



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No NEPRA/TRF-100/UTH/PPDB/1329-1331
February 14, 2013

Subject: **Decision of the Authority in the matter of Petition filed by Punjab Power Development Board (PPDB) for Approval of Upfront Tariff for Small Hydropower Projects in Punjab**

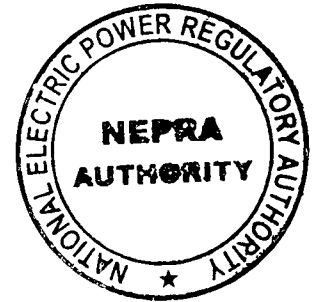
Dear Sir,

Enclosed please find herewith the Decision of the Authority (02 pages) in the matter of petition filed by Punjab Power Development Board (PPDB) for approval of Upfront Tariff for Small Hydropower Projects in Punjab, for information.

Encl: As above

(Syed Safeer 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

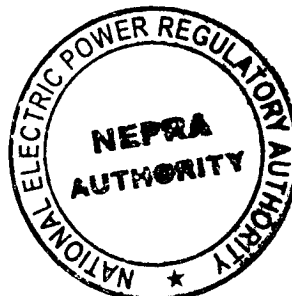
**DECISION OF THE AUTHORITY IN THE MATTER OF PETITION FILED BY PUNJAB
POWER DEVELOPMENT BOARD (PPDB) FOR APPROVAL OF UPFRONT TARIFF FOR
SMALL HYDROPOWER PROJECTS IN PUNJAB**

1. Punjab Power Development Board (hereunder referred to as "PPDB" or "the Petitioner") filed Tariff Petition (the "Petition") before the National Electric Power Regulatory Authority ("the Authority") on April 27, 2012 under Rule 3 of the NEPRA (Tariff Standards & Procedure) Rules, 1998 (hereunder referred to as "the Tariff Rules") for approval of upfront tariff for small hydropower projects at different potential sites in the province of Punjab. The Authority admitted PPDB's subject Petition on May 31, 2012. Pursuant to the admission of the Petition, the Public Hearing in respect of PPDB's subject Petition was scheduled to be held on October 04, 2012 at NEPRA main office, Islamabad. Notice of Public Hearing was published in daily newspapers on September 14, 2012 for information & invitation to all the stakeholders for their participation in the tariff setting process either through their comments or becoming a party to the case as Interveners. Separate notices were also sent to persons/parties who, in the opinion of the Authority, were likely to be affected or interested in the Petition.
2. Subsequent to the publication of Notice of Public Hearing PPDB vide its letter no. MD(PPDB)/MF/2524/2012 dated October 1, 2012 requested for postponement of the Public Hearing for at least one month. The Authority, in view of PPDB's request, decided to postpone the Public Hearing till further notice. Notice of Cancellation of Public Hearing was published in daily newspapers on October 02, 2012.
3. The postponement of Public Hearing was communicated to the Petitioner vide the Authority's letter no. TRF-100/PPDB/7934-7936 dated October 3, 2012. The Authority, being cognizant of the fact that the matter is of prime importance for the country's energy sector, advised the Petitioner vide the said letter to convey a new date for Public Hearing at the earliest. However, PPDB failed to communicate anything regarding the rescheduling of Public Hearing, despite numerous written and telephonic reminders given by the Authority. The Authority thus feels that the Petitioner is not interested in processing of its Petition for approval of upfront Tariff for small hydropower projects in Punjab.
4. According to the NEPRA Tariff (Standards & Procedure) Rules, 1998, the Authority has a stipulated period of four months to decide a Petition. The Authority, under the Tariff Rules can extend this period for a further four months. Despite the expiration of the processing period, the Authority provided ample opportunity to the Petitioner, by extending the processing period up to the maximum allowed period of eight months. The Authority cannot hold its determination for an indefinite period. In view of the aforementioned, the Authority,

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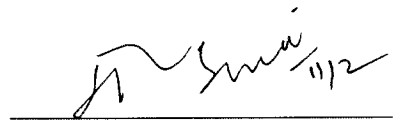


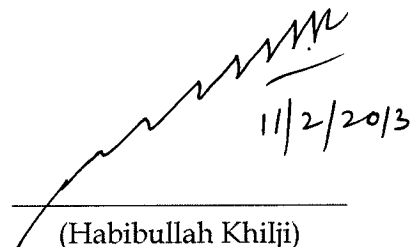
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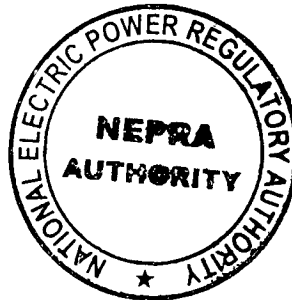
has decided to dismiss PPDB's Tariff Petition on the basis of PPDB's continued lack of interest
and failure to provide the requisite information.


AUTHORITY


(Khawaja Muhammad Naeem)
Member


(Major (R) Haroon Rasheed)
Member


11/2/2013
(Habibullah Khilji)
Acting Chairman




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