

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, MONDAY, MARCH 29, 2021

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN
MINISTRY OF LAW AND JUSTICE

Islamabad, the 24th March, 2021

No. F. 2(1)/2021-Pub.—The following Ordinance promulgated on 22nd March, 2021 by the President is hereby published for general information:—

ORDINANCE NO. VIII OF 2021

AN

ORDINANCE

*further to amend the Regulation of Generation, Transmission and
Distribution of Electric Power Act, 1997*

WHEREAS it is expedient further to amend the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No. XL of 1997), for the purposes hereinafter appearing;

(131)

Price: Rs. 10.00

[375(2021)/Ex. Gaz.]

AND WHEREAS, the Senate and the National Assembly are not in session and the President of the Islamic Republic of Pakistan is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 89 of the Constitution of the Islamic Republic of Pakistan, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:—

1. **Short title and commencement.**—(1) This Ordinance shall be called the Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Ordinance, 2021.

(2) It shall come into force at once.

2. **Amendment of section 2, Act XL of 1997.**—In the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No. XL of 1997), hereinafter called the said Act, in section 2, -

(a) after clause (iii), the following new clause shall be inserted, namely:—

“(iiiia) “consolidated accounts” means the consolidated revenue requirement of public sector licensees, engaged in supply of electric power to consumers, compiled by the uniform tariff applicant, on the basis of individual tariff determined by the Authority of such licensees”; and

(b) in clause (xxvii), the word “and” at the end shall be omitted and thereafter, the following new clauses shall be inserted, namely:—

“(xxviiia) “uniform tariff applicant” means any entity designated by the concerned Minister in charge for the purposes of filing uniform tariff application based on consolidated accounts; and

(xxviiib) “uniform tariff application” means an application filed by the uniform tariff applicant for the purposes of determination, modification and revision of the uniform tariff;”.

3. **Amendment of section 23F, Act XL of 1997.**—In the said Act, in section 23F, in sub-section (2), in clause (e), the word “and” at the end shall be omitted, in clause (f), for full stop at the end, the expression is “ ; and” shall be substituted and thereafter the following new clause shall be added, namely:—

“(g) ensure timely submission of annual or multiyear petitions and quarterly petitions, as specified by the Authority and to the extent applicable to it, ensure timely submission of all information and

data to the uniform tariff applicant so that the uniform tariff application duly supported by consolidated accounts is moved by it within a period of fifteen days of intimation of tariff by the Authority under sub-section (4) of section 31:

Provided that in the event timely submissions are not made, then the Authority may call for requisite information in terms of section 44 of this Act.”.

4. **Amendment of section 31, Act XL of 1997.**—(1) In the said Act, in section 31,—

- (a) in sub-section (4), for the expression “in the public consumer interest, determine a uniform tariff for distribution licensees wholly owned and controlled by a common shareholder” the expression “on the basis of uniform tariff application, determine a uniform tariff for public sector licensees, engaged in supply of electric power to consumers, in the consumer’s interest” shall be substituted; and

- (b) for sub-section (7), the following shall be substituted, namely:—

“(7) Notification of the Authority’s approved tariff or uniform tariff, as the case may be, rates, charges and other terms and conditions for the supply of electric power services shall be made, in the official Gazette, by the Federal Government within thirty days of intimation of the same by the Authority. In the event, the Federal Government fails to notify the tariff so determined by the Authority, or refer the matter to the Authority for re-consideration, within the time period specified, then the Authority may direct immediate application of its recommended and approved tariff or uniform tariff, as the case may be, by way of notification of the same, subject to adjustment which may arise on account of re-consideration, if any, subsequently filed by the Federal Government:

Provided that—

- (a) the Federal Government may, as soon as may be, but not later than thirty days of receipt of the Authority’s intimation of its approved tariff of public sector licensees involved in distribution and supply business, require the Authority to reconsider its determination of such tariff to the extent of issues common to these licensees, whereupon the Authority shall, within thirty

days, determine these after re-consideration and intimate the same to the Federal Government;

- (b) the Authority may, on a quarterly basis and not later than a period of fifteen days, make quarterly adjustments in the approved tariff on account of capacity and transmission charges, impact of transmission and distribution losses, variable operation and maintenance and policy guidelines as the Federal Government may issue, and intimate the tariff so adjusted to the Federal Government prior to its notification in the official Gazette. The Federal Government may, as soon as may be, but not later than fifteen days of receipt of the Authority's intimation of its recommendation for adjustment, require the Authority to reconsider its determination of such quarterly adjustment. In the event, the Federal Government does not refer the matter to the Authority for re-consideration, within the time period specified above, then the Authority shall notify the tariff so adjusted in the official Gazette. However, in case of filing of the re-consideration request by the Federal Government, within the time period specified above, the Authority shall, within fifteen days, determine such adjustments after re-consideration and intimate the same to the Federal Government prior to its notification in the official Gazette;
 - (c) the Federal Government in lieu of re-consideration requests may opt to file an appeal, however, in the event, the Federal Government moves re-consideration request then it shall not subsequently be entitled to avail the remedy of appeal against the decision of re-consideration request; and
 - (d) the Authority may, on a monthly basis and not later than a period of seven days, make adjustments in the approved tariff on account of any variations in the fuel charges and policy guidelines as the Federal Government may issue and notify the tariff so adjusted in the official Gazette.”;
- (c) after sub-section (7), substituted as aforesaid, the following new sub-section shall be added, namely:
- (8) Notwithstanding anything contained in this Act and in addition to the tariff, rates and charges notified under sub-sections (7) and this sub-section, each electric power

supplier shall collect such surcharges from any or all categories of consumers, as the Federal Government may charge and notify in the official Gazette from time to time, in respect of each unit of electric power sold to any or all categories of consumers and deposit the amount so collected in such manner as may be prescribed. The amount of such surcharges shall be deemed as a cost incurred by the electric power supplier and included in the tariff notified under sub-section (7):

Provided that such surcharges shall be levied for the following purposes, namely:—

- (a) funding of any public sector project of public importance to the extent decided by the Federal Government; and
- (b) fulfilment of any financial obligation of the Federal Government with respect to electric power services to the extent decided by the Federal Government.

Explanation: For the purposes of this proviso, the term “financial obligation” includes obligations of the Federal Government to make payments in respect of purchase of electric power as well as obligations related to electric power services secured through issuance of sovereign guarantee:

Provided further that the aggregate amount of such surcharges shall not exceed ten percent of the aggregate revenue requirement of all electric power suppliers, engaged in supply of electric power to end consumers, as determined by the Authority”.

5. **Amendment of section 51, Act XL of 1997.**—In the said Act, in section 51,—

- (a) the existing provision shall be numbered as sub-section (1) thereof; and
- (b) after sub-section (1), numbered as aforesaid, the following new sub-section shall be added, namely:—

“(2) All notifications issued by the Federal Government in exercise of the powers under this Act with respect to surcharge or additional charge, from time to time, and continued to be in field till the coming into force of the Regulation of

Generation, Transmission and Distribution of Electric Power (Amendment) Ordinance, 2021, notwithstanding any omission or anything to the contrary contained therein or anything to the contrary contained in any decree, judgment or order of any court, shall be deemed to have been validly made and issued and any amount charged, collected or realized by any distribution company from any consumer in pursuance thereof shall be deemed to have been validly charged, collected and realized.”.

DR. ARIF ALVI,
President.

RAJA NAEEM AKBAR,
Secretary.