



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/LAG-23/01/3-18

April 07, 2020

General Manager (Hydel) Operations

Water and Power Development Authority (WAPDA)
186-WAPDA House
Shahrah-e-Quaid-e-Azam, Lahore

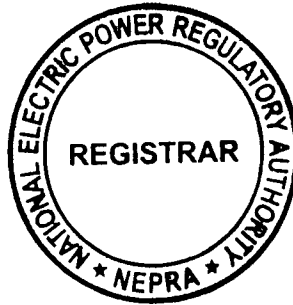
Subject: **Modification –V in Generation Licence No. GL(Hydel)/05/2004 dated 03.11.2004 – WAPDA for its Hydel Power Stations**

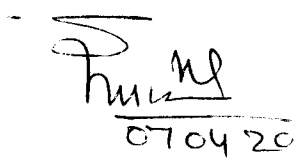
Reference: WAPDA's LPM submitted vide letter No. GMHO/CEHO/G-182-NEPRA/12334-36 dated 09.05.2019 (received on 15.05.2019)

It is intimated that the Authority has approved Modification in Generation Licence No. GL(Hydel)/05/2004 dated November 03, 2004 in respect of Water and Power Development Authority (WAPDA) pursuant to the Section 26 of the NEPRA Act read with Regulation 10(11)(a) of the NEPRA Licensing (Application and Modification Procedure) Regulation 1999.

2. Enclosed please find herewith determination of the Authority in the matter of Licensee Proposed Modification of WAPDA alongwith Modification-V in the Generation Licence No. GL(Hydel)/05/2004, approved by the Authority.

Enclosure: As Above




07/04/20
(Syed Safer Hussain)

Copy to:

1. Secretary, Power Division, Ministry of Energy, 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Ministry of Finance, Government of Pakistan, Islamabad
3. Managing Director, NTDC, 414 WAPDA House, Sharah-e-Quaid-e-Azam, Lahore
4. Chief Executive Officer, CPPA(G), 73 East, A.K. Fazl-ul-Haq Rd, Block-H G-7/2 Blue Area, Islamabad,
5. Director General, Pakistan Environmental Protection Agency, Plot No. 41, Street No. 6, H-8/2, Islamabad

National Electric Power Regulatory Authority
(NEPRA)

Determination of the Authority
in the Matter of Licensee Proposed Modification of
Water and Power Development Authority (WAPDA)

April 07th
March, 2020
Case No. LAG-23

(A). Background

(i). The Authority has granted a Generation Licence [No. GL (HYDEL) /05/2004, dated November 3, 2004 with subsequent modifications] to WAPDA for a cumulative Installed Capacity of 17359.96 MW.

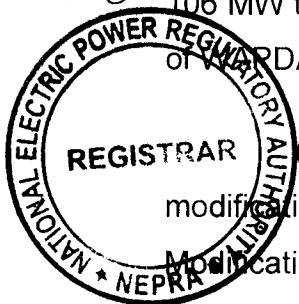
(ii). The above mentioned Generation Licence has been granted to WAPDA for its twenty four (24) distinctly located generation facilities/Hydel Power Stations in the country.

(B). Communication of Modification

(i). In accordance with Regulation-10(2) of the NEPRA Licensing (Application & Modification Procedure) Regulations, 1999 (the "Licensing Regulations"), WAPDA communicated a Licensee Proposed Modification (LPM) in its above mentioned Generation Licence on May 15, 2019.

(ii). In the "text of the proposed modification", WAPDA stated that it intends to change/revise the installed capacity of its two (02) hydel power plants that are Keyal Khwar project from 122 MW to 128 MW and Golen Gol project from 106 MW to 108 MW. Resultantly, the total installed capacity of hydel power projects of WAPDA shall increase from 17359.96 MW to 17367.96 MW.

(iii). Regarding the "statement of the reasons in support of the modification", WAPDA, *inter alia*, submitted that at the time of filing application for Modification-IV in its Generation Licence the installed capacities of Golen Gol and Keyal Khwar projects were taken from PC-I, as electro-mechanical parameters were yet to be finalized. Later on, the design parameters were finalized and installed capacity of Golen Gol project was computed as 108 MW and the said project has already been commissioned. Regarding Keyal Khwar project, it was clarified that the contracted capacity of the said project has come out to be 128 MW



based on design parameters.

(iv). About the statement of “the impact on tariff”, “quality of service (QoS)” and “the performance by the licensee of its obligation under the licence”, WAPDA confirmed that the proposed changes will not have impact on tariff, QoS and the performance of the licensee of its obligation under the existing licence.

(C). Processing of Modification

(i). After completion of all the required information as stipulated under the Regulation-10(2) and 10(3) of the Licensing Regulations by the WAPDA, the Registrar published the communicated LPM in one (01) English and one (01) Urdu daily newspaper on May 26, 2019, to seek comments of the general public, interested/affected parties, and different stakeholders about the said LPM as required under the Regulation-10(4) of the Licensing Regulations.

(ii). Apart from the above notice in the press, separate letters were also sent to Government ministries/attached departments and other representative organizations etc. on May 27, 2019. Through the said letters, the stakeholders were informed about the communicated LPM and publication of notice in the press and invited for submitting their views and comments for the assistance of the Authority.

(D). Comments of Stakeholders

(i). In response to the above, the Authority received comments from two (02) stakeholders which included Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) and Energy & Power Department of Govt. of Khyber Pakhtunkhwa (E&PDGoKP). The salient points of the comments offered by the above mentioned stakeholders are summarized in the following paragraphs: -

(a). CPPA-G remarked that as Golen Gol hydel project has already been commissioned therefore the new capacity may be verified through documentary evidence. Regarding Keyal Khwar project which is not constructed yet, the Indicative Generation Expansion Plan (IGCEP) and technical evidence may be considered before enhancing the capacity; and

(b). E&PDGoKP commented that the Provincial Govt. has no objection to the issuance of LPM, however, the Authority may ensure that Net Hydel Profit (NHP) should not be affected.



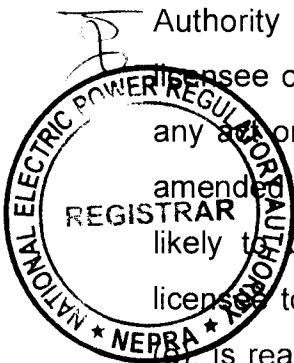
(ii). The Authority examined above comments of the stakeholders and considered it appropriate seeking perspective of the licensee/WAPDA on the same. On the comments of CPPA-G regarding the LPM, WAPDA submitted the documentary evidence of capacity of Golen Gol project including technical specifications of the contract, name plate data of each generating unit and log sheet showing that the unit have already been operational. Regarding Keyal Khwar project, WAPDA provided technical specifications of turbine & generator as given in the bidding document. About the comments of E&PDGoKP, it was confirmed that NHP payable to Govt. of Khyber Pakhtunkhwa is included in the invoices raised to CPPA-G as per tariff/rates approved by the Authority. Further, WAPDA assured that the proposed modification would not have any impact on NHP payable to the province of Khyber Pakhtunkhwa.

(iii). The Authority reviewed the above response of WAPDA to the observations of stakeholders and found the same plausible. Accordingly, the Authority considered it appropriate to process the LPM of the WAPDA as stipulated in the Licensing Regulations and the NEPRA Licensing (Generation) Rules, 2000.

(E). Evaluation of the Case

(i). The Authority has examined the entire case in detail including the already granted Generation Licence, subsequent modifications, information submitted along with the application of LPM, comments of stakeholders, rejoinder filed by WAPDA and provisions of the relevant rules & regulations.

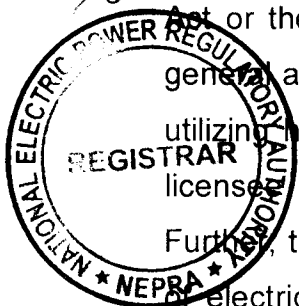
(ii). In this regard, the Authority observes that in terms of Section-26 of the NEPRA Act read with Regulation-10(5) of the Licensing Regulations, is empowered to modify an existing licence of a licensee subject to and in accordance with such further changes as it may deem fit, if in the opinion of the Authority such modification (a). does not adversely affect the performance by the licensee of its obligations; (b). does not cause the Authority to act or acquiesce in any act or omission of the licensee in a manner contrary to the provisions of the amended NEPRA Act or the rules or regulations made pursuant to it; (c). is or is likely to be beneficial to the consumers; (d). is reasonably necessary for the licensee to effectively and efficiently perform its obligations under the licence; and (e). is reasonably necessary to ensure the continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the licensee.



(iii). The main features of the application are that the Authority granted WAPDA a Generation Licence [No. GL(HYDEL)/05/2004, dated November 03, 2004, subsequent Modification-I dated June 27, 2008, Modification-II dated June 20, 2011, Modification-III dated January 17, 2014 and Modification-IV dated January 09, 2015] for its various distinctly located hydel power stations. Through last Modification-IV, the installed capacity of hydel projects of WAPDA was enhanced from 8547.56 MW to 17359.96 MW wherein the installed capacities of Golen Gol and Keyal Khwar hydel projects were mentioned as 106 MW and 122 MW respectively.

(iv). According to the communicated LPM, WAPDA intends to revise the capacity of two (02) hydel projects including Golen Gol project from 106 MW to 108 MW and Keyal Khwar project from 122 MW to 128 MW. The Authority has reviewed the submissions of the Licensee in support of modification and observed that based on the electro-mechanical parameters the installed capacity of already commissioned Golen Gol is 108 MW whereas the contracted capacity of Keyal Khwar is 128 MW. In consideration of the said, the total installed capacity of WAPDA hydel projects will increase from 17359.96 MW to 17367.96 MW. Regarding impact of proposed modification on tariff, the Authority observes that there will be no impact on tariff however, directs WAPDA to comply with the terms and conditions of its Generation Licence and charge the Power Purchaser only such tariff which has been determined, specified or approved by the Authority.

(v). In consideration of the above, the Authority considers that enhancement/revision of capacity of two (02) hydel projects of WAPDA does not adversely affect the LPM will not have any adverse effect on the performance of the licensee of its obligations as it will enable it to supply the available energy. The Authority is satisfied that LPM has not caused it to act or acquiesce in any act or omission of the licensee in a manner contrary to the provisions of the NEPRA Act or the rules or regulations. The LPM will be beneficial to the consumers in general as cheap and clean electricity from indigenous source will be generated by utilizing hydel potential in the country. The LPM is reasonably necessary for the licensee to effectively and efficiently perform its obligations under the licence. Further, the LPM is necessary to ensure the continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the licensee. In view of the said, the Authority considers that the LPM



satisfies the required criteria as stipulated in the Licensing Regulations and the same is worth considering.

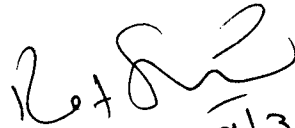
(F). Approval of LPM

(i). In view of the above, the Authority is satisfied that WAPDA has complied with all the requirements of the Licensing Regulations pertaining to the modification. Therefore, the Authority in terms Section-26 of the NEPRA Act read with Regulation-10(11)(a) of the Licensing Regulations approves the communicated LPM without any changes.


(ii). Accordingly, the Generation Licence [No. GL(Hydel)/05/2004 dated November 03, 2004] is hereby modified to the extent of enhancement/revision of installed capacities of Golen Gol and Keyal Khwar projects. The changes made in the Generation Licence are attached as annexure to this determination. The approval of the LPM will be subject to the provisions contained in the NEPRA Act, relevant rules framed there under, terms & conditions of the Generation Licence and other applicable documents.

Authority


Rafique Ahmed Shaikh
(Member)


19/3/20

Saif Ullah Chattha
(Member)


31/3/2020

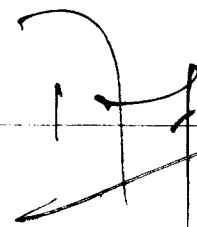
Rehmatullah Baloch
(Member)

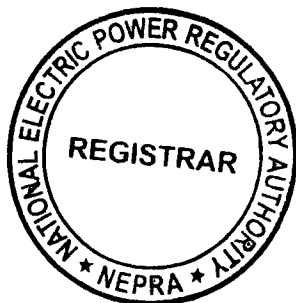

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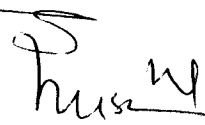
Bahadur Shah
(Member/Vice Chairman)



Tauseef H. Farooqi
(Chairman)






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**National Electric Power Regulatory Authority
(NEPRA)**

Islamabad – Pakistan

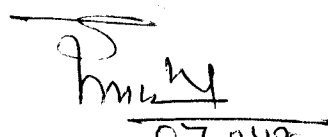
GENERATION LICENCE

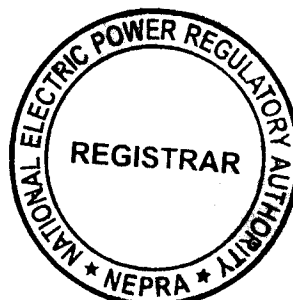
GL(HYDEL)/05/2004

In exercise of the powers conferred under Section-26 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, as amended or replaced from time to time, the Authority hereby modifies the Generation Licence [No. GL(HYDEL)/05/2004] granted to WATER AND POWER DEVELOPMENT AUTHORITY/WAPDA (issued on November 03, 2004, and expiring on November 02, 2034), to the extent of changes mentioned as here under:-

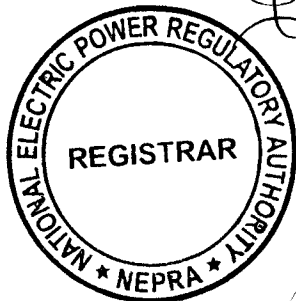
- (i). The Installed Capacity mentioned on the Face Sheet may be read as **17367.96 MW** instead of **17359.96 MW**; and
- (ii). Changes in the **Generation Licence** regarding enhancement/revision in capacity are attached as Annexure-A;

This **Modification-V** is given under my hand on 07th April day of March Two
Thousand & Twenty


070420
Registrar



Annexure-A



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Modification-V
in Generation Licence (No. GL/05/2004, dated
November 03, 2004) of Water and Power Development
Authority (WAPDA)

(A). Changes Made in Schedule-I of Generation Licence

- (i). At Page 102 of 123 in Modification-IV dated January 09, 2015, under the head of Plant Details of Keyal Khwar Hydel Power Station, the total capacity may be read as 128 MW instead of 122 MW.
- (ii). At Page 107 of 123 in Modification-IV dated January 09, 2015, under the head of Plant Details of Golen Gol Hydel Power Station, the total capacity may be read as 108 MW instead of 106 MW.

(B). Changes Made in Schedule-II of Generation Licence

- (i). At Sr. No. 20 of Modification-IV dated January 09, 2015, the installed capacity of Hydel Power Station, Keyal Khwar may be read as 128 MW instead of 122 MW and net capacity may be read as 127.70 MW instead of 121.70 MW.
- (ii). At Sr. No. 21 of Modification-IV dated January 09, 2015, the installed capacity of Hydel Power Station, Golen Gol may be read as 108 MW instead of 106 MW and net capacity may be read as 107.70 MW instead of 105.70 MW.
- (iii). The Grand Total installed capacity may be read as 17367.96 MW instead of 17359.96 MW and the Grand Total net capacity may be read as 17354.26 MW instead of 17346.26 MW.

