

No.CE/MEPCO/DG(MIRAD)/ 709-11

Dated: 10-05-2023

Additional Director General,
National Electric Power Regulatory Authority,
NEPRA Tower, Attaturk Avenue (East),
G-5/I, Islamabad.

Subject: COMMENTS ON APPLICATION OF PUNJAB GRID COMPANY LIMITED FOR GRANT OF LICENCE FOR PROVINCIAL GRID COMPANY

While considering and before deciding the Licence application of Punjab Grid Company under review, we expect that the honorable Authority shall duly considered the following comments of GEPCO submitted with view to assist honorable Authority for arriving a well-informed decision in the matter:

1. The required rules pertaining to the "Eligibility Criteria" have not yet been prescribed.
2. The Petition under review is an apparent academic attempt to utilize opportunity available as per Sections 18A and 18B of the Regulation of Generation, Transmission and Distribution Electric Power Act, 1997 (the Act). For some of the examples provided here in below, the Petition is inherently flawed, factually contradictory and conceptually confused document, thus meriting to be returned for resubmission after due corrections.
 - a) At Clause II (1)(i) of the Petition PGC has outlined its primary operations, which includes acting as the System Operator and scheduling and dispatching of generation plants. The said functions are in conflict with the NEPRA Act and Regulations. The Section 23 G (1) of the Act provides that "only one such licence shall be granted at any one time".
 - b) It may further be noted that Section 14B(4) and 14D(2) of the Act, require the generators to make the generation facility available, inter alia, for non-discriminatory. Economic dispatch and operation of the national transmission grid and connected facilities. Accordingly, the System Operations, including Dispatch of Power Plants cannot be entrusted to PGC.
 - c) The sub-clause 14 of Clause C (Compliances) of the Petition is reproduced as under:

14. The scope of functions for Provincial Grid Company as contained In NEPRA Act clearly establishes that the Applicant / Petitioner will not be expected to carry out dispatch of generation facilities in relation to the national grid projects; a function presently under the domain of National Grid Company / NTDC (as long as it is responsible for system operation) and later on system operator.

REGISTRAR OFFICE

Diary No: 6023

Date: 12/05/23

Forwarded please: For nec action for information

1. DG (Lic.)	2. DG (Admn./HR)
3. DG (M&E)	4. DG (CAD)
5. DG (Trf.)	6. Dir. (Fin.)
7. Dir. (Tech.)	8. Consultant
9. LA	10. Dir. (IT)

For kind information please

<input checked="" type="checkbox"/> Chairman	<input checked="" type="checkbox"/> M (Tech.)
<input checked="" type="checkbox"/> M (Lic.)	<input checked="" type="checkbox"/> M (Trf. & Fin)
<input checked="" type="checkbox"/> M (Law)	

(Handwritten signature)

- d) The above statement attempts to restrict the "dispatch" role of System Operator (or currently the NTDC) to the projects connected to national grid. The understanding is not in line with provisions of Section 18B and Section 23G of the Act. Noting that the Section 18B of the Act provides for the responsibilities of Provincial Grid Company whereas the Section 23G describes the role of System Operator.
- e) The Limitation and Constraints of NTDC and DISCOs Network brought at Section E, Clause A sub-clauses 1-3 are general, mostly baseless and without any evidence.
- f) The Petitioner may kindly be requested to provide details of the renewable and nonrenewable projects delayed by alleged inaction at the part of DISCOs and current status of the projects.
- g) The Petitioner at E(A)(2) has alleged the political interference to cause unprofessional extension of L.T network. The petitioner may kindly be requested to provide:
 - i. Evidence to the said statement; and
 - ii. Provide methodology for a public sector Provincial Transmission Company to handle the mentioned political interference; on which the DISCOs have allegedly failed to handle professionally.
- h) In the Clause-B of Section (E) of the Petition, the Petitioner has failed to provide any project of their own. Rather the Petitioner has opted to conveniently pick-up any of the "economical" projects already on the approved investment plan list of NTDC/DISCOs. The mentioned position is not in line with the regulatory provision. This also proves that the allegations of delays and/or inefficiencies of the NTDC/DISCOs are totally uncalled for.
- i) The attention of honorable Authority is drawn towards certain 132 KV projects with line length ranging up to 187 KM.
- j) The Petitioner while providing the Phase-1 (Short Term) and Phase-2 (Medium Term) Projects has not mentioned the Commercial Operation Date of the relevant power generation plant.
- k) The potential projects mentioned in Clause (E)(B)(ii) subsection 8 have been indicated without any scientific and professional study. The techno-financial feasibility of transmission projects are required to be carried out through relevant software e.g. PSSE etc. which is missing in the case of Petition in hand.
- l) The Petitioner has also failed to provide a professionally designed / formulated "project selection criteria", instead the Petition has conveniently chosen to encroach upon the already planned projects of NTDC / DISCOs at its own discretion without any coordination with and/or consent from the NTDC or the relevant DISCOs.
- m) The applicant's potential projects in Annexure H are identical to those in DISCO's STG plans. Is it possible for PGC to undertake these projects? The parameters and prerequisites regarding consultations/cooperation with DISCOs should be specified.

- n) Adequate details of primary resources, i.e. manpower (technical, administrative, support, Linemen, Assistant Linemen, Foremen etc.) to demonstrate its capacity to undertake huge responsibility of Provincial Grid Company have not been provided in Annex-CC.
- o) The application lacks a strong foundation and contains a huge amount of irrelevant details.

Accordingly, the instant Petition is requested to be returned without any further action with the direction to the Petitioner to submit comprehensive and relevant documentation as required under the Act, Rules and Regulations.



10-5-23

(Engr. Muhammad Arshad Dharala)
Chief Engineer / D.G (MIRAD)
MEPCO H/Qs Multan

Copy to:-

- 1) SO to CEO, MEPCO for information please.
- 2) General Manager (Technical) MEPCO, Multan.
- 3) Master File.

