWDISCOs decision issued on 05 July, 2024.

### **2.3 K-Electric**

2.3.1 Decision of the Authority in the matter of Monthly Fuel Charges Adjustment of K-Electric Limited for the months of May 2024 and June 2024 decision issued on 21 August, 2024.

2.3.2 Decision of the Authority in the matter of Quarterly Adjustment of K-Electric for the Quarter ending June 2023 decision issued on 02 August, 2024.

2.3.3 Decision of the Authority in Review of the Decision dated July 11, 2024 in the matter of Motion filed by the Federal Government under Section 7 and 31(7) decision issued on 13 July, 2024.

2.3.4 Decision of the Authority in the matter of Motion filed by the Federal Government under Section 7 and 31(7) decision issued on 11 July, 2024.

2.3.5 Decision of the Authority in the matter of Monthly Fuel Charges Adjustment of K-Electric Limited for the month of April 2024 decision issued on 05 July, 2024.

### **3. Licensing Department**

#### **3.1 Generation License**

The Authority granted generation licences (No. GL(Hydel)/21/2024 dated May 22, 2024) to Pakhtunkhwa Energy Development Organization (PEDO) for its 157 MW Madyan Hydro Power Project located Near Madyan Town, On River Swat, District Swat, in the province of KPK.

#### **3.2 Renewal / Extension**

The Authority extended 10 years in the term of generation licence of Altern Energy Limited (No. 1PGL/021/2004 dated September 22, 2004).

#### **3.3 Net-metering**

The Authority granted two thousand one hundred and eighty six (2186) distributed generation net metering concurrences (more than 25 KW) having cumulative capacity of 323.56 MW.

#### **3.4 Generation Concurrence**

The Authority granted generation concurrence (No. SGC/C/01/2024 dated May 31, 2024) to Maple Leaf Power Limited for its 25 MW PV based generation facility at 45-KM Mianwali-Iskandarabad near Daud Khel, District Mianwali in the province of Punjab.

## **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 5667 complaints during the period July - September, 2024 out of which 4171 complaints have been redressed/ disposed of and 1496 complaints are under process. Moreover, a total No. of 1535 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:**

Consumer Affairs Department has processed / disposed of a total No. of eight (08) Complaints/ Cases/ Writ Petitions referred by various Courts of law.

### **4.3 Major Cases processed/ decided:**

A total of thirty (30) Nos. of major cases/complaints have also been decided by Consumer Complaints Tribunals (Head Office & Regional Offices) during the period July - September, 2024 and directions / speaking orders were issued accordingly.

### **4.4 Other Highlights:**

i. On receipt of numerous consumer complaints regarding prolonged load shedding in the service territory of K-Electric, particularly during the heat wave in Karachi; the Authority considering the severity of the conditions, directed KE to adopt the following immediately:

- Load shedding should be carried out if it is absolutely essential and in strict accordance with NEPRA's applicable documents.
- If load shedding is necessary and compliant with NEPRA's applicable documents, it should be avoided during night hours to the greatest extent possible.
- Any required, lawful load shedding should be limited to maximum duration of one hour per occurrence.

ii. The Authority issued an Explanation to KEL with regard to non-adherence to the directions of the Authority w.r.t. provision of information on the pretext that a large number of net-metering applications were rejected by KE on the basis of overloading of Common Distribution System / PMTs.

iii. In order to facilitate the electricity consumers of Pakistan for their complaints; NEPRA has launched a mobile application namely “NEPRA Aasaan Approach” on July 31, 2024.

iv. The Distribution Companies including KE have also been directed to print details regarding “NEPRA ASAAN APPROACH” mobile application on the electricity bills and display panaflexes at all field offices (sub divisions, divisions etc.) for awareness of general public.

v. Pursuant to reports from various sources, including print, electronic, and social media whereby it was highlighted that electricity consumers received inflated bills for the month of June,



2024. Accordingly, NEPRA conducted an inquiry.

vi. Pursuance to directions of the Authority, explanation letters were issued to all the Distribution Companies (DISCOs) including K-Electric (KE) on account of misuse of pro-rata mechanism which resulted inflated electricity bills for the period of April to June, 2024.

vii. The Authority also issued directive / directions to all the DISCOs including KE for adjustment of bills for the period from April, 2024 to June, 2024 alongwith waiver of LPS where pro-rata billing has been carried out in violation of earlier directions of the Authority.

viii. On the directions of the Prime Minister received through the letter of Ministry of Energy (Power Division); the Authority has constituted an investigation committee for investigation into the issue of overbilling by DISCOs and manipulation of MDI by industrial sector.

**4.5 Court Cases processed/ decided by Consumer Complaints Tribunal / CAD:**

- i. Decision in the matter of W.P.No. 43616/2024 referred by Honorable Lahore High Court, Lahore filed by M/s Judicial Activism Panel through Mr. Muhammad Azhar Siddique, Advocate vs FOP & Others.
- ii. Decision in the matter of W.P.No. 2852/2023 referred by Honorable Lahore High Court, Rawalpindi Bench filed by Mr. Ajaib Khan through Advocate Mr. Rizwan Elahi vs NEPRA & Others.
- iii. W.P.No. 40788/2024 referred by Honorable Lahore High Court, Lahore titled AsifAli vs FOP & Others.
- iv. W.P.No. 7549/2024 referred by Lahore High Court, Multan Bench, and Multan titled Muhammad Zohaib vs GOP & Others.
- v. W.P.No. 42464/2024 referred by Lahore High Court, Lahore titled Farid Khan vs NEPRA & Others.
- vi. W.P.No. 5208/2024 referred by Lahore High Court, Multan Bench titled Zafar Cotton Industries vs FOP & Others.
- vii. W.P.No. 45281/2024 referred by Lahore High Court, Lahore titled Mian Umar Aslam Weaving vs NEPRA & Others.
- viii. W.P.No. 54897/2024 referred by Lahore High Court, Lahore titled Zeeshan Ali vs LESCO.

## 5. Registrar

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

Sr. No.	Particular	No(s)
1	Distributed Generation Licences	2186
2	Investment Plan	01
3	Determinations	06
4	Decisions	169
5	Tariff Adjustments (Monthly, Quarterly, Biannual, Annual)	205
6	No of Tariff Determinations/ Decisions notified in official gazette	184
7	Transfer of GL	05

Besides above, two (02) Concurrence / Generation Licence applications and one (01) Investment Plan application have been processed by the Registrar Office for admission by the Authority.

## 6 CTBCM Department

### 6.1 Achievement of CTBCM

- i. The key highlights of the 3<sup>rd</sup> Quarter of the year 2024 were engagement with international organizations, like World Bank and ADB for the development of a robust and sustainable regulatory framework and capacity-building of NEPRA professionals for enhanced regulatory oversight and effective monitoring of the licensees.
- ii. Collaboration with the World Bank focused on providing technical assistance for Private Sector Participation (PSP) in Distribution Companies (DISCOs). The CTBCM team played a pivotal role in this partnership, by achieving several critical outcomes, including the finalization of the Distribution and Supplier Tariff Guidelines, both of which are currently in the approval process. Additionally, the NEPRA Performance Standards (Distribution) Regulations, 2024, were developed for commencing the regulatory process of public consultation. Furthermore, the Distribution Code, expected to be submitted by DISCOs by the end of September 2024, is being prepared for finalization with the World Bank's assistance. The World Bank's input extended to reviewing policy actions related to PSP, including tariff structures, subsidies, and DISCO balance sheet management, ensuring that Pakistan's distribution network operates efficiently
- iii. In conjunction with these efforts, the CTBCM team developed comprehensive Terms of Reference (TORs) for the Asian Development Bank (ADB), aimed at enhancing investment regulatory oversight and capacity building for NEPRA professionals. This collaboration focuses on automating the oversight of network investment plans, particularly for DISCOs and K-Electric, while implementing international best practices for investment monitoring. The ADB will assist NEPRA in automating these processes through a centralized digital platform, allowing for real-time monitoring and data collection. This partnership is expected to play a crucial role in the ongoing privatization of DISCOs by improving the efficiency of the approval process for network investments and enhancing transparency. Additionally, the capacity-building component includes specialized training programs designed to equip NEPRA professionals with the skills needed for effective monitoring and oversight of investment plans in line with global standards.
- iv. CTBCM's progress toward implementing the Wholesale Electricity Market also continued during this quarter. Preparations for the Commercial Market Operation Date (CMOD), scheduled for the end of 2024, have advanced, with the Final Test Run (FTR) Report and Market Commercial Code (MCC) submitted by CPPA-G now in the final stages of approval. Furthermore, other regulatory submissions pertaining to CTBCM including Connection Agreements, Market Participation Agreements, Service Provider Agreements, K-Electric's Integration Plan into CTBCM also remained under process

## 7 Monitoring & Enforcement Department

### 7.1 Generation

7.1.1 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 were reviewed and separate case officer reports (CORs) were prepared and forwarded to legal department. The Authority meetings for Saif, Sapphire, Lalpir and Halmore are scheduled to be held on 4th July, 2024, whereas, remaining CORs of WAPDA, HUBCO Narowal, Thar Energy Limited, Nandipur (NPGCL), HUBCO, and Orient are under process/forwarded for legal vetting

7.1.2 Post visit brief/report in the matter of unit transformer damage of China Power Hub Generation Company Limited (CPHGCL) was prepared and Authority meeting held on 2nd July, 2024.

7.1.3 Responses of NTDC and CPPA-G to the explanations issued to them on account of non-finalisation of operating procedures and non-signing of black start procedures with different power plants were reviewed and the Authority meeting has been scheduled to be held on 4th July, 2024.

7.1.4 FCA working of NTDC for the months of March, April and May 2024 was carried out and comments were provided to tariff department. Similarly, FCA working of KE for the period July 2023 to April 2024 was analysed and comments were furnished accordingly.

7.1.5 Generation data of both NTDC and KE was analysed on daily basis and power position data was prepared for perusal of the Authority consisting of percentage utilization, peak demand, peak generation, and peak shortfall keeping in view the installed, dependable & available capacity, plant wise daily energy, and outages.

7.1.6 A Show Cause Notice dated 26.04.2024 was issued to CPGCL in lieu of the total power system collapse occurred on 23.01.2023.

7.1.7 Separate Case Officer Reports in the matter of Explanations issued to Engro Powergen Thar, NPPMCL (Balloki), Port Qasim, China Power Hub, CPGCL, Rousch Power, Lucky Electric, QATPL (Bhikki), HSR (Sahiwal Coal) and Saba Power in lieu of the total power system collapse occurred on 23.01.2023 were presented before the Authority.

7.1.8 Case Officer Report in the matter of Show Cause Notice issued to CPGCL on account of acquisition of Gas Booster Compressor Station from Engro Fertilizers free of cost in consideration of utilization of gas quota and its subsequent transfer to NPGCL against Rs. 1.242 billion was prepared and Presented the Authority vide regulatory meeting held on 4<sup>th</sup> July 2024.

7.1.9 Letters were issued to different power plants which were not registered on the NEPRA Data Exchange 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, all operational power plants have registered on the portal.

7.1.10 Reminders to Recovery Requests were issued to the District Collector/Deputy Commissioner, Islamabad in the matter of fines imposed by the Authority on different generation licensees.

7.1.11 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.

7.1.12 M&E concluded the case of CPGCL in the matter of review motion filed by CPGCL against the imposition of fine by NEPRA due to violation of applicable documents and delay in restoration of Gudd-747 Unit 14 due to turbine damage.

## **7.2 Transmission**

### **7.2.1 Investigation Against NTDC Under Section 27A of the NEPRA Act on Account of Fatal Accidents Involving Mr. Zain Ul Abideen & Mr. Khair Bux**

A fatal incident of late Mr. Zain Ul Abideen (electrician) occurred on October 24, 2022, at the 500 kV Dadu Grid Station. Whereas, another fatal accident occurred on March 15, 2023. In this regard, the inquiry committee constituted by the Authority visited the site from December 25, 2023 to December 27, 2023. The investigation report was presented to the Authority on April 29, 2024. As per directions of the Authority, a Show Cause Notice has been issued to NTDC on July 12, 2024. NTDC submit its response against Show Cause Notice on August 13, 2024. In view thereof, the file was forwarded to Legal department on August 27, 2024. The matter was forwarded to the Authority on August 30, 2024 for providing an opportunity of hearing to NTDC. Whereby the Authority acceded the request of NTDC on September 09, 2024.

### 7.2.2 Legal proceedings/action against NTDC:

Sr. No.	Subject/Issue	Status
1	Fine of Rs. 10 million imposed on NTDC in the matter of partial blackout occurred on Sep 2021 due to the fault at 500 kV Jamshoro grid station.	Review filed by NTDC was rejected by the Authority and order of the Authority was issued on April 26, 2024. In response NTDC through its Legal Counsel has approached NEPRA and informed that NTDC has filed an Appeal against the said decision of the Authority in the matter of review against Authority Fine Order dated Sep 30, 2022. The matter has been forwarded to Legal department for providing Legal opinion and way forward in the instant matter on June 04, 2024. Legal department suggest to put on hold legal proceedings. A hearing was relisted to be held on September 04, 2024 in the Appellate Tribunal. Unfortunately, it was not held and was further postponed.
2	NEPRA team visited the under constructed and energized 220 kV Jhimpir -II grid station and presented the report. Based on report, the Authority started legal action against NTDC. In response of NTDC against the Show Cause Notice the Authority decided to to put on hold the ongoing Legal proceedings until M&E verify the claims of NIDC with regards to completion of 90% electrical works after site visit/verification of record and direct NTDC to complete the remainder works/discrepancies (related to civil works) which are under process and are yet to be completed within 6 months time period.	In compliance of the Authority direction, the team of NEPRA visited the Jhimpir -II grid station on April 18, 2024 and the report in this regard is being prepared. The report was presented before the Authority and a letter was issued to NTDC on September 11, 2024.
3	Fine of Rs. 10 million imposed on NTDC in the matter of Tower Collapse in Wake of Cyclonic Winds at South region.	Review filed by NTDC was rejected by the Authority and order of the Authority was issued on April 26, 2024. In response NTDC through its Legal Counsel has approached NEPRA and informed that NTDC has filed an Appeal against the said decision of the Authority in the matter of review against Authority Fine Order dated Sep 30, 2022. The matter has been forwarded to Legal department for providing Legal opinion and way forward in the instant matter on June 04, 2024. Legal department suggest to put on hold legal proceedings. A hearing was relisted to be held on September 04, 2024 in the Appellate Tribunal. Unfortunately, it was not held and was further postponed.

Sr. No.	Subject/Issue	Status
4	An Explanation was issued to NTDC on 21 September 2023 due to non-compliance of the Authoritys directions w.r.t re-imbursement of power dispersal cost to Nandipur. In response, NTDC submitted its reply on 16 October 2023 and requested for hearing which was held on April 25, 2024.	COR has been prepared and forwarded to Legal Department on May 31, 2024. The same was forwarded to C&I on August 09, 2024 for scheduling a meeting. The case was presented before the Authority vide RM 24 -345 held on August 28, 2024 and decided to form a committee for further necessary action. MOM is awaited.
5	After detailed enquiry, in the matter of total power blackout in the country occurred on October 13, 2022 an Explanation was issued to NTDC on February 13, 2024. In response to the Explanation, NTDC submitted its reply and requested for hearing.	After obtaining Legal opinion the file has been forwarded to C&I on July 12, 2024. Accordingly, a hearing notice was issued to NTDC on August 27, 2024 and the same held on August 29, 2024.
6	NEPRA imposed a Fine of Rs. 10 Million on NTDC w.r.t to Fatal Accident. The Order of the Authority was challenged in NEPRA Tribunal.	Last hearing was conducted on Feb 15, 2024. Matter is being perused by Legal Department.

### 7.2.3 Transmission Data Exchange Portal

- To ensure timely compliance/submission of reports and providing enhanced visibility to the senior management of the transmission licensee to enable them to ensure compliance with the regulatory requirement a three-level supervision mechanism has been introduced by NEPRA. In this regard, all transmission licensees provided the required information which is available on DXP.
- Discussion meetings were held with IT department regarding development of new formats for getting the information regarding system constraints by transmission licensees on DXP.
- M&E department has downloaded data from DXB for preparation of PER and Number of discrepancies were observed on the data submitted by NTDC/NPCC on DXP. The same were informed to NTDC/NPCC for correction/ necessary action.

### 7.2.4 System Constraints:

On the directions of the Authority M&E (Transmission Section) regularly monitoring the progress of the system removal plan of NTDC. In this regard presentation has been prepared on monthly basis on NTDC System Constraints removal plan for the information of the Authority. As a result of these regular reviews, the following constraints were successfully addressed;

- i. Constraint at 220 kV Sarfraz Nagar by addition of 3rd 160 MVA Transformer at 220kV Okara G/Station on 30/11/2023 and Augmentation of 160 MVA Transformer (T-4) with 250 MVA at 220kV Sarfraz Nagar G/S on 21/06/2024.
- ii. Constraint at 220kV DaudKhel by addition of 3rd 160 MVA ATR on 11/03/2024.
- iii. Constraint at 220kV Bahawalpur by augmentation of existing 160 MVA into 250MVA ATR on 28/06/2024.
- iv. Constraint at 220kV Rohri G/S by addition of 3rd 220kV 250MVA ATR on 13/03/2024.



- v. Constraint at 220kV Khuzdar G/S by addition of 3rd 160 MVA ATR on 09/06/2024.
- vi. Constraint at 220k Bahawalpur G/S by augmentation of existing 160 MVA to 250 MVA ATR on 28/06/2024.
- vii. Constraint at 220kV Muzafagarh New by replacing the faulty transformer with spare 160 MVA T/F

#### **7.2.5 Visit of Chairman NEPRA along with M&E team i.r.o delay in execution of SCADA-III Project**

NEPRA has been actively overseeing the progress of the SCADA-III project, acknowledging its critical role as a project of national significance. Once completed, SCADA-III will greatly improve the operational oversight and monitoring capabilities of NTDC's System Operator by facilitating real-time data collection and control from all power plants and Common Delivery Points (CDPs).

#### **7.2.6 Increased trend of T&G losses of SEPCO due to failure of 285 MVA power transformer at Guddu:**

During M&E department field inspections and investigations at various NTDC grid stations and transmission lines, significant delays, incomplete work, cost escalations, and time overruns were noted in both developmental and operational projects. It became evident to the Authority that the lack of a standardized policy or SOP for asset compensation, as well as the formal processes for handing over and taking over assets, was a key factor contributing to these issues. In response, NEPRA directed NTDC to develop a comprehensive policy addressing these gaps. In compliance with this directive, NTDC submitted the "Handing Over/Taking over of NTDC Assets" and "Compensation Policy for Right of Way and Land Acquisition," both of which were approved by the Board of Directors in FY 2023-24. These policies are expected to play a critical role in addressing inefficiencies and enhancing transparency in the execution of NTDC's developmental and operational projects.

#### **7.2.7 Reconducting & Reinforcement of Old G/Stations & Associated HVAC Transmission Lines:**

During field inspections and investigations conducted by the M&E department at various NTDC grid stations and transmission lines, it was observed that the reconducting of the aging, weak, and fragile HVAC network, particularly the 500kV Jamshoro-Dadu and Jamshoro-Matiari-Dadu transmission lines (which are over 36 years old), is essential to address the frequent trippings and reliability issues.

#### **7.2.8 Increased trend of T&G losses of SEPCO due to failure of 285 MVA power transformer at Guddu:**

SEPCO approached NEPRA and raised its concerns regarding its pending System Constraints at the end of NTDC for the past 04 years due to failure of 285MVA Auto Transformer at Guddu in the year 2019, leading to higher T&G losses in winter and burden on national/public exchequer. In view thereof, the matter was taken up with NTDC for submission of report. In response thereof, NTDC vide its letter dated May 14, 2024 has committed (inter-alia) to operationalize the subject faulty transformer along with another 250MVA, 220/132kV transformer at 500kV Shikarpur G/Station by end of August 2024.



**7.2.9 Tripping's incidents taken up by M&E transmission team during July Sep 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/emails were issued to NTDC during the reported period on the following incidents:

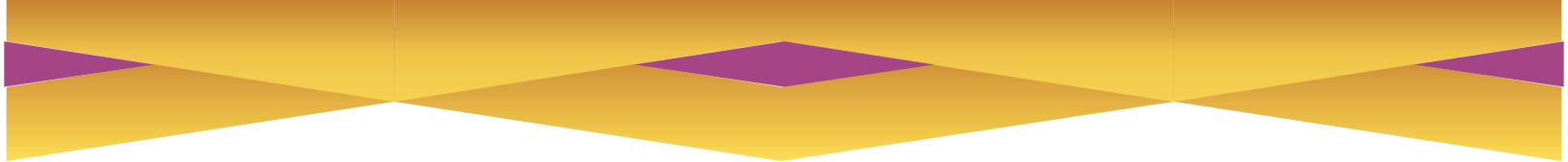
Tripping of 220kV Grid Station NTDC Muzaffargarh Dated 16-08-2024

500kV Tarbella-Shmp line tripped from Tarbella end @1358hrs dated 16-08-2024

### **7.3 Distribution**

- 7.3.1 The DISCOs are carrying out load shedding based on Aggregate Technical and Commercial (AT&C) losses on the feeders, however, this policy of load shedding is not in line with NEPRA Performance Standards and has never been recognized by NEPRA. The Authority took notice and initiated legal proceedings against HESCO, SEPCO, QESCO, PESCO, and K-Electric on account of excessive load shedding (based on AT&C losses policy) being carried out by DISCOs in their service territories. After the due legal process, the Authority decided to impose fine amounting to Rs. 50M to each DISCO on account of non-compliance to the NEPRA laws.
- 7.3.2 The Authority took notice and initiated legal proceedings against all XW-DISCOs on account of failure to execute earthing/grounding of HT/LT poles/structures within their service territories. Accordingly, Explanations/Show Cause Notices to XW-DISCOs have been issued on account of lack of earthing of hundreds of thousands of HT/LT poles/structures which could lead to the occurrence of fatal accidents. Moreover, hearings on the matter have also been held. After following due legal process the Authority has imposed fines of Rs. 10 Mln to IESCO, FESCO, GEPCO and LESCO. For the rest of DISCOs, the cases are under process and will be decided in due course on time.
- 7.3.3 Keeping in view the installation of AMI/AMR meters at the PMT level by K Electric, the Authority directed KE to carry out load shedding at the PMT level instead of feeder level through remote disconnection /re-connection of the supply in order to facilitate the good paying consumers. In this context, NEPRA and KE are actively engaged and KE has started the same at few medium-loss feeders in the initial phase.
- 7.3.4 The Authority took notice and ordered an Investigation against LESCO on account of twelve (12) Fatal Accidents that occurred in its service territory due to monsoon spells in July 2023. Moreover, hearing on the matter has also been held. The Authority rejected the response of LESCO against the SCN and imposed a fine of Rs. 23M on LESCO on account of fatalities. Furthermore, the Authority also decided to direct LESCO to give compensation to the victim families equal to the amount given to its own employees along with jobs to next of their kin.
- 7.3.5 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

- 7.3.6 The Authority took notice and initiated legal proceedings against IESCO on the account of delay in gird inter-connection of Access Solar Pvt. Ltd and Access Electric Pvt. Ltd and subsequent loss to the national exchequer. The Authority, whereby, the Authority imposed a fine of Rs. 50 Mln on IESCO along with direction to the Chairman BoD IESCO to initiate a inquiry against IESCO senior managent, who were in office during the period from Dec, 2020 to Dec, 2021.
- 7.3.7 During the process of MYT determination of IESCO, it was revealed that IESCO has started AMI/AMR project at the 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.
- 7.3.8 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.
- 7.3.9 The Authority took notice and initiated legal proceedings against IESCO on account of a non-fatal accident of 08 years 08-year-old girl who got electrocuted while plucking vegetables at their farm field along with its father, due to the less clearance and sagged 11kV line. A Show Cause Notice under section 27 A of the NEPRA Act has been issued to IESCO in this regard. The response from IESCO has been received and the subject matter and hearing was held 19.09.2024 and the matter is under process.
- 7.3.10 Furthermore, the Authority directed all the DISCOs to develop regular patrolling mechanisms and to identify/rectify the hazardous points, strengthen the mechanism of consumer complaints and response time, and replacement of CDG relays with Digital protection relays at 11kV feeders.
- 7.3.11 Additionally, NEPRA also directed IESCO regarding the provision of compensation to victim family. Whereas, IESCO has challenged the same in the NEPRA Appellate Tribunal.
- 7.3.12 The Authority took serious notice of the absence of the CEO HESCO to the public hearing on 17.05.2024 regarding Quarterly Adjustments of XW-DISCOs on Account of Capacity Charges, Transmission Charges & MoF, Variable Operation & Maintenance Charges and Impact of T&D Losses on FCA for the 3rd Quarter of FY 202324, a notice of hearing was issued to the Licensees wherein, it was categorically directed that Chief Executive Officer (CEO) to attend the subject hearing. However, the CEO of HESCO was not available during the hearing without any prior intimation to NEPRA. The Authority showed great displeasure with the lethargic and careless attitude of the CEO HESCO and ordered to initiate legal action against him, on account of non-adherence with the directions of the Authority, time and resources spared by the Authority, and by the general public. In compliance with the direction of the Authority, an Explanation has been served to CEO HESCO.



7.3.13 The Authority initiated Legal proceedings against all DISCOs and decided to issue Show Cause Notices on August 30, 2023, on account of fatal accidents that occurred in DISCOs territories in FY 2022-23. Accordingly, DISCOs submitted their responses, and hearings on the matter have also been held. Based on the response submitted by the DISCOs, the Authority decided to impose fines of 35M on IESCO, 15M on FESCO, 23M on GEPCO, 23M on LESCO, 62M on PESCO, 20M on HESCO, 12.5M on QESCO, 15M on SEPCO and 10M on K-Electric for violating NEPRA Laws. Moreover, the Authority has exonerated TESCO on account of one fatal accident that occurred due to the victim's own negligence. For the rest of the DISCOs, the proceedings are ongoing and will be decided in due course of time.

## 8. Technical Department

1. Determination of Revised Transmission Investment Plan (TIP) & Losses Assessment of NTDC for Tariff Period of FY 2022-23 to FY 2024-25.
2. Processing of Motions for Leave for Review (MLR) filed by licensees regarding the Authority's approval in the matter of the Distribution Integrated Investment Plan (DIIP):
  - i. MLR filed by IESCO against the determination of the DIIP for the tariff control period from FY 2023-24 to FY 2027-28.
  - ii. MLR filed by FESCO against the determination of the DIIP for the tariff control period from FY 2023-24 to FY 2027-28.
  - iii. MLR filed by M. Arif Bilwani against the determination of K-Electric's 7-year investment plan and losses assessment.
  - iv. MLR filed by K-Electric against the determination of K-Electric's 7-year investment plan and losses assessment.
3. Processing of Additional Investment Plan of FESCO for the Tariff Control period from FY 2023-24 to FY 2027-28.
4. Approval of Amendment No. 1 to the Power Purchase Agreement (PPA) of 660 MW Lucky Electric Power Company Limited (LEPCL) Located at Port Qasim, Karachi.
5. PPA Review Committee Report for Approval of Amendment No. 2 to the PPA between CPPA-G and Central Power Generation Company Limited (CPGCL).
6. Approval of Amendment No. 1 to the Power Purchase Agreement (PPA) and Side Agreement - 1320 MW CFPP Port Qasim Company (PQEPC), Karachi.
7. Tariff Modification Petition of Punjab Thermal power ltd. 1263.2 MW RLNG /HSD power plant at Jhung.
8. Request for information under article 19-A of constitution of Pakistan and right of access to information Act, 2017 regarding query of M. Azhar Siddique.
9. Comments on NPMV Cost of Gharo and Oursun Solar.
10. Capacity/Outages verification of SNPC I&II.
11. Efficiency issue of review motion filed by Quaid-e-Azam Thermal Power Plant (QATPL).
13. Comments provided on Interim Relief Request (S K Hydro (Private) Limited)

## **9. Coordination & Implementation (C&I)**

### **9.1 Regulatory Meetings & Hearings**

- i. During the reporting period 133 Authority Regulatory Meetings were conducted and 25 Public Hearings / Hearing / Consultative Sessions were held.

## **10. Information Technology (IT)**

- i. ICT Infrastructure is upgraded by acquiring cutting-edge 13th Generation Laptop computers, each equipped with licensed Operating System, Microsoft Office and Antivirus software. Additionally, heavy duty scanners are integrated to support the data management needs. The wireless network infrastructure is upgraded by replacing previous wi-fi with advanced dual-band access points supporting 5G.
- ii. Technical and operational support are provided for all NEPRA's data exchange portals and the mobile application "NEPRA Asaan Approach.". Furthermore, operational and maintenance support has been provided for on premise IT systems and solutions like Oracle EBS, SharePoint, Network Infrastructure and Virtual Hearings and Meetings.
- iii. 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 at NEPRA premises.
- iv. 2,828 files uploaded on the website relating to Authority decisions, determinations, tariff adjustments, comments, net metering licensee, advertisement, tenders and other documents.

## **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 Farewells**

The Administration Department bid farewell to Malik Nazar Abbas, Senior Security Officer in the presence of NEPRA officials, upon his retirement. The Administration Department wished him best of luck for his future endeavors on September 23, '2024.

### **11.3 Arrangement of Hearings**

The Administration Department also helped arrange a number of administrative and public hearings at NEPRA Tower thoroughly supervised by the designated team from the Administration Department

### **11.4 Auction of NEPRA's Old Furniture & Electronic/IT Assets**

Auction of NEPRA's old furniture, electronic equipment, IT assets, etc. was carried out successfully on August 31, 2024

### **11.5 Revision of Rates of Medical Facilities on NEPRA Panel**

The revised rates proposed by various hospitals & labs on NEPRA panel were gotten reduced by NEPRA Administration Department after threadbare discussions with the managements of the concerned labs/hospitals.

### **11.6 Preventive Maintenance of the Diesel Generator (Dg) Sets Installed At NEPRA Tower**

Preventive maintenance of the Diesel Generator (DG) sets installed at NEPRA Tower has been successfully completed during this quarter.

### **11.7 Internship Opportunities**

During the period from July to September 2024, NEPRA on boarded one intern on a voluntary, unpaid basis for three months. This opportunity allowed the intern to experience various aspects of the energy regulatory framework. By offering this platform, NEPRA aims to motivate fresh graduates, equipping them with the skills and knowledge necessary for their career growth and personal development.

### **11.8 Training and Development**

From July to September 2024, NEPRA nominated three professionals to participate in a training workshop on Generation Planning. This workshop, Organized by USAID's Power Sector Improvement Activity (PSIA) in collaboration with CPPA-G in Lahore, provided valuable insights into power generation planning and management. Such training initiatives help NEPRA's employees stay ahead in the dynamic energy sector.

### 11.9 Employee Promotions

Recognizing and rewarding exceptional performance is central to NEPRA's human resource strategy. During the period of July to September 2024, forty-six NEPRA employees were promoted in recognition of their outstanding contributions to the organization. This reflects NEPRA's commitment to employee growth and development, fostering a culture of excellence and merit-based advancement.

NEPRA Media Department during the period July to September 2024 has published a total of 26 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, 07 Press Releases and 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. 3,482,929/- (3.48 Million) was also paid to the newspapers for the published advertisements.