



ANNUAL REPORT 2008-09

NEPRA

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY



**NATIONAL ELECTRIC POWER
REGULATORY AUTHORITY**

Annual Report
2008-09



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Chairman's Message

The global financial crisis has had serious repercussions both for the developing markets and the developed world. The world economy is likely to contract by 1.3 percent in 2009. Advanced economies are expected to contract by 3.8 percent. Growth in developing economies is projected to slow down to 1.6 percent in 2009. Power houses are experiencing a slowdown in economic growth because of the ensuing financial crisis and credit crunch.

International oil prices fluctuated widely during 2008-09 leaving all vulnerable oil importing countries like Pakistan under great stress. In the electricity sector, in particular, the economy faced shortfall in supply which led to power sector outages on a large scale, higher cost due to gradual phasing out of subsidy and the circular debt problem.

National Electric Power Regulatory Authority (NEPRA) regulates the electric power sector by granting licenses, tariff determination, prescribing performance standards and addressing the complaints of electric power consumers. The financial strength of the sponsors as well as their professional acumen in executing projects is taken into consideration while granting licenses. A transparent procedure is followed and due diligence is exercised in the determination of the appropriate level of expenses and rate of return allowed to a utility. The process also involves public hearings to accommodate the concerns of all the stakeholders before a final determination is made. Similarly, in order to address the grievances of power consumers, prompt action is taken on the complaints received.

During the year 2008-09, NEPRA processed generation licenses of 14 Independent Power Producers and 25 Captive Power Producers with a total installed capacity of 4661.3 MW and 535.89 MW respectively. The cases of distribution licenses to 5 Small Power Distribution Facilities and Housing Colonies were also processed. The Authority made decisions on tariff petitions for generation and distribution companies. Discussions continued with National Transmission

& Despatch Company (NTDC) for induction of wind energy into the National Grid. The work on the development of Safety Code, Investment Standards and Power Acquisition Standards and Procedures continued during the year.

In order to make capacity available on an urgent basis for reducing the demand-supply gap, NEPRA formulated a strategy for small power units allowing such units to sell their power to utilities through bi-lateral contracts without any approval and facilitated the process of setting up of Rental Power Plants and Fast Track Projects through International Competitive Bidding.

The Performance Standards (Generation) Rules were prepared by NEPRA. These rules have already been approved by the Law Division and shall be notified after approval of the Prime Minister. With a view to give relief to electricity consumers and to reduce financial burden on the existing licensees as well as to attract new entrants in the power sector, the fee structure was significantly reduced by 40%. The NEPRA Uniform System of Accounts Rules, 2009 were also approved and are in the process of printing for notification in the Official Gazette. The Rules would provide manifold advantages for the national economy such as evaluating actual performances with standards/ international benchmarks, fair determination and revision of tariffs.

The report gives the Council of Common Interests, Government of Pakistan and the readers at large an overview of NEPRA activities for the period July 1, 2008 to June 30, 2009.

Khalid Saeed
Chairman

The Authority



Mr. Khalid Saeed
Chairman



Mr. Maqbool Ahmad Khawaja
Vice Chairman / Member (Sindh)



Mr. Zafar Ali Khan
Member (Punjab)

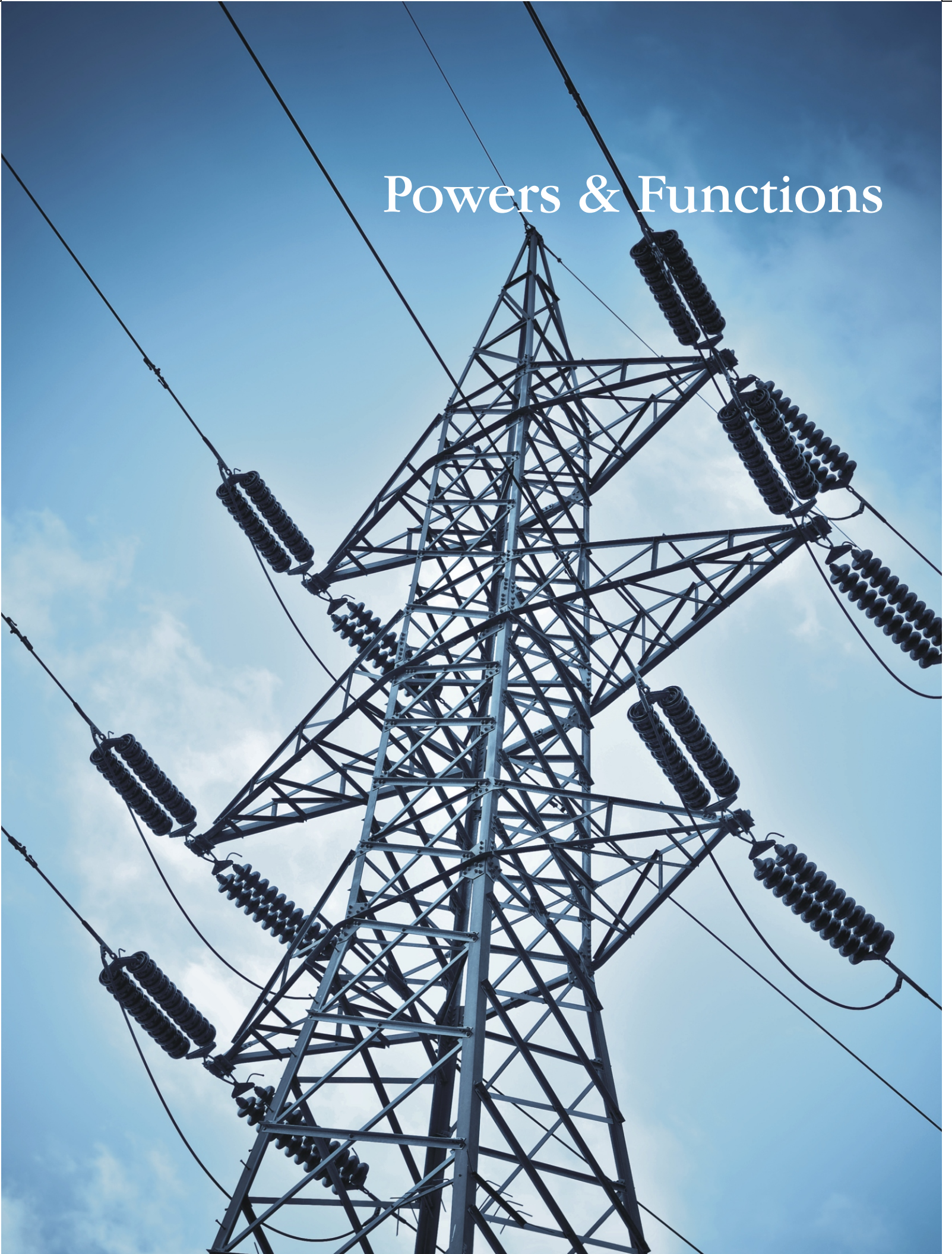


Mr. Ghiasuddin Ahmed
Member (Balochistan)



Mr. Shaukat Ali Kundi
Member (NWFP)

Powers & Functions





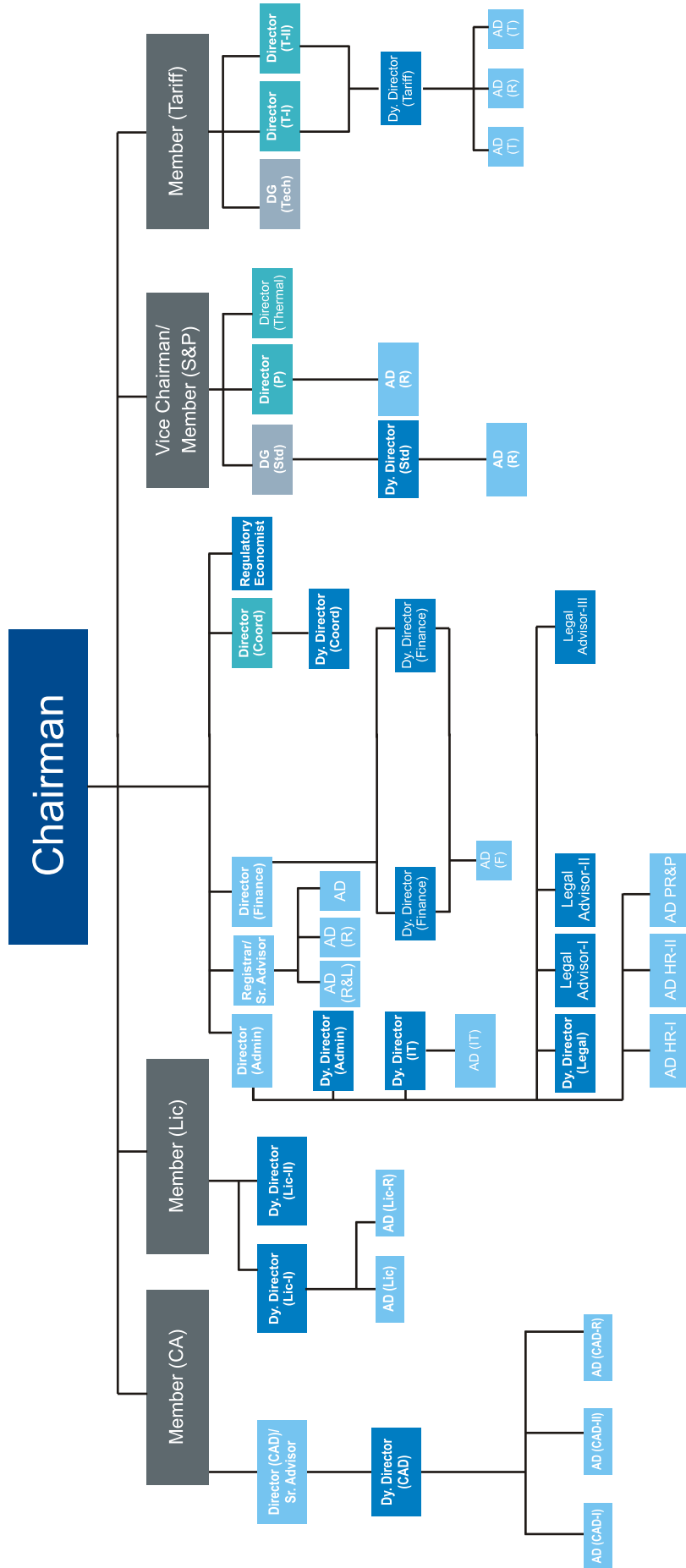
Powers & Functions

The National Electric Power Regulatory Authority was established through promulgation of an Act of Parliament (XL of 1997) to provide for the regulation of generation, transmission and distribution of electric power.

The powers and functions of the Authority as delineated in the Act are -

- (a) Grant licenses for generation, transmission and distribution of electric power;
- (b) Prescribe procedures and standards for investment programmes by generation, transmission and distribution companies;
- (c) Prescribe and enforce performance standards for generation, transmission and distribution companies;
- (d) Establish a uniform system of accounts by generation, transmission and distribution companies;
- (e) Prescribe fees including fees for grant of licenses and renewal thereof;
- (f) Prescribe fines for contravention of the provisions of this Act; and
- (g) Perform any other function, which is incidental or consequential to any of the aforesaid functions.

Organogram



Power Sector Outlook





Power Sector Outlook

The electricity sector in Pakistan is facing a number of crucial issues among which circular debt and increasing constraints in the transmission and distribution systems are the most prominent.

The Pakistan Electric Power Company (Private) Limited (PEPCO) has been entrusted the task of managing the transition of WAPDA from a bureaucratic structure to a corporate, commercially viable and productive entity. Over the past 15 years, Pakistan has been following a strategy of deregulation, privatization and transformation of its Public Sector Entities (PSEs), including its two major power utilities, i.e. Water and Power Development Authority (WAPDA) and Karachi Electric Supply Company Limited (KESCL). WAPDA's Power Wing has been restructured into distinct autonomous entities under the Companies Ordinance 1984. These are Generation, Transmission and Distribution corporate entities.

The restructuring programme of WAPDA's Power Wing is based on the strategic policies of the Government of Pakistan (GoP) and endorsed and supported by the donor institutions. The aim of this transition is to instil corporate and business culture through adoption of good business practices, enhancing productivity and efficiency, customer orientation, improving quality of service, reducing costs, theft and wastage. Some of the functions performed by WAPDA are of national importance and will, therefore, continue to remain with WAPDA/GoP in the largest interest of the country. These include Hydel Development and Operations, Power System Planning and Transmission System.

To lessen the gravity of power shortage in the country it was decided by WAPDA/PEPCO to acquire surplus Captive Power from All Pakistan Textile Mills Association (APTMA) members as one of the supply side measures. This Captive Power was mostly oil based. Subsequently, Sugar Industry also made a similar offer for sale of surplus (bagasse based) Captive Power. So far, about 182 MW produced by different Captive Power Plants (CPPs) on different fuels could be fed to Distribution Companies (DISCOs) on take-and-pay-basis on mutually agreed tariffs. Up till now, APTMA remains the main contributor.

The total power generation capacity of Pakistan as on June 30, 2008 was about 19982 MW. Of the total capacity, 13046 MW (about 65.3%) is thermal, 6444 MW (about 32.4%) is hydroelectric and 462 MW (about 2.3%) is nuclear.

A statistical summary of the Power Sector is given in the following tables:

Installed Generation Capacity by Type (MW)

Financial Year ending 30th June		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
THERMAL							
GENCOs		4834	4834	4834	4834	4899	4899
IPPs	connected with PEPCO system	5715	5743	5743	5893	6129	6299
	connected with KESCL system	262	262	262	262	262	262
KESCL	own GENCO	1756	1756	1756	1756	1756	1910
Sub-Total:		12567	12595	12595	12745	13046	13370
HYDEL							
WAPDA		6463	6463	6463	6444	6444	6444
IPPs		30	30	30	30	30	30
Sub-Total:		6493	6493	6493	6474	6474	6474
NUCLEAR							
CHASNUPP (connected with PEPCO system)		325	325	325	325	325	325
KANUPP (connected with KESCL system)		137	137	137	137	137	137
Sub-Total:		462	462	462	462	462	462
Total Installed Capacity of the Country		19522	19550	19550	19681	19982	20306

Installed Capacity by Public and Private Sectors (MW)

Financial Year ending 30th June		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Installed Capacity in Public Sector	in PEPCO system	11622	11622	11622	11603	11668	11668
	in KESCL system	137	137	137	137	137	137
Installed Capacity by Public Sector		11759	11759	11759	11740	11805	11805
Installed Capacity in Private Sector	in PEPCO system	5745	5773	5773	5923	6159	6329
	in KESCL system	2018	2018	2018	2018	2018	2172
Installed Capacity by Private Sector		7763	7791	7791	7941	8177	8501
Total Installed Capacity of the Country		19522	19550	19550	19681	19982	20306

Energy Generation by Type (GWh)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08	
THERMAL GENERATION BY:						
GENCOS	21054	22212	22519	21617	20508	
IPPs / RPPs	PEPCO system	18931	23233	26535	31869	33195
	KESCL system	1702	1546	1398	1547	1750
	PEPCO (Rental Power Plants)	0	0	0	213	938
CPPs/SPPs / Other Plants	PEPCO system	0	0	0	81	306
	KESCL system	76	75	19	94	328
KESCL Own Power Plants	9724	9304	9130	7530	8663	
Total Thermal Generation in PEPCO system	39985	45445	49054	53780	54947	
Total Thermal Generation in KESCL system	11502	10925	10547	9171	10741	
THERMAL Generation	51487	56370	59601	62951	65688	
% share of thermal electricity generation to total electricity generation in the Country	63.82	66.54	64.16	64.78	67.41	
HYDEL GENERATION BY:						
Public Sector	27372	25588	30751	31846	28536	
Private Sector	105	83	104	96	131	
HYDEL Generation	27477	25671	30855	31942	28667	
% share of hydel electricity generation to total electricity generation in the Country	34.06	30.30	33.22	32.87	29.42	
NUCLEAR GENERATION BY:						
PEPCO System	1559	2295	2170	1944	2455	
KESCL System	47	253	117	161	377	
NUCLEAR Generation	1606	2548	2287	2105	2832	
% share of nuclear electricity generation to total electricity generation in the Country	1.99	3.01	2.46	2.17	2.91	
IMPORT IN PEPCO SYSTEM:						
From Iran	73	109	146	171	199	
From KESCL	36	12	3	5	65	
Imported Electricity	109	121	149	176	264	
% share of imported generation to total energy generation in the Country	0.14	0.14	0.16	0.18	0.27	
TOTAL	80679	84710	92892	97174	97451	

Electricity Generation by PEPCO and KESCL System (GWh)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08
Total Electricity Supply in PEPCO System	69094	73520	82225	87837	86268
Percentage to total	85.64	86.79	88.52	90.39	88.52
Total Electricity Supply in KESCL System	11585	11190	10667	9337	11183
Percentage to total	14.36	13.21	11.48	9.61	11.48
Total Energy Supplies in the Country	80679	84710	92892	97174	97451

Electricity Generation By Public and Private Sectors (GWh)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08
Gross Electricity Generation in Public Sector	59865	59773	55703	55739	52075
and its percent share	74.20	70.56	59.97	57.36	53.44
Gross Electricity Generation in Private Sector	20814	24937	37189	41435	45376
and its percent share	25.80	29.44	40.03	42.64	46.56
Total Electricity Generation	80679	84710	92892	97174	97451

Maximum Demand (MW)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08
PEPCO Area	11527	12385	13066	13645	14151
KESCL Area	2073	2197	2223	2354	2443
Un-Diversified Demand of the Country	13600	14582	15289	15999	16594
Diversified Demand of the Country	13333	14296	14989	15685	16269

System Losses (in percentage)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08
PEPCO Area	25.4	24.82	24.10	23.18	22.78
KESCL Area	44.67	37.41	34.42	34.20	34.10

Average Sale Price (Paisa/kWh)

Financial Year ending 30th June	2003-04	2004-05	2005-06	2006-07	2007-08
PEPCO Area	402.00	393.80	399.20	409.90	474.00
KESCL Area	478.31	459.00	458.7	473.50	514.00

Number of Consumers (Nos.)

Financial Year ending 30th June		2003-04	2004-05	2005-06	2006-07	2007-08
Domestic	PEPCO Area	11692920	12472903	13382570	14354323	15226442
	KESCL Area	1349375	1398576	1447728	1494669	151866
Commercial	PEPCO Area	1932716	1981252	2067958	2151971	2229408
	KESCL Area	377235	395719	409452	425001	433416
Agricultural	PEPCO Area	198514	198213	220485	236255	245640
	KESCL Area	1589	1775	1893	2007	21453
Industrial	PEPCO Area	209816	211250	222207	233160	242401
	KESCL Area	20112	21220	21871	21920	2038
Public Lighting	PEPCO Area	5800	6171	6550	6990	7337
	KESCL Area	163	123	138	69	140
Bulk Supply + Others	PEPCO Area	4410	3718	3798	3855	4138
	KESCL Area	999	823	887	1408	1415
Total	PEPCO Area	14044176	14873507	15903568	16986554	17955366
	KESCL Area	1749473	1818236	1881969	1945074	1977126
	Country	15793649	16691743	17785537	18931628	19932492

Energy Sales (GWh)

Financial Year ending 30th June		2003-04	2004-05	2005-06	2006-07	2007-08
Domestic	PEPCO Area	22668	24049	27009	28990	28751
	% share	44.02	43.51	43.28	42.96	43.21
	KESCL Area	3135	3508	3759	3864	4263
	% share	40.10	41.68	41.49	41.25	42.41
Commercial	PEPCO Area	2884	3192	3768	4290	4358
	% share	5.60	5.77	6.04	6.36	6.55
	KESCL Area	804	888	962	986	1153
	% share	10.29	10.55	10.62	10.53	11.47
Agricultural	PEPCO Area	6624	6921	7873	8097	8380
	% share	12.86	12.52	12.62	12.00	12.59
	KESCL Area	44	66	75.9	79	959
	% share	0.57	0.78	0.84	0.84	0.95
Industrial	PEPCO Area	14476	15568	16596	17603	17299
	% share	28.11	28.16	26.59	26.09	26.00
	KESCL Area	2890	3023	3206	3544	3398
	% share	36.97	35.92	35.39	37.83	33.80
Public Lighting	PEPCO Area	192	227	279	316	340
	% share	0.37	0.41	0.45	0.47	0.51
	KESCL Area	70	78	74	65	74
	% share	0.90	0.93	0.81	0.69	0.74
Bulk Supply	PEPCO Area	2796	2892	3031	3267	3332
	% share	5.43	5.23	4.86	4.84	5.01
	KESCL Area	874	853	982	829	1069
	% share	11.17	10.14	10.84	8.85	10.63
Traction	PEPCO Area	9	12	13	12	8
	% share	0.02	0.02	0.02	0.02	0.01
	KESCL Area	Included in Bulk Supplies				
Supplied to KESCL		1843	2416	3836	4905	4072
% share		3.58	4.37	6.15	7.27	6.12
Supplied by KESCL		36	12	3	5	66
% share		0.46	0.14	0.03	0.05	0.66
TOTAL	PEPCO Area	51492	55277	62405	67480	66540
	KESCL Area	7818	8416	9060	9367	10052
	Country	57503	61289	67632	71947	72586



Enforcement of Regulatory Framework



Enforcement of Regulatory Framework

Granting of licenses is an important function of NEPRA. It is important that the Regulator ensures that licensees operate in accordance with the conditions of the license. Monitoring and enforcement, therefore, becomes an important component of regulation. The regulator needs to be proactive in monitoring practice in order to set initiatives. One of the main objectives of monitoring is that the consumers should be protected. In the process, the Regulator needs to regularly review the activity of the licensees from the viewpoint of Laws, Rules and Regulations and license conditions.

The Performance Standards (Transmission) Rules and Performance Standards (Distribution) Rules were developed by NEPRA and notified in 2005. The Performance Standards (Generation) Rules have also been developed and are in the process of being notified.

NEPRA is undertaking the process of monitoring of Distribution and Transmission licenses on an annual basis. However, certain factors require monitoring on a monthly/daily basis. Keeping this in view, the Authority initiated the process of monitoring of the licenses as per those Articles of the licenses where the licensees have been made responsible to submit relevant information for analyzing the performance and imposing penalties where necessary.



Regulatory Instruments

The regulatory framework is enforced through the activities of Licensing, Tariff and promulgation of Standards and Codes. The regulatory instruments are discussed below:

Licensing and Tariff Setting

The granting of licenses is governed by Licensing Generation Rules, 2000 and Distribution Rules, 1999. Electric Power Companies are subject to specified terms and conditions. Electricity Tariffs are determined as prescribed in the Tariff Standards and Procedure Rules, 1998 and keeping in view the principles of economic efficiency and service of quality. Public hearings, ensuring stakeholders an opportunity to express their views, may also be held prior to the grant of a license or the determination of a tariff.

Standards and Codes

Performance Standards (Distribution) Rules, 2005 and Interim Power Procurement (Procedures and Standards) Regulations, 2005 have been issued to ensure service quality and reliability.

This section of the Annual Report discusses in detail NEPRA's regulatory activities for Licensing, Tariff and Standards related to the Generation, Transmission and Distribution business in 2008-09.





Regulatory Activities in 2008-09

Generation
Transmission
Distribution



Generation

The business of generation as regulated by NEPRA in Section 15 of the NEPRA Act states:

1. No person shall, except under the authority of a license issued by the Authority under this Act and subject to the conditions specified in this Act and as may be imposed by the Authority, construct, own or operate a generation facility.
2. An application for the grant of a license for generation facility shall specify:
 - (i) The type of facility for which the license is applied;
 - (ii) The location of the generation facility; and
 - (iii) The expected life of the generation facility.
3. The Authority may, after such enquiry, as it may deem appropriate, subject to the conditions specified in this Act, and as it may impose, grant a license authorizing the licensee to construct, own or operate a connected generation facility.
4. In the case of a generation facility connecting directly or indirectly to the transmission facilities of the national grid company, the licensee shall make the generation facility available to the national grid company for the safe, reliable, non-discriminatory, economic dispatch and operation of the national transmission grid and connected facilities; subject to the compensation fixed by the Authority for voltage support and uneconomic dispatch directed by the national grid company.

The following activities were performed in 2008-09 relating to the Generation Sector of the Electric Power business:

Licenses

Small Power/Captive Power Producers

NEPRA has formulated a strategy for small power units allowing such units to sell their surplus power to utilities through bi-lateral contracts without any approval of tariff from NEPRA. In order to encourage small Captive Power Plants (CPPs) to make capacity available on an urgent basis, NEPRA devised a simplified Generation License application procedure and reduced the application processing fee to the tune of 40%. As a consequence, NEPRA received generation license applications from 25 CPPs which were processed. 22 CPPs were granted generation licenses while the remaining 3 being in different stages of processing. The details of CPPs which have been granted generation licenses are given in the following table:

Generation Licenses Granted to Captive Power Plants

S No.	Name of Licensee	Primary Fuel	Installed Capacity (MW)
1	Pakistan Steel Mills Corporation Limited	Blast Fuel Gas	165.00
2	Roomi Fabrics Limited	Natural Gas	4.17
3	Blue Star Energy (Private) Limited	Hydel	3.02
4	Nishat Mills Limited	HFO/Natural Gas	77.89
5	Al Moiz Industries Limited	Bagasse	27.00
6	Haji Muhammad Ismail Mills Limited	Natural Gas	1.91
7	Indus Sugar Mills Limited	Bagasse	11.00
8	Prosperity Weaving Mills Limited	HFO	6.90
9	Din Textile Mills Limited	HFO	9.68
10	Shadman Cotton Mills Limited	HFO/Natural Gas	9.25
11	Sapphire Textile Mills Limited	HFO/Natural Gas	5.01
12	Shakarganj Energy (Private) Limited	Bagasse	20.00
13	Colony Mills Limited	Natural Gas	36.13
14	JDW Sugar Mills (Private) Limited	Bagasse	22.00
15	Ghotki Sugar Mills (Private) Limited	Bagasse	12.00
16	Ramzan Sugar Mills Limited	Bagasse	12.00
17	Ashraf Sugar Mills Limited	Bagasse	8.00
18	The Thal Industries Corporation Limited	Bagasse	9.20
19	Al-Noor Sugar Mills Limited	Bagasse	22.65
20	Brother Sugar Mills Limited	Bagasse	13.00
21	International Industries Limited - I	Natural Gas	4.38
22	International Industries Limited - II	Natural Gas	19.31
Total			499.5

Independent Power Producers

During the period July 2008 - March 2009, eleven applications for the grant of Generation License for conventional power plants including thermal and hydro with a cumulative capacity of 4074.35 MW were processed and licenses were issued to 3 while the remaining cases were in different stages of processing.

Generation Licenses Granted and Processed

S No.	Name of Licensee	Plant Type	Primary Fuel	Installed Capacity (MW)
Granted				
1	Grange Power Limited	Thermal	RFO	163.35
2	Green Electric (Private) Limited	Thermal	Natural Gas	188.00
3	S.K. Hydro (Private) Limited	Hydel	Hydro	840.00
In Process				
1	AES Pakistan (Private) Limited	Thermal	Coal	1306.00
2	First Tri-Star Modarba	Thermal	Natural Gas	110.00
3	Japan Power Limited (Capacity Expansion)	Thermal	RFO	156.00
4	PIE-AmPower Company Limited	Thermal	RFO	390.00
5	Progas Power Bin Qasim Limited	Thermal	LPG	345.00
6	Reshma Power Generation Limited	Thermal	RFO	172.00
7	UCH-II Power (Private) Limited	Thermal	Low Btu Gas	404.00
Total				4074.35



Authority in a Hearing for the Grant of Generation License to S. K. Hydro (Pvt) Ltd. (SKHPL)

Renewable Energy

Generation License for Wind Power was granted to SUNEK Wind Power Generation (Private) Limited, Chakwal (0.05 MW) while the cases of two other Projects were processed namely SUNEK Wind Power Generation (Private) Limited (49.50 MW) and Arabian Sea Wind Energy (Private) Limited (50.40 MW).

Addition of Capacity through Rental Power Plants

In order to increase the installed capacity for reducing the demand-supply gap, NEPRA processed the cases of 11 Rental Thermal Power Plants.

Rental Power Plants

S No.	Name of Licensee	Primary Fuel	Installed Capacity (MW)
1	Barrage Mounted Station of Karkey, Karadeniz Holdings, Turkey near Karachi (Lakhara Power Generation Company)	RFO	248.95
2	Gulf Rental, Sahuwala, Sialkot (Northern Power Generation Company)	RFO	65.00
3	Independent Power (Private) Limited (Northern Power Generation Company)	RFO	200.00
4	Kamoki Energy Limited (Northern Power Generation Co.)	RFO	73.92
5	Premier Energy (Private) Limited (Northern Power Generation Company)	RFO	63.18
6	Reshma Power Generation Limited (Northern Power Generation Company)	RFO	276.96
7	Ruba Energy Pakistan (Private) Limited (Northern Power Generation Company)	RFO	190.08
8	Sahuwala, Sialkot (Northern Power Generation Company)	RFO/Natural Gas	220.00
9	Sammundri Road, Faisalabad (Northern Power Generation Company)	RFO	210.00
10	Sialkot Rental (Northern Power Generation Company)	RFO	85.00
11	Walter Power International Pakistan (Lakhara Power Generation Company)	RFO	230.00
Total			1863.09

Addition of Capacity in KESCL Area

During the year, the case for addition of a new 220 MW thermal power plant at Korangi was finalized and the application of another 700 MW is expected to be finalized shortly.

Tariff

New Petitions:

Combined Cycle Gas Turbines

NEPRA determined the tariff for Star Power Generation Limited, Green Electric (Pvt.) Limited, and UCH-II Power (Pvt.) Limited based on gas and Japan Power Generation Limited and Grange Power Limited based on RFO.



**Authority in a Hearing of Petition filed by UCH-II Power (Pvt.) Ltd. (UCH-II)
for Determination of Generation Tariff**

Reciprocating Engines Technology

Determination was issued for Gujranwala Energy Limited on July 8, 2008.

Renewable Energy

Determinations were issued for Suki Kinari Hydro (Pvt.) Limited and tariff for power procurement from Azad Kashmir under Gulpur, Kotli and Patrind hydropower projects. Determination was also issued for one Wind Power Project namely Dawood Power (Pvt.) Limited.

Motion for Leave for Review/Recalculation

Determinations were issued for Foundation Power Company (Dharaki) Limited, Saif Power Limited (2), UCH-II Power (Pvt.) Limited and Green Electric (Pvt.) Limited.

Financing Cost for Chashma Nuclear Power Plant (CHASNUPP)

The Authority held two hearings on the issue of financing cost for CHASNUPP in lieu of advance payment for procurement of fuel and issued the determination in the last quarter of fiscal year 2008-09.

Calorific Value of RFO at Commercial Operation Date (COD)

The Authority issued a determination for revision of the reference calorific value to be used at the COD by power companies.

Fast Track Power Generation Projects

Three companies namely Ruba Energy Pakistan (Pvt.) Limited, Cavalier Energy Corporation (Pvt.) Limited and Progas Power Bin Qasim Ltd. were granted approval of tariffs under the Government of Pakistan's policy on Fast Track Power Generation Projects.

Rental Power Projects

Northern Power Generation Company Limited (NPGCL) and Lakhara Power Generation Company Limited (LPGCL) filed requests for approval of tariff of rental power plants for sale of power to the Central Power Purchasing Agency (CPPA).

Accordingly, the Authority issued determinations for the approval of rental tariff for Gulf Rental Power, Independent Power (Pvt.) Ltd., Sialkot Rental Power, Premier Energy (Pvt.) Ltd., Reshma Power Generation Ltd., Ruba Energy Pakistan (Pvt.) Ltd. and Consortium of Tapal Family on the request



Authority in a Hearing for Grant of Generation License to Progas Power Bin Qasim Ltd. (PPBQL)

submitted by NPGCL. Another determination was issued for two rental power projects on a request submitted by LPGCL.

Tariff Adjustments

Generation Companies (GENCOs) and Karachi Electric Supply Company Limited (KESCL)

During the fiscal year 2008-09, 69 adjustments were made on account of variations in fuel price, Consumer Price Index (CPI) and capacity part of tariff relating to tax for Jamshoro Power Company Limited (24), Central Power Generation Company Limited (10), Northern Power Generation Company Limited (30), Lakhara Power Generation Company Limited (2), Chashma Nuclear Power Plant (1) and Karachi Electric Supply Company Limited (2).

Attock Generation Limited (AGL)

AGL, pursuant to Authority's determination dated September 4, 2006, requested for fortnightly adjustments on account of fuel price variation. Accordingly, determinations were made on April 9, 2008, April 17, 2009, May 29, 2009, June 10, 2009 and June 26, 2009.

Standards and Codes

Performance Standards

The Authority approved the draft Performance Standards (Generation) Rules which were submitted to the Cabinet Division in September 2009 for approval and notification by the Government of Pakistan. The changes made by the Cabinet Division and Ministry of Law and Justice have been incorporated and after approval of Authority, have been sent to the Cabinet Division for official notification of the Government of Pakistan. These shall be notified after approval of the Prime Minister.

Thermal GENCOs' Availability Improvement

In November 2008, Public Sector Thermal Generation Companies (GENCOs I, II, III and Lakhara Power Generation Company) were asked to submit their key performance indicators to NEPRA on a monthly basis. These companies have started submitting their performance data on a monthly basis. The analysis of the data is in progress in the light of the recommendations of Public-Private Infrastructure Advisory Facility (PPIAF) study for the purpose of improving availability of the GENCOs.

Grid Code and its Applicability to Wind Energy Projects

During the year 2008-09, various meetings of the Grid Code Review Panel were held in NTDC, Lahore to discuss the applicability and possible modifications in the Grid Code for induction of Wind Energy into the National Grid. The recommendations have been finalized in the form of an Addendum to the approved Grid Code which is under the Authority's consideration.

Rules on Investment Standards and Procedure

The draft Rules on Investment Standards and Procedures were formulated which are being reviewed by the Authority.



Transmission



Transmission

The Act regulates the business of transmission in the country. Section 16 of the Act states:

1. No person shall, except under the authority of a license issued by the Authority under this Act and subject to the conditions specified in this Act and as may be imposed by the Authority, engage in the transmission of electric power.
2. An application for a license for the transmission of electric power shall specify:
 - (i) The type of service for which the license is being sought; and
 - (ii) The territory with location maps and plans to which electric power shall be transmitted.

Licenses

The application of KESCL for the grant of a Transmission License was processed and the same is in an advanced stage of finalization.

Standards and Codes

Compliance and Monitoring of Performance Standards for Transmission

The National Transmission and Despatch Company (NTDC) submitted Annual Performance Report (APR) for the last three years. After review, it was observed that the report was submitted on a circle-wise basis whereas it needed to be submitted on an overall basis. NTDC was asked to resubmit its revised APR in accordance with the Reporting Guidelines as per Performance Standards (Transmission) Rules. The deficiencies in the reported data are being addressed with the licensee.

Power Acquisition Requests

The draft Rules on Power Acquisition Standards and Procedures were formulated which are under consideration of the Authority.



Distribution

The point of interaction between the consumers and the electric power service provider i.e. distribution company is closely monitored and regulated. Section 20 of the NEPRA Act states:

1. No person shall, except under the authority of a license issued by the Authority under this Act and subject to the conditions specified in this Act and as may be imposed by the Authority, engage in the distribution of electric power.
2. An application for a license for distribution of electric power shall specify:
 - (i) The type of service for which the licence is being sought;
 - (ii) The territory in which electric power shall be distributed; and
 - (iii) The source and scope of electric power and rates paid by it.

Licenses

5 applications for the grant of Distribution License from Small Power Producers (SPPs) and Housing Colonies were processed out of which 3 SPPs namely Crescent Powertech Ltd. (Small Power Distribution Facility), Ibrahim Fibres Ltd (Small Power Distribution Facility) and Engro Chemical Pakistan Limited (Small Power Distribution Facility) were granted distribution licenses. The other two cases namely Bahria Town (Private) Limited Rawalpindi (Housing Colony) and Bahria Town (Private) Limited Lahore are in advanced stages of processing.

Tariff

Consumer-End Tariff of EX-WAPDA Distribution Companies (DISCOs)

The Authority determined the consumer-end tariff for the EX-WAPDA Distribution Companies in August, 2009.

Re-Determination of the Tariff of DISCOs

In pursuance of Orders of the Islamabad High Court and the Lahore High Court dated May 4, 2009 and April 17, 2009 respectively, fresh proceedings were initiated by the Authority to determine the tariff of PESCO, LESCO, GEPCO and MEPCO for the Fiscal Year 2008-09 and Bi-annual adjustment of FESCO.

Tariff Adjustments

One bi-annual adjustment on account of variation in Power Purchase Price was made for each of the DISCOs namely Islamabad Electric Supply Company (IESCO), Gujranwala Electric Power Company (GEPCO), Quetta Electric Supply Company (QESCO), Peshawar Electric Supply Company (PESCO), Multan Electric Power Company (MEPCO), Faisalabad Electric Supply Company (FESCO), Hyderabad Electric Supply Company (HESCO) and Lahore Electric Supply Company (LESCO).



Authority in a Hearing of Petition filed by Peshawar Electric Supply Company Ltd. (PESCO) for Determination of Consumer-End Tariff

During the year, the NEPRA Act was amended to make adjustments for the DISCOs on account of variation in Power Purchase Price on a monthly basis. Accordingly, 5 adjustments were made for each of the DISCOs except QESCO for which 4 adjustments were made. The amendments were made in consultation with all the key stakeholders i.e. the Ministry of Water and Power, the Ministry of Finance and the Central Power Purchasing Agency.



Hearing regarding reconsideration of Authority's Decision on Biannual Adjustment of Distribution Companies on Account of Power Purchase Price Variation

Standards and Codes

Monitoring of Performance Standards (Distribution)

All the Distribution Companies and KESCL submitted their Annual Performance Reports for the last three years which were analyzed and the missing information sought from the companies. These companies also nominated their panel for coordination with NEPRA.

Meetings with all DISCOs and KESCL continued at NEPRA. A one day conference was held on April 23, 2009 at NEPRA Office which was attended by all the Chief Executive Officers of Distribution Companies and KESCL. All the issues related to timely and accurate submissions of Annual Performance Reports were discussed during the conference.

A report was presented before the Authority on the issues of technical and administrative losses, recovery and transformer tripping data.

Regarding the automation of Annual Performance Reports, a Pilot Project was initiated by LESCO for Delhi Gate-3 Feeder of 132 kV Badami Bagh Grid Station.

Grid/Distribution Code Implementation

NTDC has established a National Grid Code Cell (NGCC) which will focus on all matters related to the Grid Code implementation and enforcement and will start functioning in due course. All the DISCOs are reporting similar action with respect to enforcement of Distribution Code and participation in the National Grid Code Cell.

Safety Code Guidelines

The work on the development of comprehensive guidelines on Safety Code continued.

A photograph of an industrial facility featuring several tall, cylindrical smokestacks. The sky is a clear, vibrant blue with scattered white clouds. One of the smokestacks on the left is actively emitting a thick, white plume of smoke or steam that rises into the air. The smokestacks are dark in color, possibly black or dark grey, and have visible ladders or scaffolding structures on their sides. The overall scene is brightly lit, suggesting a clear day.

Industry Structure and Privatization



Industry Structure and Privatization

During the period, the process remained underway for developing market rules for power purchase with technical assistance from the Asian Development Bank (ADB). A Cost of Service study for the Lahore Electric Supply Company (LESCO) was conducted through technical assistance from the United States Agency for International Development (USAID). NEPRA continued efforts to ensure that targets for privatization in the power sector were met and the case of the Karachi Electric Supply Company Limited (KESCL) was reviewed and analyzed for post privatization performance. Work on the Government of Pakistan initiatives on power sector assistance and the Central Asia-South Asia transmission line continued as well as discussions on the development of coal and hydel policies.



Consumer Affairs and Complaints

Status of complaints during the year 2008-09

Distribution Company	Complaints Received	Complaints Redressed	Under Process
Peshawar Electric Supply Company Limited	30	28	2
Islamabad Electric Supply Company Limited	64	53	11
Gujranwala Electric Power Company Limited	25	14	11
Faisalabad Electric Supply Company Limited	21	15	6
Lahore Electric Supply Company Limited	25	20	5
Multan Electric Power Company Limited	38	31	7
Hyderabad Electric Supply Company Limited	181	141	40
Quetta Electric Supply Company Limited	7	7	0
Karachi Electric Supply Company Limited	54	38	16
Total	445	347	98

A list of the major complaints is given at Annexure I.

Amendment in Eligibility Criteria Regulations, 2003

An amendment in the Eligibility Criteria Regulations, 2003 was made regarding compensation of Consumer's Dedicated Distribution System (DDS) consequent to permanent disconnection, modification or enhancement of load on present book value. Before introduction of this amendment, there was no compensation by the DISCOs on consumer's Dedicated Distribution System upon permanent disconnection, modification or enhancement of load.

Amendment in Performance Standards (Distribution) Rules, 2005

An amendment in the Performance Standards (Distribution) Rules, 2005 regarding the time period for provision of connection is being reviewed by the Authority.

Complaint filed by Best Western Hotel, Islamabad against Islamabad Electric Supply Company (IESCO) regarding Extension of Load and Provision of Transformer

The complaint was filed by Mr. Zaheer Iqbal Khan (Purchase Manager), Best Western Hotel Islamabad regarding extension of load and provision of a 630 KVA transformer. In the complaint, it was stated that the load of the premises is 428 KW and the installed transformer at the site is 400 KVA. The complainant deposited Rs.696,543/- for a 630 KVA transformer on November 15, 2006. However, it was informed by IESCO that 630 KVA transformers were not available. The complainant requested IESCO for installation of a 200 KVA transformer in addition to the existing 400 KVA transformer. The Complainant requested NEPRA to direct IESCO to provide the transformer without further delay.

The report in the matter was obtained from IESCO and a meeting was held with both parties. IESCO was instructed by Director (CAD) to provide the transformer to Best Western on priority and adjustment of the existing 400 KVA transformer as per the rules.

The complainant informed NEPRA that IESCO issued an additional demand notice amounting to Rs.404,352/- for difference in the cost of the transformer since the price of 630 KVA transformers had been revised. The complainant stated that since the delay was on part of IESCO, therefore it should bear the difference in price.

The Authority decided that IESCO should provide the transformer to the complainant without charging any additional amount. IESCO filed appeal for review/reconsideration of the decision of the Authority. The Authority decided to allow both the parties an opportunity of being heard in person. Consequently, a hearing was held. The Authority maintained its earlier decision and directed IESCO to immediately provide the 630 KVA transformer without asking for any additional amount. The decision was implemented and the complaint was redressed.

Complaint filed against Islamabad Electric Supply Company (IESCO) for restoration of Electricity Supply of Madressah Ashraf-ul-Uloom, Islamabad

The complaint was filed by Qari Abdul Qudoos Abbassi of Madressah Ashraf-ul-Uloom, Islamabad against IESCO. The complainant stated that the electric supply of the Madressah was disconnected. Upon enquiry, IESCO informed that the transformer installed for provision of electricity supply to that area had been stolen. Consequently, a report was sought from IESCO by NEPRA. Electricity supply of the Madressah was restored by IESCO from the street light transformer. IESCO reported that 50 KVA transformer installed for the Madressah was an independent transformer. As and when the demand notice amounting to Rs.61,560/- is paid by the Madressah, the transformer would be installed.

A meeting was held with both the parties at NEPRA Office. The Consumer Affairs and Legal Divisions of NEPRA were of the opinion that if the transformer had been installed within the premises of the Madressah, then IESCO could be justified in charging the amount for installation. Since the transformer was installed far away, across the road from the Madressah, IESCO was responsible for its maintenance and safe custody.

The Authority decided that under Regulation 6 of Eligibility Criteria Regulations (ECR) - 2003, IESCO is responsible for the maintenance and custody of the dedicated distribution system up to the metering point lying outside the premises of the complainant including the Distribution Transformer, which was providing service to the consumer. IESCO should provide another Distribution Transformer at its own cost as a replacement of the stolen one so as to provide proper service to the complainant as was being done prior to the theft. IESCO was directed to submit a compliance report within 15 days.

Subsequently, IESCO installed the transformer in compliance to the decision of the Authority on the grounds of Madressah Ashraf-ul-Uloom being a religious institution. However, IESCO filed a review petition and requested for revision of the decision of the Authority. IESCO submitted that if the decision is implemented, it will become a precedent. It would be impossible to recover the cost of damaged/stolen transformers from dedicated consumers and the company would sustain a huge irreparable financial loss.

The background is a deep blue gradient with a prominent, glowing white wave-like shape that curves across the middle of the page. The wave has a bright, almost white highlight on its upper surface, creating a sense of depth and movement. The overall effect is clean, modern, and professional.

Miscellaneous Activities



Miscellaneous Activities

Coordination

During the period under review, 418 Authority Regulatory meetings were held. The details of which are given in the following table:

Month	Number of Regulatory Meetings Held
July 2008	23
August 2008	40
September 2008	37
October 2008	35
November 2008	28
December 2008	33
January 2009	34
February 2009	27
March 2009	35
April 2009	34
May 2009	36
June 2009	56
Total	418

19 discussion meetings with government functionaries were also held. The details are at Annexure II.

Administration, Human Resource and Information Technology

The Administration Section is committed to extend prompt and efficient support services to the Authority and other directorates. The sphere of the activities of Administration Section includes upkeep and maintenance of NEPRA Offices and equipment, office supplies and services, processing of employees claims, etc.

NEPRA, in its pursuit of strengthening the professional functioning to cope with the mires of the prevalent energy paradigm, hired 9 professionals during the period in consideration which include (i) 3 Financial Analysts, (ii) 3 Legal Advisors, (iii) 2 Senior Advisors, and (iv) 1 Project Director (for NEPRA Multi-Storey Building). In addition, NEPRA hired the services of (a) a BS-19 Officer of the Secretariat Group, and (b) Director PEPCO on deputation basis as Director (Administration) and Director (Thermal) respectively. Moreover, the posts of 1 Director (Finance), 2 Assistant Directors, 1 Stenographer, 2 Office Assistants and 2 Naib Qasids are in the processing phase.

Riaz Ahmad & Company have been associated with NEPRA, as consultant, with regards to revision of NEPRA Service Regulations (NSR). Pursuant to Authority Decision vide Authority Administrative Meeting (Admin-25-09) dated April 24, 2009, a Committee was constituted to assess the final draft submitted by the Consultant and present its recommendations to the Authority with respect to its incorporation in NEPRA Service Regulations (NSR). Accordingly, the Committee has submitted its recommendations to Member (Licensing) for review before presenting it before the Authority.

Mr. Shaukat Ali Kundi was appointed as Member (NWFP) - NEPRA w.e.f April 27, 2009, and the portfolio of 'Consumer Affairs' was assigned to him.

The Oracle Human Resource Management System (HRMS) is being implemented in NEPRA for efficient, automated HR record keeping. The Oracle HRMS User Training was conducted in February 2009, subsequent to which the requisite HRMS Report formats, along with feedback regarding pertinent issues/queries, have been conveyed to the Consultant from time to time. Live HRMS Server will be fully operational by September 2009.

The IT section provides technical assistance to the Human Resources section by running Oracle HRMS with real data and is responsible for liaison with Oracle users, defining security and integrity checks, backups and recovery procedures and monitoring the smooth running of the Oracle HRMS. The finance department of NEPRA has also been computerized through Oracle based ERP system.

The networks of both the Main Office and Additional Office I are connected via point-to-point at the speed of 2 MB through which users at any location can access and share information.

Financials

Fee Structure

With a view to reducing financial burden on the existing licensees and to attract new entrants in the power sector, the fee structure has been significantly reduced.

The license renewal fee structure was significantly reduced by 40% as compared to the rates that remained applicable up to June 30, 2009.

Annual License Renewal Fee

Category	Fee Structure Applicable Upto June 30, 2009	Fee Structure Revised w.e.f. July 01, 2009
Generation	Rs. 6,200 per MW	Rs. 3,700 per MW
Transmission	Rs. 3,000,000	Rs. 1,800,000
Distribution	Rs. 0.00125 per kWh	Rs. 0.00075 per kWh

In order to encourage and reduce the financial burden on potential IPPs, SPPs, CPPs and other generating units interested in obtaining Generation Licenses and determination of their tariff as well as for distribution and transmission companies, NEPRA approved reduction of more than 40 per cent in fees of various categories.

NEPRA approved a downward revision in fees in August, 2006. The current reduction which was approved in November, 2008 was part of NEPRA's continued effort to facilitate not only its licensees but also to lessen financial burden on the consumers. The present fee structure along with the previous one in Pakistani Rupees is tabulated hereunder:

Fees for Application & Modification of Generation License

Category of License	Fee with CPI in July, 2006	Fee as per Revision made in August, 2006		Revised Fee in December, 2008
		Revised Categories of Licensees	Fee with CPI in November, 2008	Current Revised Fee
Upto 100 MW	1,052,410	Upto 1 MW	139,280	100,000
		More than 1 MW upto 10 MW	417,840	200,000
		More than 10 MW upto 20 MW	696,400	300,000
		More than 20 MW upto 50 MW	1,044,600	400,000
		More than 50 MW upto 100 MW	1,392,800	500,000
101 MW to 500 MW	2,104,820	Above 100 MW	2,785,600	1,000,000
Above 500 MW	4,209,640			

Fees for Application & Modification of Transmission License

Category of License	Fees with CPI in July, 2006	Fee as per Revision made in August, 2006	Current Revised Fee in December, 2008
National Grid Company	2,104,820	2,089,200	500,000
Special Purpose	2,104,820	2,089,200	500,000

Fees for Application & Modification of Distribution License

Category of License	Fee with CPI in July, 2006	Fee as per Revision made in August, 2006		Revised Fee in December, 2008
		Revised Categories of Licensees	Fee with CPI in Nov, 2008	Current Revised Fee
All Categories	4,209,640	Upto 1 MW	139,280	100,000
		More than 1 MW upto 2 MW	278,560	150,000
		More than 2 MW upto 5 MW	696,400	400,000
		More than 5 MW upto 10 MW	1,044,600	600,000
		More than 10 MW upto 20 MW	2,089,200	1,200,000
		More than 20 MW upto 50 MW	3,482,000	2,000,000
		Above 50 MW	4,178,400	2,500,000

Fees Pertaining to Tariff Standards and Procedures

Category of License	Fee with CPI in July 2006	Fee as per Revision made in August, 2006		Revised Fee in December 2008
		Revised Categories of Licensees	Fee with CPI in Nov, 2008	Current Revised Fee
Generation For everyone	3,216,000	Upto 1 MW	278,560	150,000
		More than 1 MW upto 10 MW	696,400	400,000
		More than 10 MW upto 20 MW	1,044,600	600,000
		More than 20 MW upto 50 MW	1,392,800	800,000
		More than 50 MW upto 100 MW	2,089,200	1,200,000
		Above 100 MW	3,482,000	2,000,000
		Generation Companies Opting for an Upfront Tariff	696,400	500,000
Transmission For everyone	2,104,820	National Grid Company	3,482,000	2,000,000
		Special Purpose	1,392,800	800,000
Distribution 1. Distribution License above 100 KM	4,209,640	Upto 1 MW	139,280	100,000
		More than 1 MW upto 2 MW	278,560	150,000
		More than 2 MW upto 5 MW	417,840	250,000
		More than 5 MW upto 15 MW	696,400	400,000
		More than 15 MW upto 25 MW	1,044,600	600,000
		More than 25 MW upto 50 MW	1,392,800	800,000
2. Distribution License Upto 100 KM	1,286,400	Above 50 MW	2,089,200	1,200,000

Consumers

Consumer's Category	Fees with CPI in July, 2006	Fee with CPI in August, 2006	Reduced/Revised Fee in December, 2008
Industrial & Commercial Consumers	128,640	139,280	100,000
Bulk Consumers	257,280	139,280	100,000
Industry, Trade Association or other representative bodies	1,286,400	696,400	400,000
Residential Consumers	32,160	34,820	20,000
Agricultural Consumers & Others	64,320	34,820	20,000

Others

Category	Fees with CPI in July, 2006	Revised Fee as per Revision made in August, 2006	Reduced/Revised Fee in December, 2008
Intervention Request	643	696	400
Copies of transcripts of record decisions and order of the Authority	6.43	7	4
Audio Recording	257	279	150
Video Recording	643	696	400

Uniform System of Accounts

Under section 7(2)(d) and 36 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), NEPRA has the obligation to prescribe Uniform System of Accounts to be followed by the licensees of electric power generation, transmission and distribution facilities in Pakistan. The key objective behind this compliance requirement is to obtain standardized financial & operational data from the licensees for maintaining a data warehouse useful for reporting & analytical purposes.

The process of formulation of Uniform System of Accounts (USoA) was initiated in September 2006 and a renowned consulting firm M/s M. Yousuf Adil Saleem & Company, Chartered Accountants was engaged. The consultant reviewed existing systems of the utilities as well as the systems implemented in Canada and India. Discussion meetings were held with WAPDA and KESCL in December 2006 and March 2007 respectively. Draft templates of the USoA were devised and circulated to the stakeholders for comments/observations in May 2007. A stakeholders' workshop was held on November 19, 2007 in which the participants were given the deadline of December 31, 2007 to submit their concerns and comments. The USoA templates were also made available at NEPRA's website for review of the stakeholders. Comments offered by the stakeholders were evaluated jointly by the consultant and NEPRA and necessary changes were incorporated in the templates. A presentation on the subject of USoA was given to the Authority in February 2008, wherein the Authority approved the final version of the templates.

In March 2008, the NEPRA Uniform System of Accounts Rules, 2009 were submitted to the Cabinet Division for notification. The Division sought comments on the subject from different Government entities. Follow up was made at each stage with the entities and comments were obtained/replied to. Finally, the Cabinet Division informed in July 2008 that the Prime Minister had approved the Uniform System Of Accounts Rules, 2009 made under sections 7(2) (d) and 36 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997). The Rules are in the process of printing for notification in the Official Gazette.

The Uniform System of Accounts Rules, 2009 would come into force at once. Licensees shall be required to file the Regulatory Accounts with NEPRA within one month of statutory filing with the Securities & Exchange Commission of Pakistan (SECP). The compliance requirement would provide realistic visibility of the financial & operational performances of the entities' regulated & non-regulated operations in the electric power sector of the country. It would also provide manifold advantages for the national economy such as evaluating actual performances with standards/ international benchmarks, fair determination and revision of tariffs, etc.



Anticipated Developments

- 1) Granting of Licenses.
- 2) Determination of Tariff.
- 3) Resolution of court cases against the determinations made by NEPRA.
- 4) Processing of complaints.
- 5) Approval/ Implementation of Consumer Services Manual.
- 6) Approval/ Implementation of Complaint Handling Procedure and Dispute Resolution Rules.
- 7) Amendment in Eligibility Criteria Regulations-2003 regarding addition of Sponsored Dedicated Distribution System (SDDS).
- 8) Amendment in Performance Standards (Distribution) Rules, 2005 regarding time period for issuance of demand notice after receipt of application for new connections.

Annexures



Annexure I

Major Complaints Processed/Redressed by Consumer Affairs Division during the year 2008-09

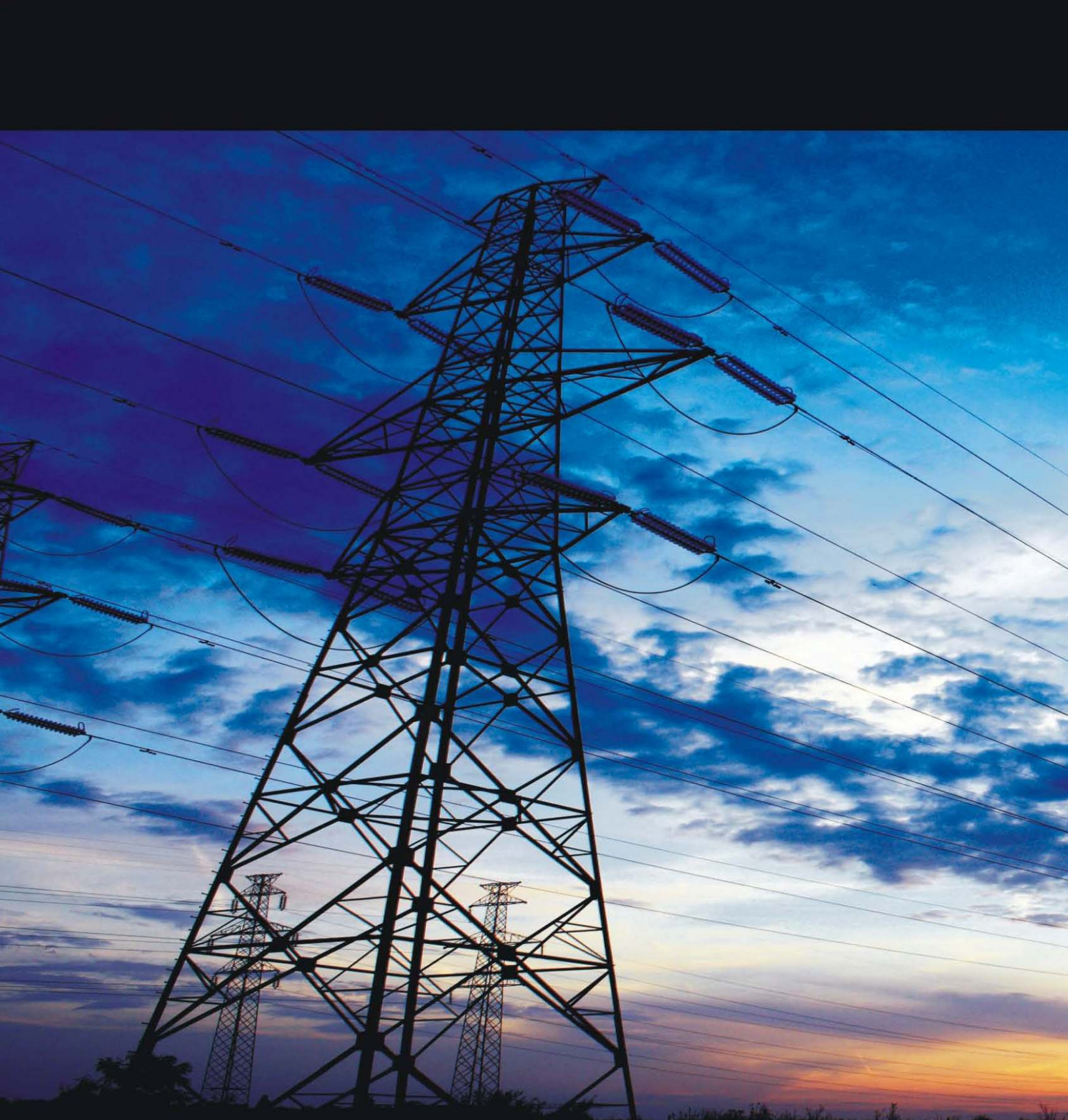
- 1) Complaint filed by Mr. Tehseen Sajjad against PESCO regarding billing against disconnected premises (A/C No.10-6651-07439009 R).
- 2) Complaint filed by Engr. Muhammad Bashir Bangash (Chief Executive) Consulting Engineers M/s Metro Cash & Carry against IESCO regarding grant of permanent power connection.
- 3) Complaint filed by Lieutenant. Col. Tariq Khokhar (Deputy Director Works) Istaqlal Camp, against IESCO regarding Issuance of additional demand notice amounting to Rs.11.86 Million to Istaqlal Camp Kallar Kahar.
- 4) Complaint filed by Mr. Kamran Lashari, Chairman (CDA) against IESCO regarding unfair practice of IESCO for expenditure incurred on extension in electrical distribution system for areas/Sector development of CDA.
- 5) Complaint filed by Mr. Javed Hafiz against IESCO regarding provision of interim electricity connections to the residents of G-13/2, Islamabad.
- 6) Complaint filed by Prof. Muhammad Hafeez-ur-Rehman against IESCO regarding provision of interim electricity connections in G-13/3, Islamabad.
- 7) Complaint filed by Mian Muhammad Akram Farid (Managing Director) against IESCO regarding change of Name and Extension of load.
- 8) Complaint filed by Mr. Javed Iqbal against GEPCO regarding Refund of Security Deposit and Reimbursement of Dedicated Distribution System (D.D.S).
- 9) Complaint filed by Mr. Rizwan Kaleem Butt and others against GEPCO regarding Charging of unauthorized electricity bills by WAPDA employees Cooperative Housing Society Gujranwala.
- 10) Complaint filed by Mr. Ghazanfar Iqbal Aujla (Chief Executive) M/s Aujla & Association Town Developers (Pvt.) Limited against GEPCO regarding Charging of Grid Sharing Cost.
- 11) Complaint filed by Mr. Tariq Javed (Attorney) against GEPCO regarding Grid Sharing Cost for outer electrification of Jinnah Super Market, G.T, Road Gujrat.
- 12) Complaint filed by Mr. Muhammad Iqbal and four others against FESCO regarding installation of electricity connection.
- 13) Complaint filed by Mr. Muhammad Karim (Secretary) against LESCO regarding reconnection of transitioned scrap tube well transferred to farmers under the scrap transition project.

- 14) Complaint filed by Mr. Muhammad Shahid S/o Bashir Ahmad against MEPCO regarding reconnection of electricity supply.
- 15) Complaint filed by Mr. Imdadullah Abbasi S/o Mehmood-ul-Hassan Abbasi against MEPCO regarding fixed charges/bill of Rs.78,645/- by MEPCO for Mashallah Cotton Factory, Kehror Pakka.
- 16) Complaint filed by Mr. M.A. Jahangir (Program Director) against MEPCO regarding arrears in the electricity bill.
- 17) Complaint filed by Chief Engineer (Power), Hyderabad against M/s Engro Chemicals Deharki regarding unauthorized distribution/sale of power to tube wells under the territory of HESCO.
- 18) Complaint filed by Mr. Rasool Bukhsh Sahito against HESCO regarding reconnection of electricity supply (A/C No.24-7443-0063620).
- 19) Complaint filed by Mr. Sibtain Mahmud (Advocate) against KESC regarding abnormal/ excessive billing.
- 20) Complaint filed by Mr. Abdul Mabood and Sikandar Naqi (PTCL) against KESC regarding implementation of industrial tariff.
- 21) Complaint filed by CHASNUPP against CPPA regarding dispute on effective date of NEPRA decision.
- 22) Complaint filed by Best Western Hotel against IESCO regarding extension of load and provision of transformer.
- 23) Complaint filed by Qari Abdul Qudoos Abbasi for restoration of electricity supply of Madressah Ashraf-ul-Uloom, Islamabad.

Annexure II

Discussion Meetings held during the year 2008-09

S#	Meeting Date	Subject of Meeting
1	14-10-2008	Meeting on NEPRA Tower G-5/1, Islamabad
2	15-10-2008	Pak Energy Sector Mission on Risk Management in Pakistan
3	21-10-2008	405 MW Integrated Mine-mouth Coal Fired Power Plant at Sondak Jherruk, District Thatta, Sindh
4	26-12-2008	Meeting on the Issue of Japan Power Expansion Project
5	14-01-2009	Fuel Price Mechanism for RFO based IPPs
6	23-01-2009	PPP Adjustment for the month of December, 2008 for XWDISCOs
7	10-02-2009	Fast Track Rental Power Projects through ICB
8	18-02-2009	Brief Report on 2nd Meeting of Bid Evaluation Committee: ICB for Fast Track IPP Projects to be commissioned in 2010
9	26-02-2009	Approval of Fast Track Rental Power Projects through ICB
10	11-03-2009	Follow-up Presentation to the Authority regarding Oracle Financial System in NEPRA
11	12-03-2009	Meeting on Status/Implementation Report on Decisions of the Authority Regulatory Meetings held during the year 2008
12	08-04-2009	Adjustment of Power Purchase Price for February, 2009 for XWDISCOs
13	14-04-2009	Regulatory Performance Assessment & NEPRA Performance Benchmark Criteria of Licensing Departments
14	22-04-2009	Electricity Tariff – Concerns of Senior Citizen Foundation
15	23-04-2009	Discussion regarding the Expansion and Rehabilitation Plans and their Impact on Cost and Quality of Service with PEPCO and CEOs of XWDISCOs, NTDC and KESC
16	28-05-2009	Comparative Statement of XWDISCOs' O&M and DM for 2009-10
17	15-06-2009	Cost of Service Study
18	17-06-2009	Approval for Changes in Tender Documents sought by the Bidders in Pre-bid Meeting for NEPRA Office Building at G-5/1, Islamabad
19	17-06-2009	Re-bidding for Performance Audit of Electric Distribution Companies for the year ended on 30-06-2009



NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
ANNUAL REPORT 2008-09

2nd Floor, OPF Building, Shahrah-e-Jamhuriat
G-5/2, Islamabad
Tel: +92 51 9207200 Fax: +92 51 9210215
E-mail: info@nepra.org.pk
www.nepa.org.pk