



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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PRESS RELEASE

Subject: **“Un-Scheduled Load Shedding by the Distribution Companies”**

NEPRA Authority has taken serious notice of consumer complaints regarding AT&C (Aggregate, Technical and Commercial) based load shedding in the country particularly in the areas of PESCO, QESCO, SEPCO, HESCO and K-Electric. The Authority categorically directed DISCOs to avoid such undue load shedding as the same is in clear violation of NEPRA Laws and has never been recognized by the NEPRA.

2. The Authority while taking notice of consumer complaints received during hearings in the matter of Monthly Fuel price Adjustments for DISCOs and K-Electric regarding unscheduled load shedding, has taken following stern actions:

- i) PESCO, QESCO, SEPCO, HESCO and K-Electric have been directed to avoid such undue load shedding and submit a report within one month, failing which the Authority shall initiate legal proceedings under NEPRA Fine Regulations 2021;
- ii) While showing concerns by the Authority on the data pertaining to T&D (Transmission and Distribution) losses, Recovery and AT&C losses, PESCO, QESCO, HESCO, SEPCO and K-Electric have been directed to initiate proceedings against their concerned officers/officials who are directly responsible for such poor performance due to which consumers are suffering;
- iii) Advisories to all Chairmen Board of Directors (BODs) of these five DISCOs with copy to Ministry of Energy (Power Division) have been sent showing the performance of respective DISCO and advising them to take necessary steps to avoid such undue load shedding;
- iv) While considering the data of 11kV feeders belonging to urban areas, the Authority observed that DISCOs have failed to establish their writ. The Authority further directed to make urban feeders free from load shedding by preparing a comprehensive plan indicating reduction of AT&C losses with concrete timeline.

3. It is pertinent to highlight that NEPRA had already sent an advisory to Ministry of Energy (Power Division) wherein, it was categorically communicated that GoP AT&C based load shedding policy i.e. not to supply electricity to high loss feeders is negatively impacting the overall sales growth from the available “Take or Pay” power plants and thus ballooning the circular debt.

4. The Authority is also of the view that AT&C based load shedding was introduced back in 2017 when there was generation shortage in the country, however, the continuity of same policy does not appear to be beneficial for the power sector. It is also a fact that good paying consumers of the same feeder are badly suffering due to this policy.

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