

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, MAY 25, 2022

PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

NOTIFICATION

Islamabad, the 18th May, 2022

S. R. O. 633(I)/2022.—In exercise of the powers conferred by section 47 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No. XL of 1997) read with all other enabling provisions thereof, the National Electric Power Regulatory Authority is pleased to make the following regulations.—

1. **Short title and commencement.**—(1) These regulations shall be called the National Electric Power Regulatory Authority Performance Standards (Electric Power Suppliers) Regulations, 2022.

(2) These regulations shall come into force at once.

1215(1—11)

Price : Rs. 20.00

[7847 (2022)/Ex. Gaz.]

PART-I

PRELIMINARY

2. **Definitions.**—(1) In these regulations, unless there is anything repugnant in the subject or context,

- (a) “Act” means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act No. XL of 1997), as amended from time to time;
- (b) “applicable documents” means the rules, regulations, terms and conditions of any licence, registration, authorization, determination, any codes, manuals, directions, guidelines, orders, notifications, agreement or document issued or approved under the Act;
- (c) “bill” means invoice issued by an electric power supplier to a consumer in paper or electronic form notifying the charges to be paid by the consumer;
- (d) “Commercial Code” or “Market Commercial Code” means the commercial code prepared and maintained by the market operator pursuant to sections 23A and 23B of the Act and approved by the Authority, from time to time;
- (e) “competitive supplier” means a person licensed under section 23E of the Act to supply electric power to only those consumers who are located in the territory specified in its licence and meet the eligibility criteria laid down by the Authority;
- (f) “distribution licensee” means a person to whom a licence for distribution of electric power has been granted by the Authority under section 21 of the Act;
- (g) “electric power supplier” shall include competitive supplier and supplier of last resort;
- (h) “electric power trader” means a person who has been granted a licence under the Act to undertake trading in electricity;
- (i) “Force Majeure” means an act of God that is reasonably not foreseeable by a prudent licensee or a force or cause beyond the reasonable control of a prudent licensee and shall include events such as an earthquake, explosion, riot, floods, hurricane that directly results in failure of the licensee to perform its duties or

exceeding the design parameters of the equipment or other calamity of catastrophic nature whose timing, duration and extent of the impact cannot reasonably be foreseen or quantified;

- (j) “Grid Code” means the code prepared by the national grid company and approved by the Authority or, when a separate entity is licensed as system operator, prepared by the system operator licensee under sections 23G and 23H of the Act and approved by the Authority;
- (k) “service territory” means the area specified in the electric power supply licence within which the electric power supplier is authorised to supply electric power to the consumers who meet the relevant consumer eligibility criteria;
- (l) “supplier of last resort” means a person who holds an electric power supply licence for the service territory specified in its licence and is obligated to supply electric power to all consumers located in that service territory at the rates determined by the Authority and is also obligated to provide electric power supply to the consumers, located within its service territory, of any competitive supplier who defaults on its obligations of electric power supply;
- (m) “tariff” means:
 - (i) for a competitive supplier: the price of electric power as agreed between the competitive supplier and its respective consumer and shall include use of system charges, cross subsidy and such other charges as determined by the Authority that a competitive electric power supplier is obligated to collect from its consumers;
 - (ii) for a supplier of last resort: rates, charges and terms and conditions of supply of electric power as determined by the Authority and notified to be charged from a consumer under the Act;
- (n) “use of system charges” shall include all charges related to use of distribution facilities, transmission facilities, system operator services, market operator services, metering service provider services and any other charges related to open access as determined by the Authority; and
- (o) “working day” means any day of the year which is not declared as a public holiday and on which day banks are open for normal working.

(2) Words and expressions used but not defined in these regulations shall have the same meanings as assigned to them in the Act and National

Electric Power Regulatory Authority Licensing (Electric Power Supplier) Regulations, 2022.

PART-II

PERFORMANCE STANDARDS

3. **Performance standards.**—(1) An electric power supplier shall comply with the following performance standards, as may be applicable to it,—

(a) **Performance Standard 1 – Capacity Obligations (PS 1)**

- (i) An electric power supplier shall ensure that it has adequate arrangements either from its own generation or through contracts with electric power traders or generation licensees or generation companies, as the case may be, to fully meet its capacity obligations associated with supply of electric power to its consumers, in accordance with the applicable documents:

Provided that capacity obligations of an electric power supplier supplying to consumers connected, directly or indirectly, with the National Grid shall be determined in accordance with the Market Commercial Code;

- (ii) An electric power supplier shall be considered in compliance with PS 1, if it successfully met its 95% or above capacity obligations in the respective year;

(b) **Performance Standard 2 – Billing (PS 2)**

- (i) An electric power supplier shall ensure that the bills issued by it are correct, comprehensible, free from misrepresentation and contain all related charges and other relevant information for the consumer;
- (ii) Bills of all the consumers of an electric power supplier shall be prepared and collected each month based on the consumption of electric power as per the meter data of the respective consumer provided by the concerned distribution licensee or the metering service provider, as the case may be, in line with the tariff and other terms and conditions for supply of electric power;
- (iii) In addition to the price of electric power as per the tariff, a competitive supplier shall also bill its consumers:

- (a) use of system charges, as determined by the Authority from time to time;
 - (b) charges associated with cross-subsidisation as determined by the Authority, from time to time;
 - (c) charges arising on account of distributed generation as determined by the Authority, from time to time; and
 - (d) any and all taxes, duties or surcharges that may be imposed by the relevant government, from time to time;
- (iv) A competitive supplier shall ensure that the bills are designed in a manner that enables the consumers to fully understand the components of the bill, particularly for consumers to differentiate the price of electric power from other charges;
- (v) If the relevant distribution licensee or the metering service provider, as the case may be, informs the electric power supplier that metering data provided for a consumer is estimated on average basis i.e., consumption in corresponding month(s) of last year or average consumption of previous eleven months whichever is lower, due to force majeure or faults in metering systems, the electric power supplier may issue the bill to that consumer noting that estimated meter data has been used. In such a case, bill along with a slab benefit (if any) shall be issued as per actual meter data upon normalization of the situation;
- (vi) The due date for payment of bills shall not be earlier than fifteen days from the issue date of the bills. However, the consumers shall have at least seven working days from the date of actual delivery of the bill for the purpose of payment:

Provided that in cases where online billing is adopted with mutual consent of the electric power supplier and the respective consumer, the date of delivery shall be the date on which the bill is made available to the consumer through the specified online mode:

Provided further that in the case of competitive supplier, the parties may agree for a shorter period for payment of the bill;

- (vii) An electric power supplier shall ensure that the bill is described in plain Urdu and English languages;

(c) **Performance Standard 3 – Collection and Payments (PS 3)**

- (i) An electric power supplier shall ensure that the bills sent to each of its consumers are collected in a timely manner as per the terms and conditions agreed between the electric power supplier and the consumer. An electric power supplier shall be considered in compliance with this performance standard if 100% of the total billed amounts are collected by the electric power supplier as per the terms and conditions agreed between the electric power supplier and the consumer:

Provided that nothing in this clause shall absolve an electric power supplier from its obligations stipulated in clause (ii) of PS 3:

Explanation.—A bill from an electric power supplier shall include all costs, charges, taxes, duties, surcharges and other dues payable by the consumer as per the applicable documents;

- (ii) An electric power supplier shall be obligated to timely deposit in the designated accounts, as required in PS 3 (iii), the following:
- (a) use of system charges, as determined by the Authority from time to time;
 - (b) charges associated with cross-subsidisation as determined by the Authority, from time to time;
 - (c) charges arising on account of distributed generation as determined by the Authority, from time to time; and
 - (d) any and all taxes, duties or surcharges as may be imposed by the relevant government, from time to time:

Provided that the electric power supplier shall be required to pay the charges mentioned above notwithstanding any default of its consumer:

Provided further that an electric power supplier shall be considered in compliance with this performance standard where the electric power supplier deposits 100% of the applicable charges in the designated accounts;

- (iii) An electric power supplier shall ensure that full amount of the applicable charges mentioned in sub-clauses (a), (b), (c) and (d) of clause (ii), are deposited in the designated accounts within a period of three working days from the last due date of payment of the respective consumer bill;
- (iv) An electric power supplier shall maintain proper accounts and information with regard to the electric power contracted, billing to and collection from its consumers, payments made or due to other licensees, registered persons or any other person or entities during each calendar month;
- (v) Procedure of collection and payment of bills and extension of due date for payment and installments of electricity bills shall be in accordance with the Consumer Supply Manual:

Provided that until such time the Authority approves a Consumer Supply Manual, the existing Consumer Service Manual approved by the Authority for deemed electric power supplier licensees of distribution companies shall *mutatis-mutandis* apply on other electric power suppliers to the extent not inconsistent with the Act, these regulations, and other applicable documents;

(d) Performance Standard 4 – Minimum Solvency Requirements (PS 4)

- (i) An electric power supplier shall ensure that, at all times, it fulfills the minimum solvency requirements as provided in the relevant rules;
- (ii) In the event any electric power supplier breaches minimum solvency requirements, the electric power supplier shall immediately but not later than thirty days from the first day on which the breach has occurred, intimate the same to the Authority;
- (iii) In the event the electric power supplier's actual capacity and actual energy supplied or either of the two increases from the limits provided in the respective category in which it is licensed, the electric power supplier shall apply for its change of category in accordance with the applicable documents and shall pay the corresponding fee for the appropriate higher category and maintain solvency requirements accordingly;

(e) **Performance Standard 5 – Complaint Handling (PS 5)**

- (i) An electric power supplier shall provide complete procedure for filing of a complaint in the bill including online complaint, address, phone numbers, and location of the complaint office for reporting any discrepancy in the bill;
- (ii) An electric power supplier shall, before start of its commercial operations, establish complaint offices and website to facilitate consumers in lodging complaints which can be done either in person, telephonically or electronically:

Provided that a competitive supplier may use its own business office as a complaint office;

- (iii) An electric power supplier shall establish an online complaint tracking system for enabling the consumers to track their complaints in real time;
- (iv) A toll-free telephone system shall be established to receive and provide up-dated status of complaints by suppliers of last resort;
- (v) All complaints shall be immediately registered and the complainant shall be informed by the electric power supplier of the complaint number allotted to the complaint within a maximum period of thirty minutes:

Provided that in case of online filing of complaint, the reference number of the complaint shall be communicated over the given phone number and electronic mail address:

Provided further that any complaints relating to distribution facilities shall be made directly to the distribution licensee by the consumer;

- (vi) Any electric power supplier related complaint shall be responded within twenty-four hours by the electric power supplier;
- (vii) An electric power supplier shall ensure that any decision of dispute concerning the billing is finalised within ten days of the filing of the complaint as per the timelines provided in the Consumer Supply Manual:

Provided that this deadline does not apply to any metering related complaint, as the electric power supplier

shall refer any such complaint to the concerned distribution licensee or metering services provider, as the case may be, for a decision and the result of the metering complaint shall be informed to the electric power supplier to issue the correct bill if required:

Provided further that if any dispute is not resolved within a reasonable time, either of the party to the dispute may refer the matter to the Authority;

- (viii) In case any consumer's connection is disconnected upon request of the electric power supplier due to a default by the consumer, the electric power supplier shall issue instructions to the concerned distribution licensee immediately but not later than eight hours for re-connection upon settlement of default by the consumer.

(2) In addition to the above performance standards, the Authority may, at the time of grant of licence, set any further performance standards for the electric power supplier or, in case of suppliers of last resort, set any further performance standards through its determinations with regard to tariff terms and conditions for supply of electric power.

PART-III

REPORTING REQUIREMENTS

4. **Performance Reports.**—(1) An electric power supplier shall submit to the Authority periodic performance reports before the 15th day of the next month after the relevant month or quarter or last day of first month of the succeeding year, respectively regarding compliance with these regulations on the forms provided in Schedule-I to these regulations.

(2) The performance reports shall contain all relevant information with respect to compliance with these regulations, the Consumer Supply Manual or the Consumer Service Manual, as the case may be, and other applicable documents during the relevant period, including a comparison with the compliance reported in the previous month, quarter and year.

(3) The performance reports shall also include the electric power supplier's plans for improvement and shall contain as a minimum the following information:

- (a) status of compliance with each Performance Standard and indicators as provided in regulation 3 of these regulations;

- (b) reasons for failure, if any, to comply with any of the above Performance Standards;
- (c) if applicable, measures to improve the performance areas related to consumer services practices or organisational changes;
- (d) number and type of complaints received from consumers during the respective period and action taken thereon including time taken by the electric power supplier to resolve the complaints:

Provided that the number of distribution facilities related complaints received by the electric power supplier, the time taken to refer the complaint to the concerned distribution licensee or metering service provider, as the case may be, and the time taken by the distribution licensee to intimate a decision on the complaints to the electric power supplier shall be reported separately.

(4) The performance reports with regard to compliance with these regulations or such other performance standards as may be laid down by the Authority, shall be filed on such formats in physical form or through online system, as may be required by the Authority from time to time.

5. **Monitoring of standards.**—(1) The Authority shall periodically monitor the compliance of any electric power supplier with these regulations.

(2) The Authority may verify the data submitted by an electric power supplier, under these regulations, through inspection by its professional employees having relevant expertise.

(3) The Authority may conduct performance audit of any electric power supplier in order to assess the compliance of electric power supplier with these regulations.

(4) The Authority may require the electric power supplier to undertake an independent performance audit at the electric power supplier's expense, for reasons to be recorded in writing.

PART-IV

MISCELLANEOUS

6. **Minimum obligations.**—These regulations shall set minimum performance standards for compliance by the electric power suppliers, and an electric power supplier shall adopt such further measures as deemed appropriate in the interest of improving consumer service and supply activities.

7. Penalty for non-compliance.—In case of a failure by an electric power supplier to comply with these regulations, the electric power supplier shall be subject to fines and penalties under the Act and the applicable documents in addition to recovery of associated costs and charges:

Provided that the Authority may, on the basis of special circumstances or size of a particular electric power supplier, exempt such electric power supplier from application of any provision of these regulations.

8. Information to consumers.—(1) An electric power supplier shall prepare and make publicly available on its website periodic performance reports on the forms given in Schedule I within the time limit specified in sub-regulation (1) of regulation 4 of these regulations, informing the consumers and the relevant stakeholders about its performance with these Performance Standards.

9. Issuance of instructions.—For carrying out the purposes of these regulations, the Authority may issue specific instructions and guidelines to the electric power suppliers in the form and manner determined by the Authority which shall be complied with by the electric power suppliers.

Schedule I
Forms for Reporting
Performance Standard 1 – Capacity Obligations (PS 1)
(Annual)

Determined Capacity Obligation (MW)	Contracted Capacity (MW)		Capacity Obligation Fulfilled (MW)	Capacity Obligation Not Fulfilled (in %)
	Own Generation	Others		
(1)	(2)		(3)	(4)

Performance Standard 2 – Billing (PS 2)
(Quarterly and Annual)

Licensee Name: _____ **License No.** _____

Total Number of Consumers (1)	Bills Delivered			Number of Billing Related Complaints Received	Number of Billing Related Complaints Resolved
	On Actual Meter Data	On Estimated Meter Data	(2)		
(1)	(2)			(3)	(4)

Performance Standard 3 – Collection and Payments (PS 3)
(Monthly, Quarterly and Annual)

Licensee Name: _____ **License No.** _____

Total Number of Units Sold During Quarter/Years (KWh) (1)	Use of System Charges (PKR)			Cross-subsidy			Distributed Generation/Others	
	Payable	Paid	Outstanding	Payable	Paid	Outstanding	Payable	Outstanding
(1)	(2)			(3)			(4)	

Performance Standard 4 – Minimum Solvency Requirements (PS 4)
(Quarterly and Annual)

Licensee Name: _____ Licence No. _____			
Licence Category	Paid-up Capital (PKR in Millions)	Current Ratio	Net worth (PKR in Millions)
			Any Significant Event

Performance Standard 5 – Complaint Handling (PS 5)
(Monthly, Quarterly and Annual)

Licensee Name: _____ Licence No. _____			
Total Complaints Received During Respective Month/Quarter/Year	Complaints Resolved by Electric Power Supplier		Unresolved Complaints
	Within Specified Time	After Specified Time	
(1)	(3)	(4)	(5)

[No. NEPRA/LA(Legislation/CTBCM)/NRG-35/7842.]

SYED SAFEER HUSSAIN,
Registrar.