

**National Electric Power Regulatory Authority
(NEPRA)**

(Press Release)

April 17, 2018

NEPRA INITIATES LEGAL PROCEEDINGS AGAINST K-ELECTRIC

NEPRA's five-member committee visited K-Electric from April 11 to 13, 2018 to investigate the unannounced load shedding due to curtailment of gas supply by SSGC to KE, owing to which consumers were suffering badly. The Committee held detailed discussions with KE officials, inspected main power generation plants and grid stations and conducted surveys of the relevant areas for response of general public. The committee's observations and NEPRA Authority's decisions are as under:-

1. NEPRA Authority has sent an advisory to the Government of Pakistan (being a 24% shareholder having 3 members nominated by government) for immediate restoration of gas supply of 190 MMCFD to KE by SSGCL.
2. The Committee noted that KE is receiving around 50 to 60 MMCFD less gas as compared to April, 2017 and the situation has worsened due to increase in power demand owing to early onset of summer. Moreover, the Committee noted that infrastructure for alternate fuel/High Speed Diesel (HSD) operation at both the gas turbine based power plants of Korangi Combined Cycle Power Plant (KCCPP, 225 MW) and Bin Qasim Power Station-II (BQPS-II, 529 MW) is available, however, KE has not yet commissioned the same and adopted an irresponsible approach in this regard. Had these systems been in place, about 350 MW could have been added and additional load shed could have been avoided.
3. During the period under review i.e. March 27, 2018 till April 10, 2018, the committee also noted underutilization of BQPS I during morning time, whereas it could have been operated at full capacity to minimize load shedding. The Committee further noted that average loading position of BQPS-I was only 647 MW against the available capacity of 1015 MW.
4. Moreover, it was observed that Unit # 2 of BQPS-I having the available capacity of 180 MW is on unplanned outage since September, 2017 which indicates KE's poor maintenance plan. Furthermore, the Committee noted that the load management carried out by K-Electric was beyond its claims and in addition to load shedding on account of gas curtailment, KE network also experienced faults adding to the unplanned load shedding hours due to its fragile distribution system.
5. NEPRA Authority took serious notice of the abovementioned violations and decided to initiate legal proceedings against K-Electric. In addition to this, NEPRA Authority has decided to direct the K-Electric to immediately start the commissioning of KCCPP and BQPS-II on alternate fuel/HSD and complete the same as soon as possible.
6. Moreover, it has been decided to acquire the Ramadan plan from K-Electric in order to comprehend the arrangements made by K-Electric to ensure uninterrupted power supply during Sehara and Iftar timings to the people of Karachi.