

# ANNUAL REPORT 2006-07



National Electric Power  
Regulatory Authority

The Report is prepared pursuant to Section 42(a) of the NEPRA Act and presents an overview of NEPRA activities during the period of July 1, 2006 to June 30, 2007.

### Functions of NEPRA

- grant licences for generation, transmission and distribution of electric power;
- prescribe procedures and standards for investment programmes by generation, transmission and distribution companies;
- prescribe and enforce performance standards for generation, transmission and distribution companies;
- establish a uniform system of accounts by generation transmission and distribution companies;
- prescribe fee including fee for grant of licences and renewal thereof;
- prescribed fines for contravention of the provisions of this Act;
- perform any other function which is incidental or consequential to any of the aforesaid functions.

### Keystone of NEPRA Regulatory Process

**Transparency through Public Participation:** To adopt consultative approach mainly through public hearings in which all the stakeholders are allowed to participate. The debate in these public hearings provides an avenue to balance the expectations of service providers, the public and other stakeholders on the basis of legitimate considerations. These hearings also provide a wider base of information on the basis of which the Authority can make its determinations. During the year 2006-07, 51 hearing have been conducted by the Authority. The Authority's decisions contain reasons which are recorded in details in its determinations. The Authority's determinations are available for public on NEPRA website.



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## MISSION STATEMENT

Strive to develop and pursue a Regulatory Framework which ensures the provision of safe, reliable, efficient and affordable electric power to the electricity consumers of Pakistan; facilitate transition from a protected monopoly service structure to a competitive environment where power sector entities function in an efficiency oriented market driven environment while maintaining a balance between the interests of the consumers and service providers in unison with the broad economic and social policy objectives of the Government of Pakistan.

### CHAIRMAN'S MESSAGE

Pakistan's Power Sector is experiencing one of the worst crises in its history. The current spate of power shortages is threatening to derail rapid economic growth of the country if appropriate steps are not taken soon to control it. The present scenario becomes more critical when viewed in the context of overall reform and restructuring process in the power sector initiated in early nineties by the Government of Pakistan.



One of the major objectives of restructuring was to attract private sector investment in power sector through creation of regulated, ultimately fully deregulated independent entities. Instead of a single utility looking after all functions of the power sector, in a restructured environment, every player needs to play its role and it is only through coherent efforts of all concerned, that a secure and reliable system of electric power production and supply is possible.

Role of NEPRA is central to reform and restructuring process, as quality of regulation, besides affecting other important areas, greatly influences investment environment in the country. While it might be a smooth ride in developed countries, here it is like walking on a tight rope. In Pakistan, the electricity regulator also have to cope with the externalities while striving for its objectives under the Act; safeguarding the interests of investors as well as the consumers of electricity in a transparent manner.

The challenges are immense. Due to unprecedented electricity demand growth over the past five years, the country needs additional generation capacity on war footing. At the same time dwindling fuel availability viz-a-viz depleting natural gas reserves have further squeezed the options. This scenario calls for multi pronged approach and issues have to be addressed through short term and long term solutions. Short term solutions include setting up fast track power plants, however, normally they do not offer the best rates, and therefore such capacity additions should be kept to a minimum. In parallel, energy use in non-productive sectors i.e. residential is to be managed to control skewed demand in this category which is dictating the addition of un-economic generation for years to come. For long term solutions "Integrated Resource Planning" based approach is essential to effectively meet the challenges of bridging gap between supply and demand, while keeping resource availability and economic priorities of the country in front.

NEPRA has been in the forefront supporting the Government of Pakistan (GoP) in creating a conducive environment for investment: whether that facilitation is through its tariff decisions, granting licences, bringing efficiency and discipline through setting performance standards and codes or making recommendations about fuel diversity, energy conservation and encouraging alternative forms of energy. Following GoP guidelines, NEPRA processed several licence applications of fast track power projects. NEPRA also announced the upfront tariff for various technologies including Wind farms.

The year 2006-07 has been an eventful year for NEPRA in terms of meeting its responsibilities under the statute. NEPRA granted Generation Licences to several power projects (IPPs) of 1781MW including Wind, Thermal and Hydel technologies. The Authority decided 34 tariff petitions regarding generation tariff of Independent Power Producers, WAPDA Hydel, KESC and distribution tariff of Ex-WAPDA DISCOs. Most of the cases were decided in the record time of 30-45 days. To facilitate operation, maintenance, development and planning of an economic and reliable national grid a Grid Code is gradually being put in practice. NEPRA also started monitoring of the performance of distribution and transmission companies through its standards prescribed earlier. The Authority fully cognizant of the power shortages and need for additional generation capacity in the country; initiated a study about the availability of existing power generation plants, leading to development of Generation Performance Standards. It is expected that such standards would help improve power supply situation in the near future. It needs to be emphasized that future of our power sector lies in the fast development of Hydel, coal and nuclear technologies for power generation with added participation of the private sector.

NEPRA issued several orders and regulations having long-term implication during 2006-07 with due regard to the demands of accountability, transparency and professionalism. During the period, 341 Authority Regulatory meetings were held within the Authority while meetings with other international agencies, like ADB, WB, USAID, SAFIR, USEA and Government Functionaries were also held separately.

The year 2006-07 was beset with challenges of various kinds and I am pleased to mention continued support of Members, professionals and staff in discharging functions to the best of their ability. It is also pertinent to say that progress during the year would not have been possible without active cooperation and participation of stakeholders. NEPRA looks forward to their continued support in the future also in its mission towards sustainable development of the power sector in Pakistan.

**Lt Gen (R) Saeed uz Zafar**

## THE AUTHORITY



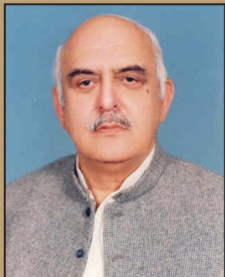
### Chairman

Lt Gen (R) Saeed uz Zafar has been managing responsibilities as the Chairman, National Electric Power Regulatory Authority since September 2003. Prior to joining NEPRA, he was Chairman Pakistan Railway. He served Pakistan Army and retired as Lieutenant General. He has vast experience in policy formation and implementation, financial management and negotiating international contracts



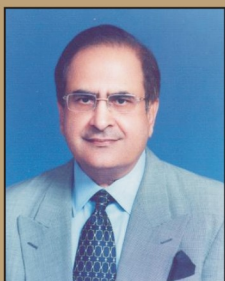
### Member (NWFP)

Mr. Abdul Rahim Khan is representing province of NWFP as a Member of NEPRA since September 2000. He is highly qualified Electrical Engineer with over 40 years of national and international experience in the management of electric power distribution system and electric power regulation. Prior to joining NEPRA, he served Water and Power Development Authority in different managerial positions. Currently he is the Vice Chairman of the Authority.



### Member (Balochistan)

Mr. Nasiruddin Ahmed is representing province of Baluchistan as Member of NEPRA since October 2004. He has an experience of over 39 years and served in top level positions in Federal as well as in provincial governments. Prior to joining NEPRA, he has served Government of Pakistan as Cabinet Secretary.



### Member (Punjab)

Mr. Zafar Ali Khan is representing province of Punjab as a Member of NEPRA since January 2006. He is a qualified Chartered Accountant with over 30 years of experience in the areas of Business, Finance, Accounting and Engineering. He served in different Government, Semi-government, Public and Private Organization at top level. Prior to joining NEPRA he served Private Power and Infrastructure Board as its Managing Director.

The National Electric Power Regulatory Authority has a full time Authority consisting of a Chairman and four Members, one from each Province. The Vice Chairman of the Authority is appointed from amongst the Members for a period of one year, by rotation. At present, position of Member from Sindh Province is lying vacant.

## THE AUTHORITY



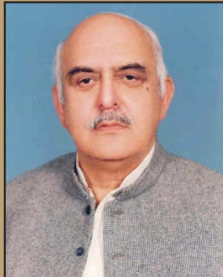
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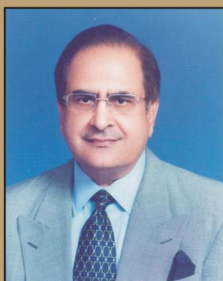
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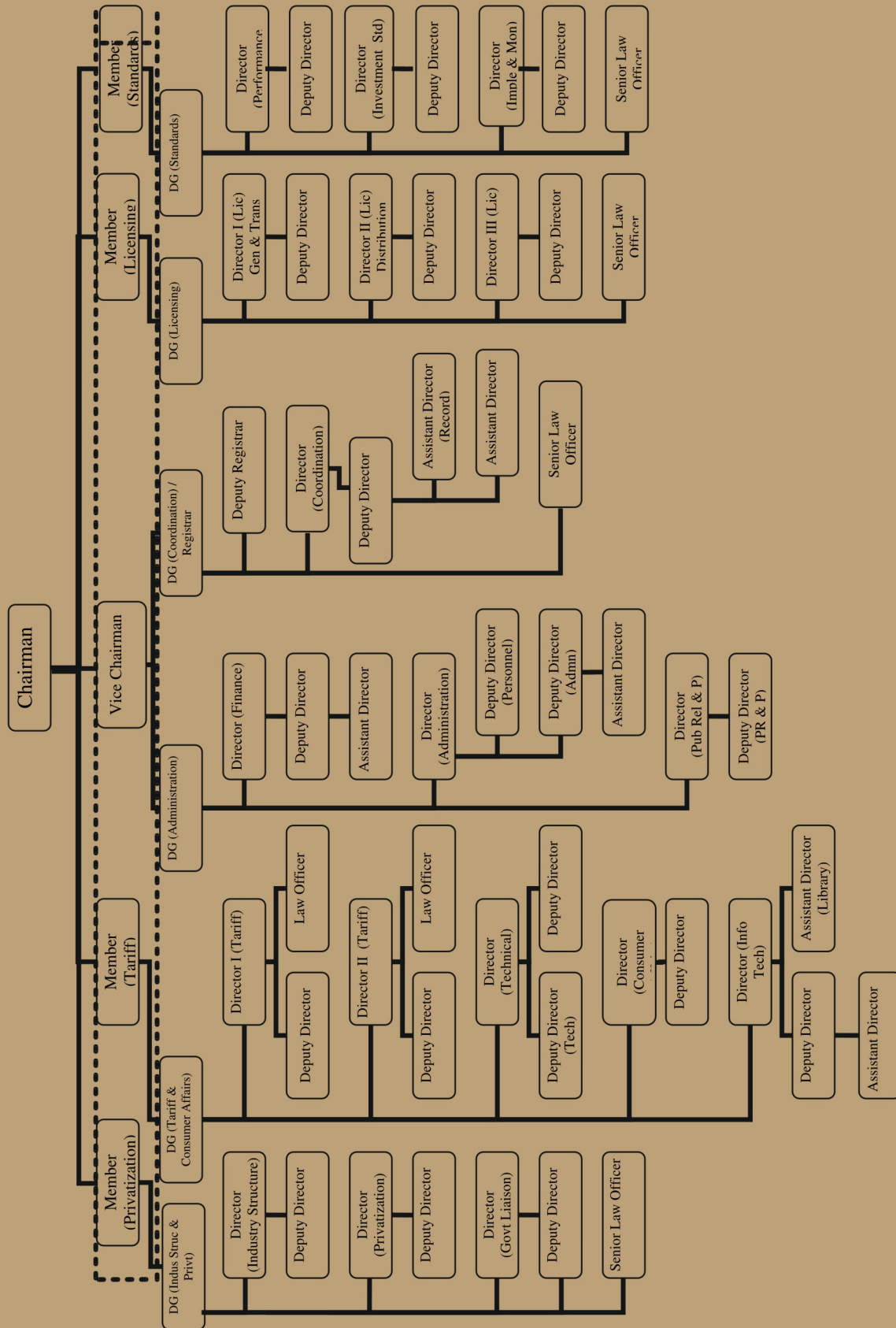
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## ORGANIZATIONAL STRUCTURE



## ACTIVITIES AND ACHIEVEMENTS



### LICENSING

According to NEPRA Act (XL of 1997), an important regulatory function of the NEPRA is to grant licences to Generation, Transmission, and Distribution companies who are engaged or wish to engage in the electric power business subject to specified terms and conditions. If deemed fit, public hearings are also held prior to the issuance of a licence in which all stakeholders have the opportunity to express their views. The determinations issued contain a discussion of all the relevant issues and the rationale of all the decisions contained in the determination leading to orders of the Authority. The activities accomplished during period July 2006-June 2007 included the processing of new applications filed for grant of different type of Licences as well as the modification and monitoring of existing Licences. Summary of various activities carried out during period is given as follows:

#### Generation Licence: Independent Power Producers (IPPs)

In response to the GoP incentives announced through its Power Generation Policy 2002 a number of Independent Power Producers sought Generation Licences from NEPRA. To support Government's efforts, NEPRA also accelerated its internal processing procedures for expeditious disposition of licence applications.

Carrying the momentum from previous year 11 new generation licences were granted for a combined installed capacity of 1781MW. Most of these IPPs are proposed to operate on RFO/Gas. Another 8 applications are under active consideration of the Authority and it is expected that all requirements would be met before licences be granted to them during first quarter of 2007-08.



### Small Power Producers (SPPs)

Ibrahim Energy Limited (IEL) was an SPP with four consumers and had applied for grant of generation licence under the Authority's policy for SPPs. Later on IEL and three other consumers merged into Ibrahim Fibers Limited (IFL), an earlier consumer of the IEL becoming a self generation company which does not require generation licence under NEPRA Act. Accordingly the company withdrew its application for grant of generation licence. However due to certain legal requirements with its distribution facilities the Authority allowed IFL to apply for generation and distribution licence. The application of IFL, for the grant of the Generation Licence is in process and will be decided shortly.

### Renewable Energy Power Projects

Three (03) Generation Licences for an installed capacity of 350MW (combined) were granted. All of these power plants are being set up in Sindh province using Wind Turbines. Further, 02 Generation Licence applications for combined installed capacity of 98MW are in process and will be finalized shortly.

### Hydel Power Project (Malakand-III)

To promote Hydel power generation, the Authority has granted a Generation Licence for 83.7MW. The project is sponsored by Sarhad Hydel Development Organization (SHYDO) and is located at Dargai in the province of NWFP.

### Special Purpose Transmission Licence (SPTL) for KESC

Karachi Electric Supply Corporation (KESC) had applied for transmission licence on January 24, 2001. The application was kept on hold at the company's request on account of privatisation of KESC. Subsequent to privatisation of the company, the application was reinstated on the request of KESC. A Public Hearing on the issue was held in Karachi. The application is in advance stage of processing and is expected to be finalized soon.



Chairman NEPRA & Members of the Authority during hearing w.r.t grant of Special Purpose Transmission Licence (SPTL) to KESC at NEPRA Main Office, Islamabad on February 20, 2007

### **Distribution Licence: Small Power Producers and Housing Societies**

Nine (09) applications of Small Power Producers, which were earlier submitted by SPPs for the grant of Distribution Licence, were processed. The Distribution Licences were granted to seven SPPs, while the cases for two SPPs namely Bhanero Energy Limited and Ellahi Electric Company Limited, were closed as these SPPs did not qualify for a Licence. Details of the granted Distribution Licences are annexed to this report.

The Bahria Town (Private) Limited (BTPL) had also applied for a distribution licence for its Bahria Town Rawalpindi/Islamabad. The application is first of its kind where a private entity has applied for the grant of Distribution Licence. The application of BTPL is under process and a Public Hearing on the issue has already been held. The case is in the advance stage of its processing and is expected to be finalized soon.

### **Modification of the already Granted Generation Licence: IPPs**

The Licensee Proposed Modification applications submitted by Rousch (Pakistan) Power Limited, AES Lal Pir Limited and AES Pak Gen Limited were processed. The modifications in the Licences of Rousch (Pakistan) Power Limited has been approved by the Authority while the proposed modification request of AES Lal Pir Limited and AES PakGen Limited were rejected by the Authority.

### **GENCOS**

Northern Power Generation Company Limited (NPGCL) filed two separate applications for modification in its already granted Generation Licence. The first Licensee Proposed Modification of NPGCL was about inclusion in its Generation Licence of 85MW GTPS Shahdara and 20MW TPS Multan Cantt after their rehabilitation. The Authority rejected this request of NPGCL on the basis of low efficiency of the proposed plants.

The second Licensee Proposed Modification of NPGCL was about inclusion of 150MW Power Plant at 500 kV Grid Station Sharqpur and 136MW Power Plant at 132 kV Grid Station Bhikkhi on rental basis for a period of 3 years. After detailed deliberation Authority approved this modification request of NPGCL.

### **SPPs and IGCs:**

Nine (9) applications for the Licensee Proposed Modifications filed by different licensees (08 SPPs and 01 IPP) are in process. All these applications are in advance stage of processing and will be decided shortly.

Further, five different Licensees including, Ghazi Power Limited, Zeshan Energy Limited, Ideal Energy Limited, Nimir Industrial and Chemicals Limited & Mahmood Textile Mills Limited were advised to apply for the Licensee Proposed Modifications, on account of different modifications made by them. The application of Kohinoor Weaving Mills Limited (KWML) for Licensee Proposed Modification was processed and Authority approved the modification in the already granted generation licence to KWML

The status of Sapphire Energy Limited, Ellcot Spinning Mills Limited and Kohinoor Textile Mills Limited has now changed to self consuming units which are not regulated by NEPRA. All these Licensees were asked to justify their position of holding the Generation Licence granted to them. The application of Zaman Energy Company Limited for cancellation of its already granted Generation Licence, on account of becoming a self consuming entity, was considered by the Authority and the cancellation was approved.

### **Initial Dependable Capacity (IDC) and Heat Rate (HR) Tests of GENCOs**

Heat Rate (HR) and Initial Dependable Capacity (IDC) Test for different GENCOs were carried out. The results of these tests received from respective GENCOs and duly confirmed by NTDC were considered by the Authority. Accordingly IDC and HR for Unit No.3 & 4 of Block-II of Jamshoro Power Company Limited have been accepted by the Authority.



Chairman NEPRA Lt Gen (R) Saeed uz Zafar, Members of the Authority and CEOs of CPGCL & NTDC during Presentation on Initial Dependable Capacity (IDC) Test At NEPRA Main Office, Islamabad dated November 07, 2006

### **Monitoring Activities**

Monitoring activities are considered critical for enforcing the Regulations. As part of the Monitoring activity, Final Notice was issued to Crescent Powertech Limited (CPL) to either apply for the grant of the Distribution Licence or hand over its Distribution network to host DISCO as stipulated under Article-7 of the granted Generation Licence.

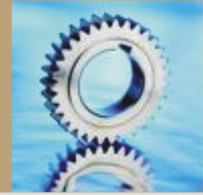
## OVERVIEW OF LICENSING ACTIVITIES

### GRANTED / IN PROCESS LICENCE

S#	COMPANY	GENERATION		TRANSMISSION		DISTRIBUTION	
		Granted	In process	Granted	In process	Granted	In process
1	Foundation Power Company (Daharaki) Limited	✓					
2	Sarhad Hydel Developmetn Organization	✓					
3	Halmore Power Generation Company (Pvt) Limited	✓					
4	Attock Gen Limited	✓					
5	WARDA Power Generation Limited	✓					
6	Atlas Power Limited	✓					
7	Gujranwala Energy Limited	✓					
8	Eastern Power Co. Limited	✓					
9	Milergo Pakistan Limited	✓					
10	Win Power (Pvt) Limited	✓					
11	Teenaga Generasi Limited	✓					
12	Gulf Electric Power Limited		✓				
13	Engro Energy (Pvt) Limited		✓				
14	Green Electric Limited		✓				
15	Nishat Chunian Power Limited		✓				
16	Nishat Power Limited		✓				
17	Ibrahim Fiber Limited		✓				
18	Beacon Energy Limited		✓				
19	Zephyr (Pvt) Limited		✓				
20	Karachi Electric Supply Corporation				✓		
21	Monnoo Energy Limited					✓	
22	Sapphire Power Generation Limited					✓	
23	Sitara Energy Limited					✓	
24	Gulistan Power Generation Limited					✓	
25	Mahmood Tixtile Mills Limited					✓	
26	Kohinoor Weaving Mills Limited					✓	
27	Quetta Textile Mills Limited					✓	
28	Bahria Town (Pvt) Limited						✓

**MODIFIED/IN PROCESS LICEN**

S#	COMPANY	GENERATION			DISTRIBUTION		
		Granted	In process	Rejected	Granted	In process	Rejected
1	Creasent Bahuman Energy Limited	✓					
2	Kohinoor Weaving Mills Limited (1 <sup>st</sup> Modification Application)	✓					
3	Rousch (Pakistan) Power Limited	✓					
4	Northern Power Generation Company Limited (1 <sup>st</sup> Modification Application)			✓			
5	Nimir Industrial Chemical Limited		✓				
6	Bhanero Energy Limited		✓				
7	Quetta Textile Mills Limited		✓				
8	Kohinoor Weaving Mills Limited (2 <sup>nd</sup> Modification Application)		✓				
9	Sapphire Power Generation Limited		✓				
10	Sitara Energy Limited		✓				
11	Lucky Energy (Pvt.) Limited		✓				
12	Kohinoor Energy Limited		✓				
13	Kohinoor Weaving Mills Limited (Distribution Licence)					✓	
14	Northern Power Generation Company Limited (2 <sup>nd</sup> Modification Application)	✓					
15	AES Pak Gen Limited			✓			
16	AES Lal Pir Limited			✓			



## TARIFF

The determination of tariff for electric power services is one of the primary responsibilities of NEPRA. NEPRA determines electricity tariffs, keeping in view the principles of economic efficiency and service quality according to the prescribed Tariff Standards and Procedure Rules 1998.

During FY 2006-07 the Authority decided 34 tariff petitions regarding generation tariff of Independent Power Producers, WAPDA Hydel, KESC and distribution tariff of Ex-WAPDA DISCOs while four generation tariff petitions are in process and expected to be decided shortly. Most of the cases were decided in the record time of 30-45 days. The standard time under NEPRA Tariff Standards and Procedure Rules 1998 is 180 days. The reduction in processing time of the petitions was important as the economic activities in the country over past five years also resulted in rapid growth in electricity usage. On the supply side however, power generation plants were not added to the system creating a gap between supply and demand. NEPRA's efforts to speed up the process would help the government to bring new generation facilities in relatively shorter time. Adjustments on account of fuel price variation, CPI indexation were also made during FY 2006-07. The details are given as follows:

### Generation: Gas Turbines Combined Cycle (Based on Gas/HSD)

NEPRA determined the generation tariff for Foundation Power Company, Sapphire Power Company, Saif Power Limited and Halmore Power Generation Company while the tariff petition filed by Engro Energy (Pvt.) Limited based on permeate gas is under consideration and will be decided by the Authority shortly.



Chairman NEPRA & Members of the Authority during hearing w.r.t Tariff Petition filed by Engro Energy (Pvt.) Ltd. (EEPL) for approval of Generation Tariff at Marriot Hotel, Karachi on March 14, 2007



Pursuant to ECC's decision, NEPRA also approved for three years, the tariff of two gas based power plants on rental basis, having capacity of 150MW and 136MW respectively as a short term measure to reduce the demand supply gap.



### Reciprocating Engine Technology (Based on HSFO)

NEPRA determined the generation tariff for the IPPs coming up with Reciprocating Engines Technology i.e. WARDA Power Generation Company, Atlas Power Limited, Gujranwala Energy Limited, Nishat Chunian Power Limited and Nishat Power Limited. Further, the Authority has also approved the Bulk Supply Generation Tariff for Taiyo Hills and Gulf Power; both the companies have opted for an Upfront Tariff determined by the Authority for Reciprocating Engines Technology.

NEPRA has also prescribed a mechanism for the determination of tariff of old/refurbished plants which were allowed to be setup by ECC. NEPRA approved the generation tariff of Eastern Power Company based upon the prescribed mechanism.

### Wind Energy Generation

NEPRA decided two cases of Bulk Supply Generation Tariff i.e. Win Power (Pvt.) Limited (WPPL) and Green Power (Pvt.) Limited (GPPL) based on wind energy. A motion for leave for review application filed by WPPL and petition of Beacon Energy Limited for the determination of tariff are also under consideration of the Authority and the decisions on these two applications are expected in near future.

NEPRA also determined a flat rate tariff for Milergo Pakistan Limited. Further, the Authority has also approved tariff of New Park Energy Limited, which opted for levelized Upfront Tariff.

### Revised Tariff Petitions

Revised tariff petitions filed by Green Power (Pvt.) Limited, WAPDA Hydrel, and Jamshoro power Company Limited have also been decided by the Authority during this year (2006-07).

### Adjustments

During FY 2006-07, seventy eight (78) adjustments were made on account of fuel price variation, CPI Indexation and Power Purchase Price for Central Power Generation Company, Northern Power Generation Company, Jamshoro Power Company, Karachi Electric Supply Corporation and CHASHMA Power Project (refer to Annex for details).

### Capacity Expansion Projects

In order to cope with the emergent situation of energy crisis, the ECC also approved the tariff for capacity expansion by existing Power Plants including Kohinoor Energy Limited (KEL), Tapal Energy Limited (TEL) and Japan Power Generation Limited (JPGL) through a bidding process by PPIB. Subsequent to ECC decision the three IPPs under capacity expansion project applied to NEPRA for formal approval/Tariff Order. Based upon the ECC's decision, NEPRA approved the tariff of these three existing IPPs.

### Distribution

On February 23, 2007 a milestone was achieved when NEPRA determined the consumer-end tariff for eight Distribution Companies carved out of WAPDA. The tariffs were notified by the Federal Government in the official gazette on February 24, 2007. Multi year Tariff (MYT) has also been granted to FESCO, which is now the second distribution company, after KESC, in Pakistan with MYT. Through determination of different consumer-end tariffs for Eight Distribution Companies first phase of restructuring of WAPDA was completed. All eight Ex-WAPDA DISCOs filed motion for leave for review applications, which are under consideration of the Authority and are expected to be decided shortly.

### OVERVIEW OF TARIFF ACTIVITIES

S#	COMPANY	TARIFF DETERMINATIONS MADE						In process
		Generation		Transmission		Distribution		
		New	Rev	New	Rev	New	Rev	
1	Halmore Power Generation Co mpany Limited	✓						
2	Eastern Power Co mpany Limited	✓						
3	Northern Power Generation Co mpany Limited	✓						
4	WARDA Power Generation Co mpany Limited	✓						
5	Atlas Power Limited	✓						
6	Gujranwala Energy Lim ited	✓						
7	Nishat Chunian Power Limited	✓						
8	Nishat Power Limited	✓						
9	Engro Power Limited							✓
10	Kohinoor Energy Limited	✓						
11	Green Energy (Pvt) Limited							✓
12	Tapal Energy Limited	✓						
13	Japan Power Generation Li mited	✓						
14	Win Power (Pvt) Limited							✓
15	Beacon Energy Limited							✓
16	Sapphire Electric Power Co mpany Limited	✓						
17	Saif Power Limited	✓						
18	Foundation Power Co mpany Limited	✓						
19	CHASNUPP	✓						
20	Attock Generat ion Limited	✓						
21	Tuwairqi Steel Mills Limited	✓						
22	Green Power (Pvt) Limited		✓					
23	WAPDA (HYD EL)		✓					
24	Karachi Electric Supply Corporation		✓					
25	Jamshoro Power Co mpany Limited		✓					
26	Islamabad Electric Supply Co mpany						✓	
27	Gujranwala Power Company Limited						✓	
28	Quetta Electric Supply Co mpany Limited						✓	
29	Peshawar Electric Supply Co mpany Limited						✓	
30	Multan Electric Power Co mpany Limited						✓	
31	Faisalabad Electric Supply Co mpany Limited						✓	
32	Hyderabad Electric Supply Co mpany Limited						✓	
33	Lahore Electric Supply Co mpany Limited						✓	
34	Taiyo Hill s (Pvt) Limited*	✓						
35	Green Power (Pvt) Limited*	✓						
36	Milergo Pakistan Limited	✓						
37	New Park Energy Limited*	✓						
38	SAVARI Power (Pvt) Limited*	✓						



## STANDARDS AND CODES

NEPRA is required under Section 7(C) of the Act to prescribe and enforce performance standards for generation, transmission and distribution companies. Section 34 requires the Authority to prescribe such standards for generation, transmission and distribution companies to encourage safe, efficient and reliable service.

Performance Standards and Tariff are the two most important instruments of NEPRA regulatory regime, and the two go hand in hand to meet overall objectives and policies of the GoP. NEPRA has prescribed performance standards for distribution companies and transmission companies while performance standards for generation companies have not yet been prescribed. During last year, work was initiated on the development of generation performance standards. Enforcement phase for other standards viz-a-viz distribution and transmission was also initiated.

Following are the details of major activities in the area of Standards and Codes.

### Development of Generation Performance Standards

To develop Generation Performance Standards, a study was conducted from April to August 2006 by an international consultant contracted by the World Bank through its Public Private Infrastructure Advisory Facility (PPIAF).

As part of the process NEPRA professionals along with the Consultant held meetings with the Advisor to the Prime Minister on Energy, Secretary Water & Power, Secretary Privatisation Commission and Chairman WAPDA. Meetings were also held to discuss objectives of the study and NEPRA Standards with CEO KESC, MD PPIB and other stake holders.

The study was concluded with the submission of final report on the Generation Performance Standards by the Consultant in August 2006. The report was duly circulated to all the stakeholders. The Authority has approved the recommendations of the Study Report and development of the Generation Performance Standards is under process. Stakeholders have also been advised for regular submission of Key Performance Indicators (KPI), and data of their generation facilities on monthly basis to NEPRA.

### Distribution Companies

To enforce performance standard as required under the Act, a monitoring phase was initiated during 2006-07. In this regard contacts with relevant companies were made at all levels, surveys done and meetings held with sub-division staff to educate those specifically working on complaints handling and their registration. As a result DISCOs have been able to send their first (draft) performance report following NEPRA's Rules. Efforts are continuing to improve their reporting level by advising them. It is expected that DISCOs would be able to provide a "satisfactory level" reports during the first quarter of next financial year.

### Transmission

According to Transmission Standards, all Transmission Licensees are required to submit an annual report to NEPRA on the operational performance of their transmission system according to the criteria laid down in Performance Standards Transmission Rules. NTDC was also advised in this regard and NTDC has submitted draft report about its system. The report is presently being reviewed by NEPRA professionals.

### Safety Code

Safety Code to be developed by relevant licensees including NTDC, DISCOs, KESC is also under preparation. In this respect NEPRA provided its guidelines to the industry in 2006, and a number of drafts have been exchanged since then. It is expected that the code would take a final shape by the middle of next reporting cycle. The code so developed would lead to making of a Safety Manual by all relevant entities.

### Grid Code

NTDC Grid Code approved by NEPRA in June 2005, was not implemented by NTDC; the main administrator of the Code. During the reporting year NEPRA directed NTDC and all relevant players to follow Grid Code in letter and spirit. The Grid Code contains day-to-day and long-term principles for planning, operation, dispatch and connection purposes for normal and abnormal NTDC transmission system conditions. Keeping in view importance of Grid Code in the development of a reliable system, NEPRA acted by convening a workshop and implementation process of Grid Code has now been initiated.



## PRIVATISATION

NEPRA's role is pivotal to private sector investment and privatisation efforts of the GoP. Certainty in regulatory decisions provides an impetus for the intending investors about the overall investment climate of Pakistan. In the past NEPRA had also made landmark determination for KESC, through announcing a multi-year tariff which was highly appreciated by investors and multi-national donors. NEPRA's decision helped in successful privatisation of KESC in 2005. Continuing its support to KESC, NEPRA during last year made another bold decision by removing certain restrictions on pass through parameters in its earlier determines, so that privatized KESC may overcome its financial difficulties.

Jamshoro Power Company Limited (JPCL) is also on GoP's privatisation list. NEPRA fully supported efforts of Privatisation Commission and approved revised heat rates and efficiency parameters to bring more certainty to the whole package.

Faisalabad Electric Supply Company Limited (FESCO) has also been identified for privatisation but various attempts of Privatisation Commission in this regard, have remained unsuccessful. NEPRA, to meet expectation of intending bidders, have also announced multi-year tariff for FESCO.



## CONSUMER PROTECTION

NEPRA is fully aware of the rights of consumers of the companies and limited number of avenues available to them for the redressal of their grievance. NEPRA Act also recognizes that consumers' interests are safeguarded and NEPRA rules and regulations provide protection to consumers against monopolistic and oligopolistic prices. While NEPRA rules and regulations do cater for such requirements at broader level, it is the day-to-day treatment of consumers by the relevant companies which needs to be addressed.

NEPRA under the Act is also required to entertain complaints of any interested person including Provincial Governments against a Licensee for contravention of any provision of Act, order, rule, regulation, licence made or issued by the Authority under its Act. In view of the above a central cell has been operational within NEPRA for prompt and timely disposal and redressal of complaint filed by interested persons. Complaints received by NEPRA are usually referred to the concerned organizations/ entities and the cases are pursued until the issues are resolved.

To further improve upon the existing process "NEPRA Complaint Handling and Dispute Resolution Rules" have been drafted and discussed in a workshop. It is expected that the "Complaint Handling and Dispute Resolution Rules" with the approval of the Federal Government would be an important milestone for NEPRA; as the draft rules are envisaged to provide an adequate alternate dispute resolution mechanism to the electric power companies and an effective forum for the resolution of electricity consumers' complaints in the country.

During the period NEPRA received more than 900 complaints, of which 758 have been addressed while the remaining are under process. Besides normal process for handling complaints, the Authority constituted 9 tribunals and 6 hearings held to adjudicate complaints. Most of these complaints filed by consumers were related to technical and commercial issues.



## TOWARDS IMPROVEMENT

### Development of Human Resource

Being a regulator, NEPRA needs high quality human resource abreast with the knowledge and expertise required to provide credible inputs to the Authority in making sound decisions. Through its specially created cell NEPRA aims not only to recruit the best available human resource, it also has tailored long term and short term training modules for its employees at all levels.

During 2006-07, major recruitment was made to overcome shortage of officers and staff in various Directorates by inducting 07 professionals and 28 supporting staff in the organization. In addition to the recruitment of officers and staff in regular cadres of NEPRA, the Authority also engaged the services of 04 consultants on contract basis.

In order to keep pace with changing HRM scenarios, improvement is inevitable in systems regarding staffing, compensation to the employees, performance appraisal and other day to day personnel matters. In consonance with the need for hiring and retaining quality manpower in volatile market for HR, the Authority has embarked upon revision of NEPRA Service Regulations with a focus on restructuring of the service structure and compensatory patterns for NEPRA employees. For this purpose, the services of a Consultant firm M/s Riaz Ahmed & Co have been engaged.

Career advancement of employees is yet another facet for retaining capable, loyal and dedicated work force. Being attentive to this fact, the Authority in 2006-07 took up cases of consolidated promotions / up gradations of officers and staff and a number of employees were promoted or elevated to higher levels.





### **Computerization and Connectivity**

Increased computer usage, networking and access to internet have made it possible for top performing organizations to minimize dependence on paper and reducing processing times. NEPRA since its inception has also followed aggressive approach to provide its members and professionals with latest equipment including computers, multimedia and LAN facilities. These facilities are extensively being used for presentations and recordings during hearings and conferences.

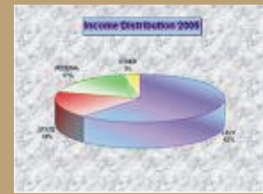
### **Existing LAN and WAN connectivity:**

NEPRA maintains a Local Area Network (LAN) of 50+ nodes in the NEPRA, Main Office at OPF Building, G-5/2 and another Local Area Network of 50+ nodes at its Additional Office at PIA Building, Blue Area, Islamabad. Both Networks are connected through wireless Radio modem at 100MB bandwidth for data transfer and 512Kbps at Internet connectivity.

WAN connectivity between two offices is operational as point-to-point radio link. End Users at additional office are also able to access/share the information from the servers/workstations at NEPRA main office and vice-versa.

### **NEPRA Web-Site Revamped:**

NEPRA is required under its Act to make its record available for the public. Therefore, NEPRA is also maintaining its relevant record including the Act, rules, regulations and decisions on the Web. Official website of NEPRA is being maintained and recently been upgraded by its experts. The revamped NEPRA website is more user friendly and gives easy access of information. The new layout reveals fresh look, flashing news and photos of current activities. A powerful complaint tracking mechanism has been introduced for better and efficient complainant management. The consumers can now launch a complaint online by visiting NEPRA website. When the complaint is launched a unique tracking number is assigned to the consumer (complainant), and consumers can trace and check the status of their complaints online, using tracking number. A management reporting mechanism is also being developed for the Authority to check status of complaints.



## Improving Regulatory Filing

The Authority requires huge volumes of data and information to decide on issues before it. The information provided by the stakeholders is quite sensitive to ultimate results specifically in Tariff matters. Although broad requirements are contained in NEPRA rules for filing Tariff applications, generally stakeholders provide information which suits their need. Such presentations on different formats add to complications and may result in delays for NEPRA in making its determinations.

To streamline overall reporting requirements the Act also required NEPRA to prescribe a Uniform system of Accounts to be followed by Licensees of generation, transmission and distribution facilities.

During last year NEPRA by engaging a Consultant have been able to develop draft document on Uniform System of Accounts which has been circulated to stakeholders. It is expected that NEPRA would be able to prescribe Uniform System of Accounts by the middle of next report year i.e. 2007-08.

While Uniform System of Accounts is expected to provide uniformity in filings under its tariff applications, NEPRA has also embarked upon automating its accounting system. In this respect the Authority has decided to implement state-of-the-art Oracle Financial Application software. This software will not only cater for NEPRA's internal accounting functions it would also facilitate electronic filing of tariff applications by the stakeholders.

## Financials

The Authority's approved budget for FY 2007-08 is summarised below:

ITEM DESCRIPTION	Approved Budget 2006-07 (Rs. in Million)	Actual Results 2006-07 (Rs. in Million)	Budget Estimates 2007-08 (Rs. in Million)
<b>REVENUE</b>			
Annual Licence Fee	273.642	287.896	321.629
Application / Modification Fee	16.000	31.727	25.000
Tariff Petition	24.000	39.831	34.200
Profit on Surplus Funds	60.000	85.800	100.000
<b>Total Revenue</b>	<b>373.642</b>	<b>445.254</b>	<b>480.829</b>
<b>EXPENDITURE</b>			
<b>Employment Cost</b>			
Pay and Allowances	88.780	68.429	88.281
Medical	5.000	4.405	5.879
Employer Contributions	13.446	10.062	13.521
Leave Encashment	3.000	2.441	2.895
Reimbursements	-	-	-
Other Benefits	0.200	0.147	0.300
	<b>110.426</b>	<b>85.484</b>	<b>110.875</b>
<b>Operating Expenditure</b>			
Repair and Maintenance	3.582	2.407	2.986
Traveling Expenses	3.436	3.334	4.350
Communication	3.240	2.920	4.065
Utilities	2.664	1.230	2.000
Rent	16.500	14.084	18.388
Printing, Stationery and Allied Expenses	2.895	2.547	2.920
Training Costs (Domestic & International)	0.900	0.841	3.700
Advertisement, Promotional & Ceremonial	15.020	14.873	22.000
Vehicle Running	3.455	2.315	3.350
Legal & Professional Charges	13.850	8.989	10.300
Consumable Items	-	-	0.100

ITEM DESCRIPTION	Approved Budget 2006-07 (Rs. in Million)	Actual Results 2006-07 (Rs. in Million)	Budget Estimates 2007-08 (Rs. in Million)
<b>Miscellaneous Expenses</b>			
Entertainment	0.750	0.292	0.580
Insurance (Other than Vehicles)	0.150	0.136	-
Lump Sum Provision	-	-	0.100
Uniforms and Liveries	0.150	0.105	0.150
	<b>66.592</b>	<b>54.072</b>	<b>74.989</b>
<b>Tax Provision &amp; Financial Charges</b>			
Tax Provision	-	-	100.479
Financial Charges	-	0.010	0.015
	-	<b>0.010</b>	<b>100.494</b>
	<b>177.018</b>	<b>139.566</b>	<b>286.359</b>
<b>Capital Expenditure</b>			
Software Licences	1.775	1.756	1.100
Intellectual Property	-	-	-
Other Intangible Assets	-	-	-
Land	-	-	-
Building Works	175.000	1.025	112.121
Office Machinery and Equipment	-	-	1.850
Computer and Auxiliary Equipment	2.300	2.212	4.640
Furniture and Fixtures - Office	1.550	0.578	3.100
Furniture and Fixtures - Official Residence	-	-	0.920
Electric and Gas Installations	-	-	0.100
Vehicles	5.000	0.010	7.875
Air-Conditioners / Chillers & Refrigerators	-	-	0.450
Advances To Employees	9.000	8.336	9.000
	<b>194.625</b>	<b>13.918</b>	<b>141.155</b>
<b>TOTAL-EXPENDITURE</b>	<b>371.643</b>	<b>153.484</b>	<b>427.514</b>

## MISCELLANEOUS

### Facilitation/Interaction with National & International Agencies & Stakeholders

Besides NEPRA's functions of granting licences, tariff determinations, and prescribing performance standards of the generation, transmission, and distribution power companies, NEPRA has been taking various initiatives to encourage stakeholders to play their roles in the development of power sector. In this respect NEPRA has been facilitating different dialogue with national and international agencies involved in energy sector on specific issues as well as on policy framework.

### National Agencies/stakeholders

NEPRA has continuously interacted with Ministry of Water and Power, AEDB, Privatisation Commission, PPIB, Ministry of Industries and Production, Cabinet Division, ECC and other Regulatory Bodies. NEPRA Authority and senior professionals have been making presentations on regulatory matters, power sector reforms, and its regulatory regime. NEPRA has played a pivotal role in facilitating the privatisation commission, AEDB and PPIB on GoP policies. NEPRA helped PPIB and Privatisation Commission in reviewing power purchase contracts and project evaluation.



NEPRA has continuously supported various GoP's initiatives on the formation of national energy policies, energy security plans, development of framework for investment and power policy & guidelines. NEPRA prepares a state-of-industry report every year to appraise different policy making agencies and planning commission with present state and trends in power industry.

### Regional/International Agencies/Workgroups

With the abundance of natural resources, South Asia could be the most natural region for integration and cooperation in the energy sector so as to optimally share the common energy resources in an era of depleting sources and heavy dependence on imports. South Asian countries can maintain a higher economic growth rate, provided they tackle with the imminent energy crises by exploiting options at intra-regional level. At present, international agencies such as World Bank, Asian Development Bank, USAID/SARI, UNFCC and UNDP are already active in nurturing such cooperation in energy sector in South Asia.

NEPRA is a working member of various regional and international working groups and task forces on energy security, energy exchange, capacity building, and exchange of information regarding regulatory policies to enhance regional cooperation in energy sector.



NEPRA members have been delivering lectures on several international/regional/national forums on regional electricity trade, power & energy imports and regulatory practices in Pakistan and GoP's initiatives on the sustainable development of clean and environment friendly energy resources in power sector.

NEPRA has been facilitating and providing general awareness to foreign investors from several countries by conducting meetings with them and apprising them of the needs and requirements of the power sector of Pakistan and to help build their confidence in the regulator/GoP.

### **Events/Workshops Arranged by NEPRA**

#### **Workshop on Power Plant Performance Improvement held at Pearl Continental Hotel, Lahore**

A workshop on Power Plant Performance Improvement was held on 12<sup>th</sup> July, 2006 to discuss the results and findings of the Study on Generation Performance Standards and other related issues. The Workshop included presentations to acquaint the Industry Stakeholders on the concept of Reliability and Availability of generation plants, methods of measuring performance and overview of International experience on the Generation Performance Standards. Chairman NEPRA, Member (Standards) and Member (Tariff) also supervised the Workshop. Representatives of all the major stakeholders, Ministry of Water & Power, Privatisation Commission, PPIB and Planning & Development Division attended the workshop.

#### **Training workshops in Lahore and Karachi**

On 13<sup>th</sup> and 15<sup>th</sup> July 2006 Training Workshops were held in WAPDA House, Lahore and Marriott Hotel, Karachi respectively. Participants of training workshops included engineers & professionals from WAPDA, KESC, GENCOs and IPPs. The main aim of the Workshops was to give the participants hands on training to measure effectiveness of Power Plants with the help of PC-GAR Software.

### **Workshop on Consumer Services Manual and Complaint Handling Procedure and Dispute Resolution Rules held at Pearl Continental Hotel, Lahore**

A two days Workshop was arranged by NEPRA at Pearl Continental hotel, Lahore on December 08 and 09, 2006 regarding Consumer Services Manual and Complaint Handling Procedure and Dispute Resolution Rules. Representatives of all distribution Companies, Provincial Office, stake holders, Regulatory Authorities and expert participated attended the workshop. Workshop was chaired by the Chairman NEPRA and Authority Members were also present.

### **Work Shop on Conservation of Energy and Demand Side Management held at Holiday Inn Hotel, Islamabad**

NEPRA Consumer Affairs Division organized a workshop on April 02, 2007 at Holiday Inn hotel, Islamabad regarding Conservation of Energy and Demand Side Management. Participants from all the DISCOS, NTDC, ENERCON and few power generation companies attended the workshop.



### NEPRA Office Building

Steady progress was achieved on activities related to planned construction of NEPRA multi-storey office building in G-5/1, Islamabad. According to the directive of Executive Committee of National Economic Council (ECNEC) on "Procedure for Approval of Self-Financing Development Schemes of Autonomous Organizations (Commercial/Non-Commercial), NEPRA was required to seek approval of Development Working Party (DWP), to be specifically constituted for NEPRA Office Building. Accordingly a DWP was constituted through the Cabinet Division which included the following:

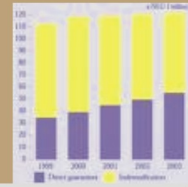
- 1) Chairman, NEPRA as Chairman of the DWP
- 2) Joint Secretary (RA), Cabinet Division as Member of the DWP
- 3) Chief (PIA), Planning and Development Division as Member of the DWP
- 4) Chief (P&H), Planning and Development Division as Member of the DWP
- 5) Financial Advisor (Cabinet), Finance Division as Member of the DWP

The DWP approved PC-I Proforma for the Construction of NEPRA building in December, 2006 for a cost of Rs.473.2 million.

The Architect submitted design and drawings of the building to CDA for its approval which is expected by the end of first quarter of FY 2007-08. In a simple but graceful ground breaking ceremony on February 28, 2007 the Prime Minister of Pakistan laid Foundation Stone of NEPRA Office Building.







## ANTICIPATED DEVELOPMENT IN 2007-08

### Licensing

Keeping in view the already filed applications for the grant of the Generation, Transmission and Distribution Licences, it is anticipated that applications of Engro Energy (Private) Limited, Nishat Chunion Power Limited, Nishat Power Limited, Eastern Power Company Limited, Gulf Electric Power Limited, Taiyo Hills Private Limited, Zephyr Power Limited, Beacon Energy Limited, Bahria Private Limited and KESC will be finalized.

### Standards and Codes

- i) Finalization of Generation Performance Standards
- ii) Development of Standards on Power Acquisition Programme and Investment Programme under Section 32 of NEPRA Act
- iii) Enforcement of Performance Standards (Distribution)
- iv) Enforcement of Performance Standards (Transmission)
- v) Finalization of Safety Code
- vi) Grid Code Implementation

### Consumer Affairs

NEPRA plans to carry out the following activities:

- i) Finalization of Complaint Handling and Dispute Resolution Rules
- ii) Approval of DISCO wise Consumer Service Manual
- iii) Policy on GoP to Housing Societies and High Rise buildings
- iv) Procedure for conservation of power from existing RE plants
- v) Processing of Individual Complaints/Petitions through Provincial Offices of Inspection (POIs) or through NEPRA's complaint redressal mechanism.

**DETAILS OF PROJECTS FOR GENERATION LICENCE**

S#	Name of Company	Location of the Project	Installed Capacity (MW)	Technology	Expected Commissioning Date
<b>LICENCE GRANTED</b>					
1	Foundation Power Company (Daharaki) Limited	District Daharki	179.05	Combined Cycle	May, 2009
2	Sarhad Hydel Development Organization	Dargai Malakand Agency	83.70	Hydel	January, 2007
3	Halmore Power Generation Company (Pvt.) Limited	Near Bhikki District, Sheikhpura	225.00	Combined Cycle	January, 2009
4	Attock Gen Limited	Attock Refinery Limited	165.28	Combined Cycle	January, 2008
5	WARDA Power Generation Limited	Tehsil Muridke, Sheikhpura	201.45	Combined Cycle	October, 2008
6	Atlas Power Limited	Lahore – Sheikhpura Road, District Sheikhpura	224.35	Reciprocating Engine	March, 2009
7	Gujranwala Energy (Pvt.) Limited	Tehsil Wazirabad, District Gujranwala	200.00	Reciprocating Engine	March, 2009
8	Eastern Power Company Limited	Posrur City, District Sialkot	152.47	Reciprocating Engine	August, 2008
9	Milergo Pakistan Limited	Khutikan, District Thatta	250.00	Wind	January, 2007
10	Win Power (Pvt.) Limited	Gharo – Creek Area, District Thatta	50.00	Wind	June, 2008
11	Teenaga Generasi (Pvt.) Limited	Taluka Mirpur Sakro, District Thatta	50.00	Wind	September, 2008
<b>LICENCE UNDER PROCESS</b>					
1	Gulf Electric Power Limited	Tehsil Sambrial, District Sialkot	179.27	Reciprocating Engine	October, 2008
2	Engro Energy (Pvt.) Limited	Qadirpur, District Ghotki	226.52	Combined Cycle	October, 2009
3	Green Electric Limited	District Dadu, Sindh	191.50	Combined Cycle	December, 2009
4	Nishat Chunian Power Limited	Tehsil Pattoki, District Kasur	200.27	Reciprocating Engine	March, 2009
5	Nishat Power Limited	Tehsil Pattoki, District Kasur	200.27	Reciprocating Engine	March, 2009
6	Ibrahim Fiber Limited	Faisalabad – Sheikhpura Road, District Faisalabad	31.80	Reciprocating Engine	NIL
7	Beacon Energy Limited	Taluka Gharo, District Thatta	48.60	Wind	May, 2009
8	Zephyr (Pvt) Limited	Gharo, District Thatta	49.50	Wind	June, 2008

**DETAILS OF PROJECTS FOR DISTRIBUTION LICENCE**

S#	Name of Company	Type	Location of the Project	No of Consumers	Maximum Distribution Voltage
1	Monnoo Energy Limited	SPP	Chichu ki Malian, District Sheikhpura	03	11KV
2	Sapphire Power Generation Limited	SPP	1 KM Warburten Road, District Sheikhpura	07	11KV
3	Sitara Energy Limited	SPP	33 KM Faisalabad – Sheikhpura Road, District Faisalabad	16	11KV
4	Gulistan Power Generation Limited	SPP	2 KM Ferozewatwan – Warburten Road, District Sheikhpura	07	11KV
5	Mahmood Textile Mills Limited	SPP	27 KM Multan – Muzaffargarh Road, District Muzaffargarh	01	11KV
6	Kohinoor Weaving Mills Limited	SPP	0 KM Manga – Raiwind Road, District Kasur	01	11KV
7	Quetta Textile Mills Limited	SPP	B -4, SITE, Kotri	03	11KV
8	Bahria Town (Pvt.) Limited (in process)	Private Distribution Company	Rawalpindi/Islamabad	1000 (approx.)	132KV (proposed)

**TRANSMISSION LICENCE**

S#	Name of Company
1	Karachi Electric Supply Corporation Limited (KESC)

**DETAILS OF MODIFICATION APPLICANTS**

S #	Name of Company	Classification of Company	Proposed Modification	Status
1	Crescent Bahuman Energy Limited	SPP	i) Enhancement in Generation Capacity ii) Change in Fuel	Approved
2	Kohinoor Weaving Mills Limited (1 <sup>st</sup> Modification Application)	SPP (Generation )	i) Replacement of Engines ii) Reduction in consumers	Approved
3	Rousch (Pakistan) Power Limited	IPP	i) Change of Fuel	Approved
4	Northern Power Gen Company Limited (1 <sup>st</sup> Modification Application)	GENCO	i) Enhancement in Generation Capacity	Rejected
5	Nimir Industrial Chemicals Limited	SPP	i) Enhancement in Generation Capacity ii) Disconnection of one consumer	In process
6	Bhanero Energy Limited	SPP	i) Enhancement in Generation Capacity ii) Disconnection of two consumers	In process
7	Quetta Textile Mills Limited	SPP	i) Enhancement in Generation Capacity ii) Change in Consumers Status iii) Change in Fuel	In process
8	Kohinoor Weaving Mills Limited (1 <sup>st</sup> Modification Application)	SPP (Distribution)	i) Rerouting of Distribution Feeders	In process
9	Sapphire Power Gen Limited	SPP	i) Enhancement in Generation Capacity	In process
10	Sitara Energy Limited	SPP	i) Change of Fuel	In process
11	Lucky Energy (Pvt.) Limited	SPP	i) Enhancement in Generation Capacity ii) Reduction in No. of Plants	In process
12	Kohinoor Energy Limited	IPP	i) Enhancement in Generation Capacity	In process
13	Kohinoor Weaving Mills Limited (2 <sup>nd</sup> Modification Application)	SPP (Generation )	i) Enhancement in Generation Capacity	In process
14	Northern Power Gen Company Limited ( 2 <sup>nd</sup> Modification Application)	GENCO	i) Addition of Rental Power	Approved
15	AES Pak Gen Limited	SPP	i) Change of Fuel	Rejected
16	AES Lal Pir Limited	IPP	i) Change of Fuel	Rejected

TARIFF ADJUSTMENT

S#	Name of Company	No of Tariff Adjustments
1	Northern Power Generation Company Limited	35
2	Central Power Generation Company Limited	03
3	Jamshoro Power Company Limited	33
4	Chashma Nuclear Power Plant	03
5	Karachi Electric Supply Corporation Limited	04
	TOTAL	78

### MAJOR COMPLAINTS REDRESSED BY NEPRA

1. Saima Trade Tower v/s KESC regarding dispute on Security Deposit charges
2. M/s Pace Shopping Centre v/s LESCO
3. M/s Karim Flour and Gen Mills for return of estimated amount of Rs.400,000/- for bifurcation of feeder v/s PESCO
4. M/s Marriot Hotel, Islamabad v/s IESCO regarding unjustified/undue demand notice worth Rs.20,18,868/- by IESCO for the replacement of two numbers 11kv change over switches
5. Settlement of dispute between NTDC and KESC for resolution of billing issue
6. Syed Nusuratullah Bukhari, resident of Ward No.8, G.T Road Sohawa, Jhelum v/s IESCO regarding provision of two domestic connections on Tariff A-1
7. Engineer Iftikhar Ahmad v/s Bahria Town for disconnection of electricity of his premises
8. D.G Khan Cement Company v/s MEPCO regarding continuous low voltage problem
9. Bhanero Textile Mills Limited, Kotri, Sindh v/s HESCO regarding payment of subsidy/fixed charges demanded by HESCO for new electricity connection
10. Complaint filed by HESCO regarding un-authorized distribution/sale of electric power by Fateh Power Project to M/s Fateh Spinning-I and Fateh Spinning-II
11. M/s Banbhore Ceramics Industries, Karachi v/s KESC regarding charging of Office load in the tariff A-2 and imposition of Rs.68,000/- as difference
12. Complaint filed by International Industries Limited Karachi v/s KESC regarding synchronization of their system with KESC
13. PTCL v/s HESCO regarding non conversion of tariff from A-2 to A-2(b) of telephone exchange, Sukkur

<b>MEETINGS WITH LOCAL AND FOREIGN DELEGATES</b>		
<b>S #</b>	<b>Meeting Date</b>	<b>Subject of Meeting</b>
1	10-07-2006	Presentation on “Report on the Development of Electricity Generation Performance Standards”, by Mr. Richwine from World Bank
2	14-07-2006	Generation Performance Standards visit of Robert Richwine
3	25-08-2006	World Bank – Power Section Mission
4	15-09-2006	JBIC Follow up Mission on Indus Highway Project (Phase-III) and Dadu Khuzdar Transmission Line Project, and Sector dialogue on Transport & Power Sector
5	12-09-2006	Presentation on Wind Energy by K.S Bajwa from VESTAS
6	13-09-2006	Meeting with Board of Directors of M/s GAMMA Energy
7	25-09-2006	Leasing/Purchasing/Rehabilitation of Lakhra Power Generation Company Limited
8	27-09-2006	PAK: Pre-Appraisal Mission on Multitranches Financing Facility for the Power Transmission Enhancement Investment Program Request for Mission Clearance for pre-Appraisal Missions
9	13-10-2006	Meeting with IFC on issues pertaining to KESC
10	17-10-2006	China Power International Development Limited
11	28-11-2006	Minutes of the Prime Minister Meeting with Mr. Farooq Hasan, Hasan Associate (Pvt.) Limited
12	30-11-2006	Public Private Infrastructure Advisory Facility (PPIAF) Mission
13	07-12-2006	Public Sector Capacity Building Project – Mid term review Mission December 4 to 14, 2006
14	14-12-2006	Briefing to Minister for Information & Broadcasting
15	12-02-2007	ADB Mission – Karachi Electric Supply Corporation Project
16	13-03-2007	Fauji Foundation Daharki Power Project – Asian Development Bank (ADB)
17	19-03-2007	Pakistan Sector Mission for the Proposed Mineral Sector Technical Assistance Project & Balochistan Economic
18	11-04-2007	Inception Mission: TA-4870 Establishment of Central Power Purchase Agency – ADB
19	18-04-2007	Visit of Consulting Team Working on Regional Electricity Trade – World Bank
20	14-05-2007	Meeting with MD, KESC
21	15-05-2007	Meeting of the Inter Provincial Coordination Committee (IPCC)
22	28-05-2007	Privatisation of JPCL: Request for a meeting of Secretary Privatisation Commission with NEPRA Authority
23	05-06-2007	PAK: Private Sector Development Initiative – Proposed Private Sector Division (PSOD) Mission – 4- 5 June 2007 – Asian Development Bank
24	08-06-2007	Power Distribution Enhancement Project Loan Fact Finding Mission – ADB

## ACRONYMS

ADB	Asian Development Bank
AEDB	Alternative Energy Development Board
BPC	Bulk Power Consumer
CoD	Commercial Data of Operation
CPI	Consumer Price Index
CPPA	Central Power Purchasing Agency
DISCO	Distribution Company
DWP	Development Working Party
ECC	Economic Coordination Committee
FESCO	Faisalabad Electric Supply Company
GEPCO	Gujranwala Electric Power Company
GENCO	Generation Company
GoP	Government of Pakistan
GWh	Giga Watt per Hour
HESCO	Hyderabad Electric Supply Company
IBRD	International Bank for Reconstruction and Development
IPP	Independent Power Producers
IESCO	Islamabad Electric Supply Company
IRR	Internal Rate of Return
KESC	Karachi Electric Supply Corporation
kV	Kilo Volt
kWh	Kilowatt per Hours
LAN	Local Area Network
LESCO	Lahore Electric Supply Company
LUMS	Lahore University of Management Sciences
MEPCO	Multan Electric Power Company
MW	Mega Watt
MYT	Multi-year Tariff
NEPRA	National Electric Power Regulatory Authority
NGC	National Grid Company
NTDC	National Transmission and Dispatch Company
PC	Privatisation Commission
PEPCO	Pakistan Electric Power Company
PESCO	Peshawar Electric Supply Company
PPIAF	Private Power and Infrastructure Advisory Facility
PPIB	Private Power and Infrastructure Board
PSDP	Power Sector Development Project
PSI	Pakistan Standards Institute
QESCO	Quetta Electric Supply Company
SAFIR	South Asia Forum for Infrastructure Regulation
SARI	South Asia Regional Initiative
SOQ	Statement of Qualification
SPP	Small Power Producer
UNDP	United Nations Development Program
WAPDA	Water and Power Development Authority
WB	World Bank





*Published by*

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