



**National Electric Power Regulatory Authority
Upfront Tariff (Approval & Procedure) Regulations, 2011**

NOTIFICATION

Islamabad, the 11th August, 2011

S.R.O.757(1)2011:— 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) and sub-clause (a) of sub-section (3) of section 7 thereof, read with rule 3(2)(g) of NEPRA Tariff (Standards and Procedure) Rules, 1998, the National Electric Power Regulatory Authority, hereby notifies the following regulations to lay down the procedure for development and approval of upfront tariff.

PART I

1. Short title and commencement:— (1) These regulations may be called the National Electric Power Regulatory Authority Up-front Tariff (Approval & Procedure) Regulations, 2011.

(2) [These regulations shall be applicable to the generation of electricity from Wind-Power, Hydel Power (only upto 25 MW run of the river/canal/stream), Solar Power, Bagasse, Coal and Gas based thermal generation only.]¹

(3) They 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 (XL of 1997);

(b) “applicant” means a person/entity applying for acceptance of an upfront tariff who is issued letter of intent/letter of support by any relevant agency for construction of a generation facility for delivery or sale of electric power to a Distribution Company, bulk power consumer or to the National Transmission and Despatch Company/Central Power Purchasing Agency;

(c) “application” means an application made by an applicant conveying unconditional acceptance of upfront tariff along with the terms and conditions as approved by the Authority from time to time;

¹ The words “These regulations shall be applicable for the generation of electricity from Wind-power, Hydel-power (only up to 10 MW-run of canal), Coal and gas-based thermal generation only” has been substituted *vide* S.R.O. 1046(I)/2011 dated 14.11.2011.

- (d) “Authority” means the National Electric Power Regulatory Authority (NEPRA);
- (e) “COD” means the actual Commercial Operation Date;
- (f) “region” shall include the geographic area falling within the service and concessional territory of any Ex-WAPDA Distribution Company or Karachi Electric Supply Company Limited (KESCL);
- (g) “registrar” mean, a person designated by the Authority to register and record receipt of communications and petitions filed with the Authority and to perform such duties as may be assigned by the Authority from time to time;
- (h) “relevant agency” means any agency or body set up or established by the Federal Government or any Provincial Government as one window facilitator for setting up the electricity generation facility;
- (i) “Rules” means NEPRA Tariff (Standards and Procedure) Rules, 1998; and
- (j) “Upfront tariff” means a tariff developed, declared, determined, or approved by the Authority on a petition moved by any relevant agency or in exercise of suo-moto powers by the Authority.

(2) Words and expressions used but not defined in these regulations shall have the same meaning as in the Act and Rules and Regulations framed thereunder.

PART II

PROCESS TO DEVELOP UPFRONT TARIFF

3. Development Process.—(1) The Authority may at any time, upon a petition filed by a relevant agency or on its own develop, declare, determine or approve the upfront tariff pursuant to and in accordance with the procedure laid down in the Rules. The Authority may also declare any tariff already determined or approved by it to be an upfront tariff for different types of fuels, technologies, capacities and regions etc.

(2) Upon initiation of the process under regulation 3, the Authority may approve and determine the upfront tariff as requested or may amend it in the light of the guidelines laid down in Part IV of these regulations; provided that before determining or approving the upfront tariff, the Authority shall seek participation from the stakeholders and other interested persons and shall also hold a public hearing.

(3) The decision of the Authority regarding determination or approval of the upfront tariff shall be intimated to the Federal Government for notification in the official gazette pursuant to Section 31(4) of the Act.

PART III

PROCEDURE TO OPT FOR UPFRONT TARIFF

4. Acceptance/Approval.—(1) Once the upfront tariff is determined/approved by the Authority in accordance with regulation 3, any applicant, interested therein may file an application before the Authority to opt for an upfront tariff.

(2) The application shall be filed with the Registrar as per format specified in **Schedule-I** to these regulations.

(3) The application shall be submitted in triplicate; duly signed and verified along with the authorization/Board Resolution/Power of Attorney. The format of affidavit is prescribed in **Schedule-II** to these regulations. The application shall also be accompanied with:

- (i) non-refundable application fee for the consideration and processing of the application, as determined by the Authority from time to time in accordance with the Schedule-III to these regulations;
- (ii) a copy of the certificate of incorporation and details of the sponsors of the generation facility;
- (iii) Memorandum & Articles of Association highlighting "generation of electricity" as one of the businesses of the generation facility;
- (iv) letter of intent/letter of support issued by the relevant agency;
- (v) consent of power purchaser, i.e., Central Power Purchasing Agency (CPPA), any Distribution Company or bulk power consumer for procurement of the electricity;
- (vi) a description of the proposed generation facility and its site;
- (vii) Attested copy of authorization allowing the filing of application;
- (viii) Copy of the generation licence or an application thereof in accordance with the NEPRA Licensing (Application & Modification Procedure) Regulations, 1999; and
- (ix) the information over a format prescribed and set forth in **Schedule-IV** to these regulations.

(4) The Registrar shall ensure that the application is submitted in accordance with these regulations, and upon satisfaction thereof, the registrar shall forthwith:

- (a) allot a registration number to the application; and
- (b) present the application before the Authority for its consideration.

(5) In case of an incomplete application, the Registrar shall ask the applicant to furnish the required information. The application shall be deemed to be filed only when all the required information is provided by the applicant.

(6) The Registrar shall present the application for consideration of the Authority within three (03) working days of the filing thereof.

(7) The decision of the Authority on an application to opt for the upfront tariff shall be conveyed to the applicant within ten working days of filing of the application and it shall also be intimated to the Federal Government for notification in the official gazette pursuant to section 31(4) of the Act.

(8) The Authority may reject the application in case any particulars furnished with the application are deficient or found to be false or materially inaccurate, provided that, before declining the application, the Authority shall give an opportunity of hearing to the applicant.

PART IV

GUIDELINES & STANDARDS

5. The upfront tariff shall be technology specific, fuel specific, site/region specific with different financing options (local, foreign or mixed) etc.

6. While approving the upfront tariff, due regard will be given to:—

- a. The tariffs already determined or approved for similar site/region, technology or fuel etc;
- b. Type of technology such as Wind Turbines, Combined Cycle Gas Turbine, Steam Turbine or Reciprocating engine etc.
- c. Number of units and size (MW)
- d. Installed capacity, auxiliary consumption, net capacity etc

7. The upfront tariff determined/approved by the Authority shall remain applicable for such period as may be determined/specified by the Authority.

8. The upfront tariff shall be given for the brand new machinery only.

9. The upfront tariff shall commence on the COD and shall remain effective for the tariff control period as specified by the Authority.

10. The terms and conditions of upfront tariff determined/approved by the Authority shall form part of upfront tariff and once accepted shall not be subject to modification or adjustments except for the adjustments/indexations allowed at the time of approval of the application.

SYED SAFEER HUSSAIN,
Registrar.

SCHEDULE-I
[Regulation 4(2)]
APPLICATION

The Registrar
National Electric Power Regulatory Authority
2nd Floor, OPF Building,
Sector G-5/2,
Islamabad

SUBJECT:— *Unconditional Acceptance of Upfront Tariff*

I, [NAME, DESIGNATION], being the duly Authorized representative of [NAME OF APPLICANT COMPANY] by virtue of [BOARD RESOLUTION/POWER OF ATTORNEY dated _____], hereby convey my unconditional acceptance of the Upfront Tariff for [Combined Cycle Power Plants / Reciprocating Engines Technology / Wind Power Plants] with assumptions and conditions as approved National Electric Power Regulatory Authority (NEPRA) *vide* its determination dated _____ and request for Authority's approval.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provision of National Electric Power Regulatory Authority (NEPRA) Upfront Tariff (Approval Procedure) Regulation, 2011, and undertake to abide by the terms and provisions of above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and corrected to the best of my knowledge and belief.

A [Bank Draft/Pay Order] in the sum of Rupees [_____], being the non-refundable application processing fee calculated in accordance with Schedule-II to National Electric Power Regulatory Authority Upfront Tariff (Approval Procedure) Regulation, 2011, is also attached herewith.

I hereby further request the Authority to accede to my request for acceptance of the Upfront Tariff for [Combined Cycle Power Plants / Reciprocating Engines Technology / Wind Power Plants] with assumptions and conditions as approved by NEPRA *vide* its determination dated _____.

Date: _____

Signature: _____

Name: _____

Designation: _____

Company Seal

SCHEDULE-II

[Regulation 4(3)]

Specimen of Affidavit

BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

AFFIDAVIT

I, [name of the person] S/o [] CNIC No. [], [designation], [name of the company] hereby solemnly affirm and declare on oath that the contents of the accompanying application for unconditional acceptance of upfront tariff [dated] including all attached documents-in-support are true and correct to the best of my knowledge and belief and that nothing has been concealed.

DEPONENT

Signature: _____

Name: _____

Dated: _____

Seal & Signature of the Oath Commissioner

SCHEDULE-III

[Regulation 4(3)(i)]

APPLICATION FOR THE APPROVAL OF UPFRONT TARIFF FEE

Generation Capacity	Fees (Rupees)
[Upto 01 MW	20,000] ²
Upto 10 MW	50,000
101 to 100 MW	100,000
Above 100 MW	200,000

² Added vide ibid.

SCHEDULE-IV

[Regulation 4(3)[(ix)]³]

Wind[/Solar]⁴ Power Generation Facility – Information Summary

1. Name of Applicant :
2. Registered Office :
3. Business Office :
4. Plant Location :
5. Plant Details (Optional) :
 - a. Manufacturer :
 - b. Make & Model :
 - c. Plant Capacity (MW) :
 - d. Technology :
 - e. Unit Size (MW) :
 - f. Number of Units :
6. Expected Date of Financial Close :
7. Expected COD :

SCHEDULE-IV

[Regulation 4(3)(x)]

Thermal Power Generation Facility – Information Summary

1. Name of Applicant :
2. Registered Office :
3. Business Office :
4. Project Location :
5. Plant Details (Optional) :
 - a. Manufacturer :
 - b. Make & Model :
 - c. Technology :
 - d. Plant Configuration :

³ The figure “x” has been substituted vide ibid.

⁴ Added vide ibid.

- e. Plant Capacity (MW) Gross ISO :
 - f. Plant Capacity (MW) Gross at Mean Site Conditions :
 - g. Details of Auxiliary Load (MW) :
 - h. Plant Capacity (MW) Net at Mean Site Conditions :
 - i. Fuel :
 - j. Net Thermal Efficiency at full load :
 - 6. Reference Site Conditions (Optional) :
 - a. Electricity Load :
 - b. Ambient dry bulb temperature :
 - c. Relative humidity (%) :
 - d. Atmospheric pressure (mbara) :
 - e. Power Factor at Generator Terminal :
 - f. Grid Frequency :
 - g. Evaporation Cooler :
 - h. HRSG Blow down :
 - i. Hours of CC'PP degradation :
 - 7. Expected Date of Financial Close :
 - 8. Expected COD :
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SCHEDULE-IV

[Regulation 4(3)(x)]

Hydropower Generation Facility – Information Summary

- 1. Name of Applicant :
- 2. Registered Office :
- 3. Business Office :
- 4. Project Location :
- 5. Plant Details (Optional) :
- a. Manufacturer :
- b. Make & Model :
- c. Plant Capacity (MW) :
- d. Technology :
- e. Unit Size (MW) :
- f. Number of Units :

- 6. Reference Site Conditions (Optional) :
- a. Design Net Head m :
- b. Net rated discharge m^3/sec :
- c. Gross annual electrical out MW :
- d. Auxiliary Consumption MW :
- e. Net annual energy production MWh :
- f. Net annual plant capacity factor % :
- 7. Expected Date of Financial Close :
- 8. Expected date of Commercial Operation (COD) :



**National Electric Power Regulatory Authority
Upfront Tariff (Approval & Procedure) Regulations, 2011 (Amendment)**

NOTIFICATION

Islamabad, the 14th November, 2011

S. R. O. 1046(1)2011:— 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) and sub-clause (a) of sub-section (3) of section 7 thereof, read with rule 3(2)(g) of NEPRA Tariff (Standards and Procedure) Rules, 1998, the National Electric Power Regulatory Authority is pleased to direct that the following amendments shall be made in the National Electric Power Regulatory Authority Up-front Tariff (Approval & Procedure) Regulations, 2011 earlier notified *vide* S.R.O. 757(I)/2011 dated 11-08-2011, namely:—

In the aforesaid Regulations,—

- (1) In regulation 1, for sub-regulation (2), the following shall be substituted, namely.—
 - “(2) These regulations shall be applicable to the generation of electricity from Wind-Power, Hydel Power (only upto 25 MW run of the river/canal/stream), Solar Power, Bagasse, Coal and Gas based thermal generation only.”
- (2) In Schedule-III, the following new slab shall be added, on the top of other slabs, as per following:

“Upto 01 MW	20,000”
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- (3) In Schedule-IV, in the first sub-heading for word “(x)”, the word “(ix)” shall substituted.
- (4) In Schedule-IV, in the second sub-heading, for word “Wind”, the words “Wind/Solar” shall substituted.

SYED SAFEER HUSSAIN,
Registrar.

REGISTERED No. M - 302
L.-7646

The Gazette  **of Pakistan**

**EXTRAORDINARY
PUBLISHED BY AUTHORITY**

ISLAMABAD, WEDNESDAY, NOVEMBER 13, 2013

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN

**NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
(NEPRA)**

NOTIFICATION

Islamabad, the 6th November, 2013

S. R. O. 977 (I)/2013.—In exercise of power conferred by Section 47 of The Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997), the National Electric Power Regulatory Authority is pleased to approve the following amendments in the National Electric Power Regulatory Authority Up-front Tariff (Approval and Procedure) Regulations, 2011, notified *vide* S. R. O. No. 757 (I)/2011 dated 11th August, 2011 and subsequently amended *vide* S. R. O. 1046 (I)/2011 dated 14th November 2011 and S. R. O. No. 920 (I)/2012 dated 27th July 2012, namely:

1. In clause ix of sub-regulation (3) of regulation 4, the words '**and Schedule-V**' shall be added after the words 'Schedule-IV'.

(3187)

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2. After clause (ix) of sub-regulation (3) of regulation 4, the clause (x) shall be added as under:

(ix) *Notwithstanding the provisions of sub-regulation (3), the Authority may require the applicant to provide further information or furnish any other document-in-support at the time of the submission of the application or at any stage thereafter.*

3. The sub-regulation (5) of regulation 4 shall be amended to read as under:

(5) In case of an incomplete application, the Registrar shall ask the applicant to furnish the required information *and/or shall return the application to the applicant in case it fails to submit the required documents/information within prescribed time which shall not be more than thirty days after receipt of application in NEPRA.* The application shall be deemed to be filed only when all the required information is provided by the applicant:

Provided that, where an application is re-submitted by the applicant and the Registrar is not satisfied of the conformity thereof with sub-regulations (2) & (3) of Regulation 4, the Registrar shall place the application before the Authority for direction within fifteen days of resubmission thereof by the applicant.

4. Following Schedule-V to be added to these Regulations:

Schedule V

Part A: (to be attached with all up-front tariff applications)

S. No.	Required Information/documents	Declaration by applicant	Evidence (Annexure/ page No.)
1.	Title of the Up-front Determination against which the application is being filed		
2.	Whether the application is submitted on the specified form <i>i.e.</i> as per Schedule-I as given in the Regulation?		

S. No.	Required Information/documents	Declaration by applicant	Evidence (Annexure/page No.)
3.	Whether the application is filed in triplicate?		
4.	Whether each page of the application is initialed as well as signature in full on last page by a person authorized by Board of Directors (BoD) of the Company?		
5.	Whether all annexures attached with the application are certified as true copies?		
6.	Whether prescribed fee is submitted along with the application?		
7.	Whether Board Resolution in respect of authorization for filing of this application is attached with the application?		
8.	Whether Board Resolution in respect of Power of Attorney in favor of person filing this application is attached with the application?		
9.	Whether affidavit on prescribed format given in Schedule-II to these Regulations, duly attested by Notary public, is attached.		
10.	Whether a certified true copy (certified by Security and Exchange Commission of Pakistan) of the Certificate of Incorporation is attached?		
11.	Whether the details of sponsor of the generation facility are attached?		
12.	Whether certified true copies (certified by Security & Exchange Commission of Pakistan) of Memorandum and Articles of Association of the company are attached?		
13.	Whether the Memorandum of Association of the company contains electricity generation as one of its businesses?		
14.	Whether certified true copy of Valid Letter of Intent (LoI)/Letter of Support (LoS) is attached? Please mention date of validity of LoI/LoS		

S. No.	Required Information/documents	Declaration by applicant	Evidence (Annexure/ page No.)
15.	Whether certified true copy of consent of power purchaser for procurement of electricity from power plant for which application is being filed is attached?		
16.	Whether a duly signed copy of the description of proposed generation facility and its site is attached?		
17.	Whether a certified true copy of the generation license or an application for grant of generation license for the generation facility for which this application is being filed is attached?		
18.	Whether a duly signed copy of information required on prescribed format set forth in Schedule-IV of the Regulation is attached		

Part-B

a. **Wind power generation Projects (as per Determination dated 24-04-2013 for upfront tariff in the matter of wind power generation)**

S. No.	Required Information/documents	Declaration	Evidence (Annexure/ page No.)
1.	Whether Alternative Energy Development Board has recommended applicant's project for grant of upfront tariff?		
2.	Whether AEDB has confirmed that the proposed plant and machinery of the applicant's power project is new and of acceptable quality?		
3.	Whether the project falls within the applicable capacity of 05-250 MW for grant of Upfront Tariff?		
4.	Whether the power purchaser has given Consent to purchase power from the applicant?		
5.	Whether the power purchaser has given Certificate to the applicant that it will have necessary infrastructure ready and in place to evacuate all the power supplied by the applicant		

S. No.	Required Information/documents	Declaration	Evidence (Annexure/page No.)
6.	Whether Debt financing structure of the project <i>i.e.</i> percentage of debt in local currency and/ (or) foreign currency has been submitted with the application		
7.	Whether the date of financial close of the project is upto September 30, 2014.		

b. New Bagasse Based Co-generation Power Projects (as per Determination of the Authority dated 29-05-2013 and modified decision dated 28-08-2013 in the matter of *Suo-Moto* Proceedings for Development of Upfront Tariff for New Bagasse Based Co-Generation Power Projects)

S. No.	Required Information/documents	Declaration	Evidence (Annexure/page No.)
1	Whether the applicant has provided a valid LOI issued by Alternative Energy Development Board for the project?		
2	Whether the applicant has provided an undertaking/affidavit by the project sponsors to confirm that the proposed plant and machinery is new?		

[No. NEPRA/UTR-2011/12395/12709.]

SYED SAFEER HUSSAIN,
Registrar.