



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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PRESS RELEASE

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NEPRA IMPOSES FINE OF Rs.10,000,000/ TEN MILLION ON NTDC
FOR DELAY IN PROJECTS

NEPRA has imposed fine of Rs. 10,000,000/ ten million on M/s National Transmission & Despatch Company Limited (NTDC) on account of un-due delay in power evacuation projects (i.e. transmission lines for power plants) and development works (i.e. 500 kV & 220 kV grid stations).

2. The Authority has taken serious note of abnormal delay in completion of interconnection arrangement for 404 MW Uch-II power plant (i.e. 220 kV Uch-II to Sibi, Transmission Line, 125 km). Uch-II is one the cheapest gas based power plant which is currently operating on interim arrangement. The plant was commissioned in April 2014 and it has been underutilized due to incomplete interconnection arrangement. Similar is the case of 747 MW Guddu new power plant, which was commissioned in April 2014 and is still operating on interim arrangement despite lapse of almost four (04) years.

3. Furthermore, as per contract 220 kV Mansehra, 220 kV Chakdara, 220 kV D.I Khan and 220 kV Nowshera grid stations were required to be completed by December 2016. However, the said grid stations are still not completed; consequently certain areas of KPK which includes Mansehra, Hazara, Swat, D.I Khan are facing low voltage and power supply constraints.

4. 500 kV Rahim Yar Khan grid station is delayed by 6 years, 220 kV Dera Murad Jamali grid stations is delayed by 4 years and 220 kV Ghazi Rd Lahore grid station is also delayed by more than 1 year. The work is ongoing on these grid stations. Moreover, 220 kV Chistian and 220 kV Gujrat grid stations have been completed with a delay of 3 years and 2 years respectively. The delay in projects has not only caused serious technical and financial complications but also resulted in low voltages and extended hours of load shedding.

5. NTDC being a National Grid Company within the meaning of Section 18 of the NEPRA Act, is responsible to operate and provide safe, reliable transmission and interconnection services to power plants. Moreover, Authority vide its instruction dated 11.09.2015 inter alia directed NTDC to expedite work on all delayed projects and ensure their completion as per contractual completion dates. However, NTDC failed to full fill its obligation under NEPRA Act and also failed to comply with directions of the Authority.

6. Explanation followed by Show Cause Notice was issued to NTDC on 16.11.2016 and 5.5.2017 respectively. Hearing of NTDC was also held on 29.08.2017. On account of established violations, the Authority imposed a fine of Rs. 10,000,000/ ten million.

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