



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600023
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/LAD-01/14754

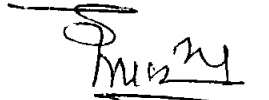
October 27, 2016

Chief Executive Officer
K-Electric Limited (KEL)
KE House, Punjab Chowrangi,
39 – B, Sunset Boulevard, Phase-II
Defence Housing Authority,
Karachi.

Subject: **Decision of the Authority in the matter of Motion for Leave for Review filed by M/s. K-Electric Limited against the Decision of the Authority dated March 25, 2016 issued under Section 28 and 29 of the NEPRA Act**

Enclosed please find herewith Decision of the Authority (03 pages) in the matter of Motion for Leave for Review filed by M/s. K-Electric Limited against the Decision of the Authority dated March 25, 2016 issued under Section 28 and 29 of the NEPRA Act for information.

Encl: As above

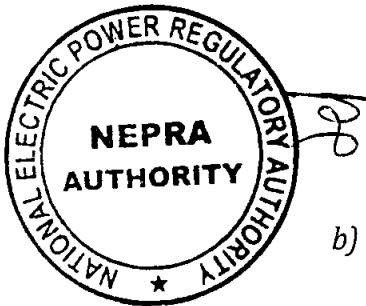

27.X.16
(Syed Safer Hussain)



DECISION OF THE AUTHORITY IN THE MATTER OF MOTION FOR LEAVE FOR REVIEW FILED BY M/S K-ELECTRIC LIMITED AGAINST THE DECISION OF THE AUTHORITY DATED MARCH 25, 2016 ISSUED UNDER SECTION 28 AND 29 OF THE NEPRA ACT

1. M/s K-Electric Limited (hereinafter referred to as the “KE” or the “petitioner”) is the Generation, Transmission and Distribution Licensee of the National Electric Power Regulatory Authority (hereinafter referred to as the “Authority” or “NEPRA”) and as per granted licenses and applicable laws, KE is bound to provide reliable and uninterrupted electric power services to the consumers within its service territory. The Authority through its decision dated March 25, 2016 (hereinafter referred to as the “impugned Decision”) imposed penalties on KE pursuant to Section 28 and 29 of the Regulation of Generation, Transmission & Distribution of Electric Power Act, 1997 in the matter of Show Cause Notice dated July 24, 2015 to the extent of Rs. 10 Million based on the following findings:

- a) *Fine of Rs. 5 million on breach of Section 21 of Act 1997 and Rule 8(1)(b) of NEPRA Licensing (Distribution) Rules 1999 regarding failure to ensure uninterrupted Power Supplies and violation of Rule 3(3)(a) of Performance Standards (Distribution) Rules, 2005 regarding unscheduled/unplanned interruptions.*
- b) *Fine of Rs. 5 million on violation of Rule 8(3)(b) and (f) of NEPRA Licensing (Generation) Rules, 2000 regarding underutilization of its own plants.*



2. The petitioner, being aggrieved of the impugned Decision, filed Motion for Leave for Review (Review Motion) vide letter dated April 25, 2016 pursuant to NEPRA (Review Procedures) Regulations, 2009. The Authority admitted Review Motion filed by KE on May 13, 2016 and decided to provide an opportunity of hearing to KE. A hearing in this regard was held on July 14, 2016 wherein the petitioner explained its point of view.

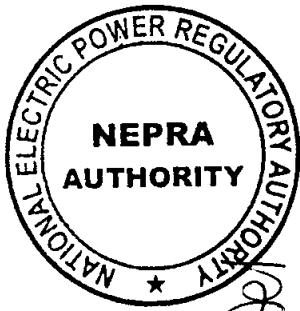
A



3. As per regulation 3(2) of the National Electric Power Regulatory Authority (Review Procedure) Regulations, 2009, *“any party who is aggrieved from any order of the Authority and who, from the discovery of new and important matter of evidence or on account of some mistake or error apparent on the face of record or from any other sufficient reasons, may file a motion seeking review of such order”*. Therefore, while deciding the Review Motion, the afore-referred regulation has to be kept in mind and the grounds of the Review Motion which do not fulfill the requirements of the said regulation cannot be considered.

4. The petitioner in the Review Motion raised following grounds:

- a. The impugned decision does not specify which laws have been violated;
- b. Supplying of uninterrupted electricity is not legal obligation of the petitioner;
- c. The petitioner never deliberately under-utilized its available net generation capacity;
- d. The delay in restoration of electricity was beyond the control of the petitioner;
- e. The findings of the fact finding committee has not been shared with the petitioner.



5. The Authority considered the submissions of the petitioner company which were advanced in the hearing as well as in the Review Motion and noted that the submissions made by the petitioner do not fulfill the requirement of regulation 3(2) of the NEPRA (Review Procedure) Regulations, 2009 as the petitioner has failed to point out discovery of new and important matter of evidence or point out any mistake or error apparent on the face of the record in the impugned decision and no other sufficient reasons have been submitted, which warrant review of the impugned decision. Further, the submissions made in the instant review proceedings are the same submissions which were made in reply to the Show Cause Notice by the

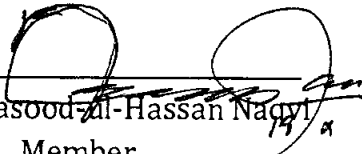


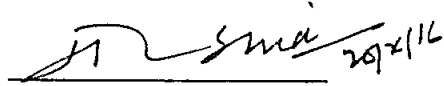
petitioner. The said submissions were duly considered and discussed upon in the impugned decision, therefore, there is no need to discuss and elaborate upon them in the review proceedings. The scope of the review proceedings is limited as prescribed in the afore-referred regulations. It is also noteworthy here that the review proceedings are not appellate proceedings, therefore, only such matters can be discussed and reviewed as permitted by law.


Decision:

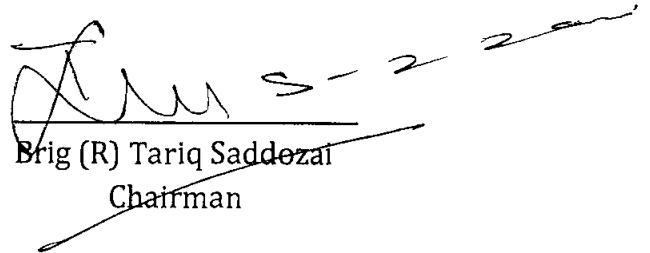
6. In view of the above discussion, the instant Review Motion is hereby dismissed and the impugned Decision dated 25-03-2016 is upheld.

AUTHORITY

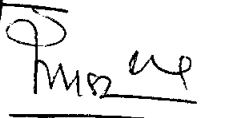

Syed Masood-ul-Hassan Naqvi
Member


Maj (R) Haroon Rashid
Member


21.10.16
Himayat Ullah Khan
Member


22.10.16
Brig (R) Tariq Sadeez
Chairman




27.X.16