

**AMENDMENT IN NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
LICENSING (APPLICATION, MODIFICATION, EXTENSION AND  
CANCELLATION) PROCEDURE REGULATIONS, 2021**

**DRAFT FOR PREVIOUS PUBLICATION UNDER SECTION 47 (3) OF THE  
REGULATION OF GENERATION, TRANSMISSION AND DISTRIBUTION OF  
ELECTRIC POWER ACT, 1997 (XL OF 1997)**

**NOTIFICATION**

*Islamabad, \_\_\_\_\_, 2021*

**S.R.O.** \_\_\_\_\_. In exercise of the powers conferred by section 47 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No. XL of 1997) read with all other enabling provisions thereof, the National Electric Power Regulatory Authority hereby notifies the following amendments in the National Electric Power Regulatory Authority Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 (hereinafter referred to as “the regulations”). -

1. For the word “license” wherever appearing in the regulations, the word “licence” shall be substituted.
2. In regulation 1 of the regulations, for sub-regulation (3) following shall be substituted, namely.-  
“(3) These regulations shall not apply to distributed generation licence applications falling within purview of the National Electric Power Regulatory Authority (Alternative & Renewable Energy) Distributed Generation and Net Metering Regulations, 2015 [and applications for registration under section 25A of the Act].”
3. In regulation 3 of the regulations:
  - a. for sub-regulation (2) following shall be substituted, namely.-  
“(2) Any person desirous of providing any electric power service including generation, transmission, distribution, supply, sale or trading of electric power, market operator, system operator or any other service incidental thereto that

requires a licence under the Act shall obtain a separate licence for each such electric power service:

Provided that this requirement shall not be applicable to persons deemed to be licensed for supply of electric power under the proviso of sub-section (1) of section 23E of the Act.”

b. Sub-regulation (8) shall be omitted;

4. In regulation 13 of the regulations, after sub-regulation (2), following new sub-regulation shall be inserted, namely.-

“(3) The Authority may, if deemed appropriate, conduct public consultation on the application for renewal or extension of licence before a final decision thereon.”

5. In Schedule I titled “FORM OF APPLICATION” of the regulations, for the words “GENERATION / TRANSMISSION / NATIONAL GRID COMPANY / PROVINCIAL GRID COMPANY / SPECIAL PURPOSE TRANSMISSION / DISTRIBUTION / ELECTRIC POWER SUPPLY” appearing in the subject line and body of text, the following shall be substituted “GENERATION / TRANSMISSION / NATIONAL GRID COMPANY / PROVINCIAL GRID COMPANY / SPECIAL PURPOSE TRANSMISSION / DISTRIBUTION / ELECTRIC POWER SUPPLY / MARKET OPERATOR / SYSTEM OPERATOR / ELECTRIC POWER TRADER”; and

6. At the end of the table titled “Fees for Grant, Extension of Term or Modification of License” in Part I of Schedule II of the regulations, for the rows appearing after the words “Electric Power Supply\*\*\*” following rows shall be substituted namely.-

“

Category	Capacity (MW)	Energy supply forecasted (GWh/annum)	Fee (PKR)
I	Up to 10	Up to 60	500,000/-
II	More than 10 up to 50	Up to 300	750,000/-

III	More than 50 up to 200	Up to 1250	1,500,000/-
IV	More than 200 up to 500	Up to 3000	2,000,000/-
V	Above 500	No limit	2,500,000/-
Note: In the event the licensee's actual capacity and actual energy supplied or either of the two increases from the limits provided above in the respective category in which it is licensed, the licensee shall apply for its change of category in accordance with the applicable documents and shall pay the corresponding fee for the appropriate higher category.			

7. At the end of the table titled "Fees for Grant, Extension of Term or Modification of License" in Part I of Schedule II of the regulations, as amended vide clause 2 above, following rows shall be inserted, namely.-

“

Type of License	Fee (PKR)
System Operator	1,000,000/-
Market Operator	1,000,000/-

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Electric Power Trader****			
Category	Capacity (MW)	Energy trade forecasted (GWh/annum)	Fee (PKR)
I	Up to 50	Up to 300	500,000/-
II	More than 50 up to 100	Up to 600	1,000,000/-
III	More than 100 up to 300	Up to 1800	1,500,000/-
IV	More than 300 up to 700	Up to 4,000	2,000,000/-
V	More than 700 up to 1000	Up to 6,000	2,500,000/-
VI	Above 1000	No limit	3,000,000/-
Note: In the event the licensee's actual capacity and actual energy traded or either of the two increases from the limits provided above in the respective category in which it is licensed, the licensee shall apply for its change of category in accordance with the applicable documents and shall pay the corresponding fee for the appropriate higher category.			

8. At the end of the Part I of Schedule II of the regulations, the following shall be inserted namely.-

“\*\*\*\*\* GWh/annum trading volume in case of electric power trader shall mean expected energy trade volume in a year as mentioned in the application.”

9. At the end of the Schedule III of the regulations, following shall be inserted namely.-

“E. MARKET OPERATOR

- i. Draft Market Commercial Code;
- ii. documents showing that satisfactory system and controls are available to conduct the Market Operations and comply with the provisions of the Market Commercial Code;
- iii. the list of bodies/power sector entities, which have a direct or indirect control of the Applicant;
- iv. declaration of interest stating that the head of organization, senior management and persons assigned with competencies in the organizational affairs of the applicant do not participate in activities of entities/companies engaged in the generation, trading, distribution and/or supply of electricity;
- v. Last three years financial statements (if three years have not yet completed since incorporation of the company, the financial statements shall be provided for such shorter period as may be applicable);
- vi. Technical details of the systems (including software and hardware) put in place or to be put in place for carrying out the licence activity;
- vii. Five-year business plan; and
- viii. Such other documents or information as may be specifically required by the Authority or under applicable documents.

F. SYSTEM OPERATOR

- i. Draft Grid Code;
- ii. Documents showing that satisfactory system and controls are available to conduct the System Operations and comply with the provisions of the Grid Code;

- iii. Declaration of interest stating that the head of organization, senior management and persons assigned with competencies in the organizational affairs of the applicant do not participate in activities of entities/companies engaged in the generation, trading, distribution and/or supply of electricity;
- iv. Technical details of the systems (including software and hardware) put in place or to be put in place for carrying out the licence activity;
- v. Five-year business plan;
- vi. Last three years financial statements (if three years have not yet completed since incorporation of the company, the financial statements shall be provided for such shorter period as may be applicable);
- vii. Such other documents or information as may be specifically required by the Authority or under applicable documents.

**G. ELECTRIC POWER TRADER**

- i. Information and copies of existing licences (e.g. generation licence etc.) issued to the applicant, if any;
- ii. Technical capability experience in Power System Operation and commercial aspects of power transfer;
- iii. Five-year Business Plan;
- iv. Power acquisition/procurement plan for meeting expected loads;
- v. Last three years financial statements (if three years have not yet completed since incorporation of the company, the financial statements shall be provided for such shorter period as may be applicable);
- vi. Profiles of the members of the board of directors of the applicant;
- vii. Technical details of the systems (including software and hardware) put in place or to be put in place for carrying out the licence activity;
- viii. Such other documents or information as may be specifically required by the Authority or under applicable documents.”

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