

## National Electric Power Regulatory Authority Islamic Republic of Pakistan

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> No. NEPRA/TRF-307/SEPCOL-2015/**2/3 -/7** January 7, 2016

Chief Executive Officer Southern Electric Power Company Ltd. No. 50, Street No. 60, F-11/4, Islamabad Tele: 051 – 211 4400 - 2

Subject:

Decision of the Authority in the matter of Tariff Petition filed by Southern Electric Power Company Ltd. for Modification of Generation Tariff

Enclosed Please find herewith the subject Decision of the Authority (02 pages) in the matter of Tariff Petition filed by Southern Electric Power Company Ltd. for Modification of Generation Tariff in Case No. NEPRA/TRF-307/SEPCOL-2015, for information and further necessary action.

Encl: i) Decision of the Authority (02 pages)

ii) Original Tariff Petition

(Syed Safeer Hussain)

CC:

- 1. Secretary, Cabinet Division, Government of Pakistan, Cabinet Secretariat, Islamabad
- 2. Secretary, Ministry of Water & Power, 'A' Block, Pak Secretariat, Islamabad.
- 3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
- 4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited., 6th Floor, Shaheed-e-Millat Secretariat, Jinnah Avenue, Blue Area, Islamabad



## DECISION OF THE AUTHORITY IN THE MATTER OF TARIFF PETITION FILED BY SOUTHERN ELECTRIC POWER COMPANY LIMITED FOR MODIFICATION OF GENERATION TARIFF

Southern Electric Power Company Limited (hereinafter "SEPCOL") filed a tariff petition on March 2, 2015 for modification of the generation tariff for its 117 MW power plant. The Authority admitted the tariff petition on March 19, 2015. A hearing in the matter was held on June 4, 2015. During the course of the hearing, the Authority directed SEPCOL to submit a solid proposal to re-start the power plant and further directed Central Power Purchase Agency Guarantee (hereinafter "CPPA-G") to get Government's approval or otherwise on the same. Accordingly, SEPCOL submitted a proposal vide letter dated June 24, 2015 to CPPA-G and CPPA-G vide letter dated July 1, 2015 submitted the proposal with their comments to Ministry Water & Power (hereinafter "the Ministry") for approval.

Since no further information was received from the Ministry, a letter No. NEPRA/R/SAT-I/12851 dated August 31, 2015 was sent to the Ministry requesting an early decision on approval or otherwise to the proposal so that the case may be disposed off accordingly. A reminder was also sent vide letter No. NEPRA/R/SAT I/13953 dated September 21, 2015 to the Ministry in the matter. The Ministry vide its letter No. F.IPPs-1(11)/2012 dated September 23, 2015 submitted that the case is being processed at the operational level with WAPDA Private Power Organization (hereinafter "WPPO") to determine the financial implications of acceptance of the proposal or otherwise and a decision in this regard shall be communicated to NEPRA as soon as the implications are finalized.

Consequently, WPPO was asked vide letter No. NEPRA/R/SAT-I/LAG-20/16181 dated November 06, 2015 to expedite the processing of the case and submit the requisite information to the Ministry at the earliest as the case was pending for a long time and could not be withheld indefinitely. The Ministry was also reminded vide letter No. NEPRA/R/SAT-I/LAG-20/16183 dated November 06, 2015 that the case was pending before NEPRA for want of Government's consent and that the Authority is required to decide the case within a maximum period of 8 months (4 months + 4 extensions of 1 month each), therefore, the consent or otherwise may be sent at the earliest.





No reply was received from WPPO, however, the Ministry, vide its letter No. IPPs-15(22)/ 09 dated November 23, 2015 submitted that a meeting for discussion in terms of obligations between SEPCOL and relevant stakeholders has been arranged and once the discussions are finalized, the Ministry will inform accordingly.

Since the statutory time of 8 months for determination of tariff by the Authority has lapsed on November 18, 2015, the Authority has, therefore, decided to return the Petition with the direction to resubmit the petition after obtaining the required approvals.

## **AUTHORITY**

(Khawaja Muhammad Naeem) Member

(Himayat Ullah Khan) Member

(Syed Masood ul Hassan Naqvi)

(Maj (R) Haroon Rashid) Vice Chairman

(Brig. (R) Tariq Saddozai) S\1\

Chairman

NEPRA UTHORITY

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