

F.No.247/2023-Law-I  
**GOVERNMENT OF PAKISTAN**  
**MINISTRY OF LAW AND JUSTICE**

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Islamabad, the 19<sup>th</sup> April, 2023

The National Electric Power Regulatory Authority,  
 Islamic Republic of Pakistan,  
 (Mr. Iftikhar Ali Khan),  
 Addl. Director General,  
Islamabad.

Subject: APPLICATION FOR TRANSMISSION LICENCE FOR PROVINCIAL GRID COMPANY – PUNJAB GRID COMPANY LIMITED.

Reference National Electric Power Regulatory Authority, Islamabad's letter No. NEPRA/R/LAT-08(PGC)/8697-03 dated 07-04-2023 on the subject cited above.

2. It is stated that Article 157(2) of the Constitution of Pakistan, 1973 provides that 'the Government of a Province may lay transmission lines for use within the Province.' The aforesaid provision has been replicated in Section 7(4) of the NEPRA Act, 1997, which is the primary legislation to regulate the generation, transmission and distribution of electric power in the country. Section 16 of the NEPRA Act, 1997 requires a licence from the Authority in order to engage in transmission of electric power. Under Section 18A of the Act *ibid.*, 'the Authority may, subject to the provisions of the Act and after such enquiry as it may deem appropriate, grant a licence authorizing a company owned by a Provincial Government to engage in transmission of electric power within territorial limits of such Province, subject to such conditions as it may impose'. It is stated in the application of the Punjab Grid Company that the company is owned by the Government of Punjab. Punjab Grid Company has appended requisite incorporation documents with its application to demonstrate that it is owned by the Government of Punjab.

3. In view of the above, this Ministry is of the view that the Authority's power to grant a transmission licence to a grid company stated to be owned by the Provincial Government is in line with the Constitution and the relevant law. However, it is for the Authority to evaluate that the applicant company is the 'provincial grid company' and convince itself regarding compliances of the other provisions of the NEPRA Act, 1997 and rules and regulations thereunder.

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*Dir*

*ADG/HR*

*[Signature]*

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| 5. M (Law)  |                   |

*[Signature]*  
**(SHAHID NASEER)**  
 Section Officer

REGISTRAR OFFICE  
 Date: 20/4/23  
 Diary No. 5837