



NEPRA Licensing (Electric Power Supplier) Regulations, 2021

NEPRA Act,1997

Section 21

A distribution licensee was given an “exclusive right” to distribute and to make sale of electric power to consumers in its territory.

Types of Consumers

Section 2 (iv) “Consumer” means a person or his successor-in-interest who purchases or receives electric power for consumption and not for delivery or re-sale to others, including a person who owns or occupies a premises where electric power is supplied;

“**bulk-power consumer**” BPC means **a consumer** who purchases or receives electric power, at one premises, in an amount of one megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may [specify] 5 and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas.

NEPRA Act (Amendments), 2018

23E. Electric power supply licence.– (1) No person shall, unless licensed by the Authority under this Act, engage in the supply of electric power to a consumer:

- Section 23E gives power to the Authority to grant “Electric Power Supply” Licenses.
- Eligibility Criteria of the Licensees shall be prescribed by the Federal Government through Rules.
- Section 23F – gives right to the Licensee to make supply of electric power on a non discriminatory basis to **all the consumers**, who meet the eligibility criteria laid down by the Authority.
- Existing Distribution Licensees shall be **deemed** having “Power Supply Licenses” as per 23 E (1), for a period of five years, since the date of Amended Act of 2018.

Eligibility Criteria for the Consumers

23 F (2) **The licensee shall. —**

(a) possess the right to make sales of electric power to consumers in the territory specified in the license and to frame schemes in respect of that territory;

(b) be responsible to make sales of electric power within its territory on a nondiscriminatory basis **to all the consumers who meet the eligibility criteria laid down by the Authority:**

SALIENT FEATURES OF ELECTRIC POWER SUPPLIER

- ❑ Electric power supplier's would be operating in a service territory to be specified in their license.
- ❑ Electric power supplier's would be taking care of all eligible consumers falling within their service territory but **may not sell to BPCs**, who have contracted with another supplier.
- ❑ All responsibilities pertaining to consumers' metering, billing and collection of rates and charges etc. now fall under the domain of electric power supplier.
- ❑ Electric Power Supplier to make Investment programmes for approval by the Authority to fulfill its service obligations.

CORE FEATURES OF THE ELECTRIC SUPPLIER REGULATIONS

Types of Suppliers

Default Supplier\ Supplier of Last Resort

Tariff

Types of Electric Power Suppliers

- ❑ Pre-existing “Incumbent Supplier” (DISCOs, KE)
- ❑ Competitive Supplier- of those consumers, which are given the possibility to choose their supplier.
- ❑ Default Supplier\ Supplier of Last Resort