



**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
(REGISTRATION) 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 (XL of 1997) read with all other enabling provisions thereof, the National Electric Power Regulatory Authority hereby notifies the following regulations: —

**1. Title and commencement.** — (1) These regulations shall be called the National Electric Power Regulatory Authority (Registration) Regulations, 2021.

(2) These Regulations shall come into force at once.

**2. Definitions.** — (1) In these regulations, unless there is anything repugnant in the subject or context, —

(a) "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No.XL of 1997), as amended from time to time;

(b) "Authority" means the National Electric Power Regulatory Authority established under section 3 of the Act;

(c) "applicable documents" means the rules, regulations, terms and conditions of any licence, registration, authorization, determination, any codes, manuals, directions, guidelines, orders or notifications issued or approved under the Act;

- (d) "application" means an application made to the Authority for registration in accordance with the provisions of the rules and these regulations;
- (e) "applicant" means a person who submits an application before the Authority for registration under these regulations;
- (f) "activity requiring registration" means any electric power service, other than generation or an electric power service requiring licence under the Act, and shall specifically include the services specified in regulation 3 of these regulations;
- (g) "CTBCM" or "Competitive Trading Bilateral Contract Market" means electric power market established in accordance with the design approved by the Authority vide its determination dated 12<sup>th</sup> day of November, 2020 and as may be modified by the Authority from time to time;
- (h) "registered person" means any person registered under section 25A of the Act;
- (i) "registration" means the registration issued to a person under section 25A of the Act and includes the accompanying terms and conditions; and
- (j) "supplier of last resort" shall have the same meaning as assigned to it under National Electric Power Regulatory Authority (Electric Power Supplier) Regulations, 2021, as amended from time to time;

(2) Words and expressions used in these regulations but not defined herein, unless it appears repugnant to the context, shall have the same meanings as assigned to them in the Act, rules or regulations made thereunder and other applicable documents.

**3. Activities requiring registration.-** (1) The following services shall be considered as incidental to the generation, transmission, distribution, supply, sale or trading of electric power and any entity desirous of providing these services shall require registration with the Authority under section 25A of the Act read with these regulations and other applicable documents:

(a) independent auction administration to facilitate public owned suppliers of last resort and also to other suppliers of last resort, if required or requested by the respective supplier, in procurement of new capacity on competitive terms as per the provisions of the applicable documents; and

(b) administration of existing long-term power procurement contracts executed by CPPA-G prior to competitive market operation date (CMOD) of the CTBCM; and

(c) any other electric power service requiring registration as may be determined by the Authority through a determination in writing.

(2) No person shall carry out activities requiring registration without prior registration with the Authority.

(3) A person shall carryout only those activities requiring registration for which it has been registered by the Authority.

**4. Registration application process.**— (1) In addition to the information and documents required under the relevant rules, an applicant shall also submit the following information and documents to the Authority along with the application form provided in Schedule I:

- (a). certified copies of memorandum of association and articles of association:  
Provided that where a statutory body is applying for a registration, it shall provide latest updated copies of the relevant statute along with the relevant rules, regulations and other applicable notifications;
- (b). detailed profiles of the chief executive officer or head and members of the board of directors of the applicant:  
Provided that the Authority, in appropriate cases, may also require submission of detailed profiles of the key executives of an applicant;
- (c). documents showing that satisfactory system and controls are available to conduct the activity requiring registration;
- (d). documents showing that adequate financial, technical, organizational and human resources are available to perform the activity requiring registration in a proper and efficient manner on an ongoing basis;

- (e). applicable fee as provided in Schedule-II of these regulations and annual fee as may be specified in the applicable documents;
- (f). specify financial resources in ownership of the applicant or indicate its revenue sources or capability to accumulate those financial resources that are necessary to carry out the activity along with audited financial statement of the applicant of the last three years:  
Provided that for an entity which is less than three years old, the audited financial statements shall be provided covering such shorter period as may be applicable;
- (g). specify the activity requiring registration proposed to be performed by the applicant;
- (h). proof of registration with the relevant taxation authorities; and
- (i). board of directors or other competent authority's authorization for filing of the application.

(2) The applicant shall ensure that the application as per the form provided in Schedule I along with the required documents, data and information is submitted in triplicate in physical form and, where Authority has enabled an online system, in electronic form as well to the Registrar of the Authority.

(3) The Registrar shall, within fifteen (15) working days following the date of receipt of an application, ascertain whether the application along with the information and documents required under sub-regulations (1), has been submitted.

(4) Where an application is found to be incomplete or deficient, the applicant shall be notified by the Registrar to furnish the deficient information and documents within fifteen (15) working days of receipt of said notice: Provided that the Registrar may extend the time for submission of deficient information and documents for a period not exceeding fifteen (15) working days.

(5) In case an applicant fails to remedy the incompleteness or deficiencies in the application within the time period allowed under sub-regulation (4), the application shall be returned to the applicant by the Registrar:

Provided that where the applicant claims that the application is not deficient in any respect, the matter shall be referred to the Authority for decision regarding completeness of application.

(6) An application shall be deemed to be duly filed only where the information and documents as mentioned under sub-regulation (1) have been submitted by the applicant.

(7) Where an application has been deemed to be duly filed in compliance with the sub-regulation (1), the Registrar shall —

(a) allot an application number to the application under intimation to the applicant; and

(b) forward the application to the concerned department for processing.

(8) In case an application is withdrawn by the applicant prior to allotment of registration number or returned by the Registrar in terms of sub-regulation (5), the applicant may seek refund of paid fee:

Provided that in case an application for grant of license is returned by the Authority in terms of proviso to sub-regulation (5) or otherwise refused, the paid application fee shall not be refunded.

(9) During initial review of an application by the Registrar under these regulations, the Registrar may require the applicant to provide any additional documents or information as may be deemed proper.

(10) An application filed in accordance with these regulations may be processed by the Authority. The registration fee provided in the schedule shall not be refundable after assigning of the application number.

(11) The Authority after receipt of an application with complete information, shall decide the same within a period of four months:

Provided that the Authority may extend the period for decision of the application in suitable cases.

(12) The Authority may seek any further information or clarifications from the applicant before a decision on the application.

(13) The Authority may also conduct public hearing on an application before a decision on the same, if deemed necessary in the public interest.

(8) The Authority shall not refuse an application for registration, after it has been assigned an application number, without providing an opportunity of hearing to the applicant.

**5. Grant of registration.** — The registration shall be granted by the Authority to the applicant to perform the activity requiring registration subject to the applicable documents and on such terms and conditions as the Authority may deem appropriate.

**6. Duties and responsibilities.** — (1) The registered person shall conduct its functions in accordance with these regulations and terms and conditions of its registration and other applicable documents.

(2) A registered person shall.-

(a) ensure that it complies with the directions issued by the Authority from time to time;

(b) make the charges and tariffs, if any, being charged by it for the services being offered or provided by it to the general public on its website and at the business places:

Provided that the registered person shall charge only such charges and tariff for its services as may be allowed and determined by the Authority.

(c) not enter into any contract with regard to electric power service in violation of the applicable documents;

- (d) pay applicable fees and annual fees, fines or other charges to the Authority as may be specified by the Authority from time to time;
- (e) not engage in any activity that may disrupt or interfere with competition in the electric power market;
- (f) submit to the Authority in a true and correct form all data, information and accounts that may be required under the applicable documents or the Authority may specifically require;
- (g) submit progress reports to the Authority on the status of activities being undertaken on regular basis as required in the registration;
- (h) develop its state-of-the-art website and publish such information on its website as may be required by the Authority from time to time;
- (i) as soon as possible, but in any event not more than thirty (30) days after it becomes aware of the fact, notify the Authority:
  - (i) if it is unable to conduct its registered activity; or
  - (ii) if the conduct of its registered activity may lead to the breach of any of the terms and conditions of its registration, or materially affect delivery of services; or
  - (iii) any material changes in circumstances that adversely affects or may adversely affect performance of the registered activity; and
- (j) report to the Authority any force majeure event that may adversely impact its obligations under the applicable documents.

(3) The registered person shall not at any time, directly or indirectly, acquire or undertake, any beneficial interest in or associate itself with, any activity or business which is in conflict with the terms and conditions of its registration.

(4) The Authority may, in addition to the above general conditions and obligations, while granting the registration impose such other special terms and conditions and obligations to be complied with by the registered person, as deemed suitable and necessary to ensure effective and efficient provision of electric power services by the registered person.

**7. Prohibition against anti-competitive practices.** — (1) The registered person shall not impede, prevent or attempt to prevent any other registered person, market participant or competitor, if any, from engaging or entering in the power market.

(2) The registered person shall not engage in any form of anti-competitive activities or activities contrary to transparent market practices.

(3) A registered person shall not enter into any agreement or make a decision in respect of the generation, sale, supply, distribution, acquisition or control of or the provision of electric power services which have the object or effect of preventing, restricting, or reducing competition within the relevant market unless exempted by the Authority.

**8. Term of the registration.** — The registered person shall be issued the registration for a period as may be determined by the Authority on case by case basis.

**9. Rights of the registered person.** — During the term of the registration, the registered person shall be entitled to conduct the registered activity in accordance with the provisions of the Act and applicable document and subject to compliance with any other relevant laws.

**10. Legal and contractual requirements.** — Any arrangements or agreements entered into by the registered person shall be in writing and, where required, shall be entered with prior approval of the Authority.

**11. Use of information.** — (1) The registered person shall ensure that any information received as a result of its registered activity shall not be revealed or shared with anyone, except in cases where:

- (a) prior written consent is given by the person to whom the information is related; or
- (b) the information is public; or
- (c) the registered person is required or allowed to disclose the information to fulfil the conditions of the registration according to the Authority's order, or any other applicable document; or



(d) the information shall be disclosed in the normal course of performing the registered activity.

(2) The registered person shall ensure that any associated business shall not use any of its information to obtain unjustified competitive advantage, and shall ensure that it shall not disclose any information to any other person (including other associated businesses) that may enable it to obtain any unjustified commercial advantage.

(3) The registered person shall undertake any necessary steps to avoid any unauthorized access to the confidential information.

(4) Information sent to the Authority by the registered person shall be considered public, except in cases where upon specific/special request of the registered person, the Authority decides the information is of proprietary nature and the disclosure of it may adversely impact the public interest.

(5) The registered person shall not enter into agreements which may lead to the violation of the terms and conditions of the registration.

**12. Accounting and reporting.**— The registered person shall keep regulatory accounts and prepare financial statements, in accordance with the applicable documents, and submit the same to the Authority along with the relevant operational, performance and audit reports, on annual or such shorter intervals as the Authority may require:

Provided that the above requirement for keeping accounts and preparing financial statements shall be in addition to other legal requirements as may be applicable on the registered person under any other law for the time being in force.

**13. Maintenance of Record.**— (1) The registered person shall keep complete and accurate record and other data relating to the registered activity including any contractual arrangements, agreements, request for proposals, auction documentation and any such other information as may be specifically required by the Authority.

(2) All records and data referred to in sub-regulation (1) above shall be maintained in good order and condition for a minimum period of five years from the date of expiry of such record or agreement or for such further extended period as the Authority may specifically require.

**14. Performance monitoring.** — (1) The registered person shall submit to the Authority periodic reports on its performance and compliance with these regulations and the terms and conditions of its registration.

(2) The Authority may require the registered person to provide any special reports on such format as may be deemed appropriate and order a performance audit of the registered person.

**15. Risk requirements.** — (1) The registered person shall, subject to the provisions of its registration, promptly and diligently adhere to all reasonable risk-management and risk containment measures, and shall implement risk-reduction measures.

(2) The registered person shall report to the Authority any:

- (a) material changes to its management, ownership, and nature of business; and
- (b) change of address or any other significant aspect.

**16. Resolution of disputes.** — Any dispute or disagreement between the registered person and any other person or licensee providing electric power services relating to any matter arising out of, or in connection with, the activities covered under the Act and applicable documents or the terms and conditions of the registration may be submitted for decision to the Authority.

**17. Renewal and modification of registration.** — (1) The registration granted under these regulations shall be valid for a period as may be determined by the Authority subject to payment of annual fees as specified in the applicable documents from time to time and may be renewed or modified on such terms and conditions, upon payment of such fee as may be determined by the Authority.

(2) The Authority may, after making such inquiries as it may consider necessary, within thirty days of the receipt of the application, decide to either renew or refuse renewal of the registration:

Provided that before refusing an application for renewal of registration, the Authority shall provide a reasonable opportunity of hearing to the applicant.

**18. Power to suspend or revoke registration.**— Without prejudice to the powers of the Authority under the Act, upon being satisfied that the registered person is not discharging its functions in accordance with these regulations or terms and conditions of registration, or otherwise fails to carry on its business in the interests of the market, or the registered activity is no longer required, the Authority may, after providing an opportunity to show cause, take such measures as it deems expedient including but not limited to suspension or revocation of registration and take such other actions as may be deemed necessary to safeguard the interests of all the relevant stakeholders.

## **SCHEDULE I**

### **(SEE REGULATION 4)**

#### **FORM OF APPLICATION FOR REGISTRATION**

The Registrar

National Electric Power Regulatory Authority

NEPRA HQ, ISLAMABAD.

**Subject: Application for Registration under Regulation [3 (1) (a)], [3 (1) (b)] or [3 (1) (c)]**

**(Tick the Relevant)**

I, being the duly authorized representative of [NAME OF APPLICANT COMPANY] by virtue of [BOARD RESOLUTION / POWER OF ATTORNEY] dated [DATE], hereby apply to the National Electric Power Regulatory Authority for the registration as [specify the purpose] of the [NAME OF APPLICANT COMPANY] pursuant to section 25A of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997. I hereby certify that the documents attached with this application are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Registration) Regulations, 2021, and undertake to abide by the terms and condition on which the Authority issues the registration and provisions of the applicable documents. I further undertake and confirm that the information provided in the attached documents are true and correct to the best of my knowledge and no material omission has been made.

A [BANK DRAFT / PAY ORDER] in the sum of Rupees [ ], being the applicable fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Registration) Regulations, 2021, is also attached herewith.

Date:

Signature [Name, Designation Company Seal]

**SCHEDULE II**  
**(SEE REGULATION 4 AND 6)**  
**FEES FOR REGISTRATION**

<b>Sr. No.</b>	<b>Category of Registration (1)</b>	<b>Registration Fee in Pak Rupees (2)</b>
1.	For registration falling under regulation 3 (1) (a)	1,000,000
2.	For registration under regulation 3 (1) (b)	1,000,000
3.	For registration under regulation 3 (1) (c)	500,000

**INDEXATION OF FEES**

1. Any and all fees payable pursuant to these regulations, shall be indexed to the National Consumer Price Index ("N-CPI") published from time to time by the Pakistan Bureau of Statistics.

2. The indexation shall be done on the basis of the most recent N-CPI prevailing on the date of payment of the fee and shall be increased or decreased, as the case may be, in accordance with the following formula:

$$F_{pd} = F_t [N-CPI_{pd} / N-CPI_{rd}]$$

Where:

F<sub>pd</sub> = The actual fee payable on the date of payment

F<sub>t</sub> = The respective fee Set out in Part-I of this Schedule.

N-CPI<sub>pd</sub> = The most recent N-CPI (Base Year 2015-16) prevalent on the last day of the month immediately preceding the month in which the payment is due.

N-CPI<sub>rd</sub> = The reference or base N-CPI (Base Year 2015-16) prevalent on the last day of the month in which these regulation are notified in the Official Gazette.