

National Electric Power Regulatory Authority

ISLAMIC REPUBLIC OF PAKISTAN

NEPRA Head Office

Ataturk Avenue (East) Sector G-5/1, Islamabad. Ph:051-2013200, Fax: 051-2600021

Consumer Affairs Department

TCD.06/ 59/15 -2025 December 04, 2025

Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73-West, Shaheen Plaza, Fazl-e-Haq Road, Blue Area, <u>Islamabad</u>

Chief Executive Officer, Port Qasim Electric Power Company (Pvt.) Ltd., House No. 63, Street No. 5, Sector F-8/3, <u>Islamabad</u>.

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY CPPA-G AGAINST

M/S PORT QASIM ELECTRIC POWER COMPANY (PVT.) LTD., UNDER NEPRA COMPLAINTS HANDLING AND DISPUTE RESOLUTION

(PROCEDURE) RULES, 2015

MISC-21-07-2025

Please find enclosed herewith decision of the NEPRA Complaints Resolution Committee (CRC) dated December 04, 2025 regarding the subject matter for information / necessary action.

Encl: As above

(Muhammad Abid) Assistant Director (CAD)

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BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)

Complaint No. MISC-21-07-2025

Chief Executive Officer,

..... Complainant

Central Power Purchasing Agency (Guarantee) Limited, 73-West, Shaheen Plaza, Fazl-e-Haq Road, Blue Area, Islamabad

Versus

Chief Executive Officer,

..... Respondent

Port Qasim Electric Power Company (Pvt.) Ltd., House No. 63, Street No. 5, Sector F-8/3, Islamabad.

Date of Hearing:

August 04, 2025

On Behalf of:

Petitioner:

Mr. Hisaam (SMC),

Ms. Noureen Iqbal (Dy. Manager),

Mr. Atif Rafique (DGM I-II), Abdul Mohaimin (Asst. Manager),

Mr. Zeeshan (Manager)

Respondent:

Mr. Ammad (Manager),

Mr. Wang (Dy. Director),

Mr. Liang (Manager) Fahim Khan (Lawyer)

Nadir Altaf (Lawyer),

Soha Abid (Lawyer)

Subject: DECISION IN THE MATTER OF COMPLAINT FILED BY CPPA-G AGAINST

M/S PORT QASIM ELECTRIC POWER COMPANY (PVT.) LTD., UNDER COMPLAINTS HANDLING AND DISPUTE

(PROCEDURE) RULES, 2015

This decision shall dispose of the complaint filed by M/s Central Power Purchasing Agency (Guarantee) Limited (hereinafter referred to as the "Complainant") against M/s Port Qasim Electric Power Company (hereinafter referred to as the "Respondent" or "PQEPC") under NEPRA (Complaint Handling and Dispute Resolution Procedure) Rules, 2015.

The Central Power Purchasing Agency (CPPA-G), has filed a complaint with NEPRA against the Port Qasim Electric Power Company (PQEPC) regarding their noncompliance with Emergency Operating Procedures (EOPS). CPPA-G in the complaint has submitted that in consequence to the power collapse in January 2021, the Authority directed the control center to submit concrete plan for finalization of Operating Procedures with all power plants, addressing the issue of additional time required for the power plant for synchronization with the national grid, following a total / partial system collapse. In view of the said, the thermal power plants were categorized in different categories based on their capacities, generator technology, voltage level and fuel in order to allow time in addition to Notice To Synchronization ("NTS") for the restoration of the auxiliary of other equipment for the uniform, safe, reliable, non-discriminatory, economic dispatch and operations. The implementation of which require review of the agreed emergency procedures. The Complainant added

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that following the CoD of the complex, PQEPC's plant faced frequent tripping due to associated 500kV transmission lines failures. Accordingly, the root cause analysis for permanent resolution of associated 500kV transmission lines failure was carried out. The PQEPC claimed damages of equipment of the plant due to frequent tripping of the associated transmission line. NTDC maintained its position that the protection system of the power plant should have been capable of dealing with critical/emergency situations under the provisions of PPA. The parties negotiated the emergency procedures under the provisions of PPA and finalized the draft of emergency procedures which allows the Complex a synchronization time of 72 hours from the time of restoration of 500kV grid station or as per the Notice To Synchronization ("NTS") given by NPCC according to the provisions of PPA, whichever is later. The emergency procedure was executed between the parties i.e. PQEPC, CPPA-G and NTDC on March 11, 2019. Subsequently, NPCC claimed that the frequent tripping issues of 500kV transmission line have been resolved by NTDC, therefore, emergency procedures are no more applicable and require revision of the same at par with prevailing practices considered for other power plants. NPCC has marked the PQEPC under category-V whereby 240 minutes were allowed for 660MW coal generating units. In view of the said, NPCC suggested PQEPC to align its operating procedure to maintain uniformity across similar technology plants, however, POEPC has not agreed to the proposal.

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- 3. CPPA-G further informed that in related regulatory actions, on March 22, 2023, NEPRA issued directions to the National Transmission and Dispatch Company (NTDC) to finalize Operating Procedures for all power plants in coordination with relevant stakeholders, addressing additional synchronization time required after a total or partial system collapse. Furthermore, NTDC was instructed to conduct a comprehensive study on the essential requirements for black start facilities at different power plants, evaluating the financial impact of having or lacking these facilities, in accordance with the Grid Code.
- 4. The CPPA-G seeks NEPRA's intervention in addressing the ongoing non-compliance by PQEPC with the revised Emergency Operating Procedures (EOPS), particularly the blackout recovery procedure (OP-5), which has led to operational delays. CPPA-G has requested NEPRA to issue clear directions to PQEPC to comply with the agreed-upon EOPS, align their operational practices with industry standards and finalize the Operating Procedures to ensure uniformity and efficiency across the power sector. Additionally, CPPA-G prayed NEPRA to direct PQEPC to accept the revised synchronization timelines and resolve the dispute regarding the blackout recovery process in a timely manner. This would safeguard the integrity of the national grid, mitigate further financial losses, and uphold the operational resilience required for the stability of the electricity supply.
- 5. The matter was taken up with Port Qasim Electric Power Company (PQEPC) and hearing was also conducted which were attended by both the parties i.e. CPPA-G and PQEPC. During the hearing, the Legal Counsel of the respondent raised the issue of non-maintainability of the complaint under the provisions of NEPRA (Complaint Handling and Dispute Resolution Procedure) Rules, 2015. During the hearing, the parties informed to settle the issue amicably, however, the issue has not yet been resolved by the parties.
- 6. NEPRA has reviewed the complaint filed by the CPPA-G against the PQEPC concerning the application of Emergency Procedures following the Commercial Operation Date (COD) of the Complex, particularly in relation to tripping incidents arising from issues with the then NTDC's 500 kV transmission circuit. According to the record, Emergency Procedures were signed between the CPPA-G, the then NPCC, and the PQEPC, allowing an additional 72 hours over and above the already approved NTS timings in case of local or widespread electrical blackout. These procedures were intended to address the impact of the transmission system constraints on the PQEPC's performance. Subsequently, once the technical issues with the transmission circuit were

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resolved by the NTDC, the CPPA-G and the NPCC sought to revisit the terms of the Emergency Procedures, proposing that the PQEPC be treated at par with other IPPs. The PQEPC, however, maintained that the Emergency Procedures remained applicable for all local or widespread electrical blackout incidents from COD until the term of the Power Purchase Agreement (PPA), as explicitly stated in the signed Emergency Procedures. The Complainant was of the view that the other plants under category-V had already accepted the revised timings and executed their Operating Procedures accordingly, therefore, PQEPC should also align the Operating Procedures at par with other power plants. In view of the foregoing, the NPCC ceased allowing the additional 72 hours in the event of blackout scenarios, which led to the disallowance of associated capacity payments and the issuance of Liquidated Damages invoices to the PQEPC by the CPPA-G.

7. After listening to the arguments of both the parties and analyzing the provisions of NEPRA Act and Rules, the parties are required to resolve the matter in accordance with the provisions of PPA however, it must be ensured that the technical parameters and standards as required under the applicable documents are not compromised.

(Lashkar Khan Qambrani)

Member, Complaints Resolution Committee/ Director (CAD) (Muhammad Irfan-ul-Hag)

Member, Complaints Resolution Committee/ Assistant Legal Advisor

(Naweed Illahi Shaikh)

Convener, Complaints Resolution Committee

Director General (CAD)

Islamabad, December C_{4} , 2025

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