



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/SAT-I/TRF-100/6947-6949

May 10, 2017

Subject: **Decision of the Authority in the matter of Suo Moto Proceedings for Development of Upfront Tariff for Waste Heat Recovery Power Projects**

Dear Sir,

Enclosed please find herewith the subject Decision of the Authority (02 pages) in the matter of Suo Moto Proceedings for Development of Upfront Tariff for Waste Heat Recovery Power Projects for information.

Encl: As above

10.05.17

(Syed Safer Hussain)

Secretary
Ministry of Water & Power
'A' Block, Pak Secretariat
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

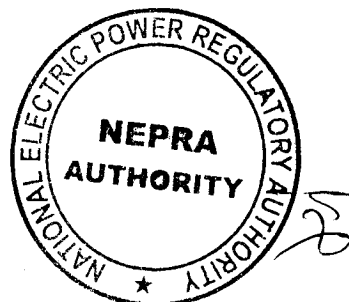


**DECISION OF THE AUTHORITY IN THE MATTER OF SUO MOTO PROCEEDINGS
FOR DEVELOPMENT OF UPFRONT TARIFF FOR WASTE HEAT RECOVERY POWER
PROJECTS**

1. Keeping in view the acute shortage and demand supply gap of electric power in the country, the Authority decided to initiate *Suo Moto Proceedings* with respect to development of Upfront Tariff for Waste Heat Recovery Power Projects in accordance with Regulation 3(1) of NEPRA Up-front Tariff (Approval and Procedure) Regulations, 2011 read with NEPRA (Tariff Standards & Procedure) Rules, 1998 and provisions of NEPRA Act. Accordingly a draft proposal in the matter was developed which was published in the national newspapers on February 25, 2017. In addition to the aforesaid, the Authority also directed NEPRA professionals to visit the cement plants and explore the possibility of the waste heat recovery generation in the national grid as surplus energy.


2. In response to the advertisement, intervention requests and comments were received from following persons:
 - i. Anwar Kamal Law Associates Intervener.
 - ii. Whistleblower Pakistan -do -
 - iii. Lucky Cement Ltd. Commentator
 - iv. Hyderabad Electric Supply Company (HESCO) -do-
 - v. Directorate of Alternative Energy, Govt of Sindh. -do-

3. The Authority considered the report of the NEPRA professionals as well as submissions of the interveners and commentators, which were of generic nature and no evidence/record in support of the claims raised therein was produced. Having considered the report of the NEPRA professionals and comments of the stakeholders, the Authority considers that there is almost negligible potential in the waste heat recovery projects as cement plants have their own high consumption and heat produced during the processing is only able to minimize the demand of the particular cement plant.




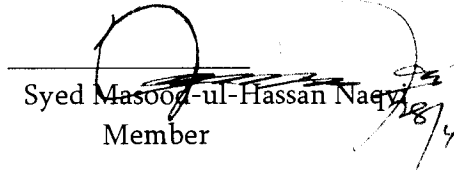


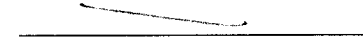
4. In view of the above, the Authority hereby decides not to proceed further with the development of Up-front tariff for Waste Heat Recovery Projects. In view thereof the matter of development of Upfront Tariff for Waste Heat Recovery Power Projects stands closed.

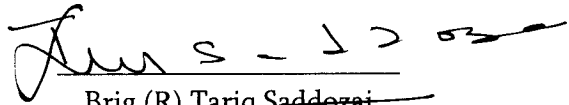

Saif Ullah Chattha
Member
3.5.2017

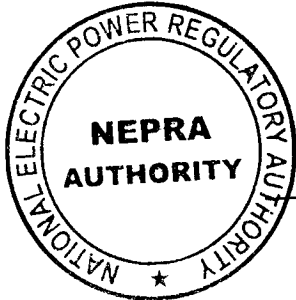
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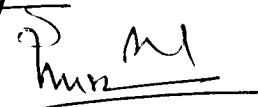

Himayat Ullah Khan
Member


Syed Masood-ul-Hassan Naqvi
Member


Maj (R) Haroon Rashid
Member


Brig (R) Tariq Saddozai
Chairman




10.05.17