

ANWAR KAMAL LAW ASSOCIATES

Ref. No.AAS/CCPA/286/15 **BY EMAIL, FAX & COURIER** Dated: 25th April, 2015
<ce2cppa@gmail.com>
042-99201179

Mr. Ashfaqe Ahmad Soomro,
Dy. Manager Coordinator,
Central Power Purchasing Agency (CPPA),
c/o National Transmission and Despatch
Company (NTDC), 229-WAPDA House,
Lahore.

Subject: Public Hearing Regarding Fuel Charges Adjustment (FCA) for the Month of October 2014 for XWDISCOs – Request to verify the data provided through 54 sheets and provide data in the blank columns given in the data sheet

Reference: i. Your/NTDC letter No. CPPA/CE-I/MT-II/1546-51 dated 31.03.2015.
ii. Our letter No. AAS/DMC/CPPA/186/15 dated 03.04.2015.

Dear Sir,

This is with reference to your/NTDC's letter No. 1546-51 dated 31.03.2015, acknowledgement whereof has already been sent to you through our letter No. AAS/DMC/CPPA/186/15 dated 03.04.2015. We would like to clarify that the information provided by NTDC after a long time of more than three months is not what we had requested. Further, in the data sheets provided by NTDC, information about public sector GENCOs is totally missing. This has created doubts to the effect that NTDC does not want the full information with regard to Generation of electricity and payment for it to reach the public.

Kindly note that in order to avoid any confusion, we have already provided the 54 data sheets which contain names of Power Plants, their Fuel and Dependable Capacities and month-wise electricity Generated by the respective Power Plants with their Plant utilization and under-utilization factors. The data sheets also contain blank columns requiring the information with regard to Guaranteed availability factor, month-wise approved rate of electricity, EPP on each Fuel, Energy payment made during the month, approved rate of CPP during the month after all indexation, Capacity payment made for the month, unit price of electricity for the month including the EPP and CPP and the details of Liquidated damages received. While submitting these data sheets we had requested for verifying the data compiled by us in the data sheets and to provide the information in the blank columns.

Unfortunately we have not received the month-wise information. NTDC gave some, but not all, information on annual basis which can not be used for analytical purposes and is not helpful at all for our research purposes.

We are sure that the information requested by us is not of such a nature as needs to be generated by NTDC; the information sought must be available with NTDC: it has only to tabulate the required information in Excel sheet in manner requested by us. NTDC have provided the information on fiscal year basis, probably after taking average values of Energy and Capacity rates and their charges. This avoids the disclosure of monthly Energy and Capacity rates and payments.

It is a known fact that units of electricity Generated, their Energy & Capacity rates & charges, LDs if any and payment thereof differ from month to month. NTDC is not only making such transactions on monthly basis but it must be maintaining the record of such transactions on monthly basis. The question is as to why NTDC is avoiding to provide such details?

We would like to put it on record that since June 2014 we are participating in the proceedings of monthly Fuel Charges Adjustments for XW-Discos and asking for information for our analysis to identify the faults/flaws in the operation of our Generation sector. It is important to mention that we are requesting this information from the sole Regulator of the Power sector. At the same time we kept on sending the copies of such requests to CPPA, being the custodian of this information. It is also a matter of record that we required this information in the public interest and to assist the Authority by presenting some analysis from a public perspective.

We are of the view that the Authority should have this information in its data bank. If it did not have this information, it should have obtained it after our request not only for us but for NEPRA itself to review and monitor the Generation sector. It appears that the Authority has no interest to look into the issue of the operation of Generation sector, which is one of the most important part of its Regulatory role.

We also want to make it a part of the record that after a period of seven months (May 2014 to December 2014) NEPRA deemed it fit to direct the CPPA of NTDC to provide information requested by us. Upon direction from NEPRA in December 2014, after a period of more than three months i.e. on 31.03.2015

NTDC sent some information but not what is required by us. In the past also we have received some information from NEPRA in response to our requests but this was also not relevant. This fact was also highlighted by us vide our letter of 10th October 2014.

The above shows that all concerned organizations are reluctant to provide the information. This has created serious doubts that the "mismanagement" in the Power Generation sector of Pakistan is deliberate and motivated. It appears to be facilitated by the collusion of all stakeholders, including the Regulator. The in-efficiencies in the Power sector are being pampered and efforts are being made to 'protect' the Power sector companies at the cost of the country's economy and the common man's survival.

We have made it clear earlier too that continuing of this type of mismanagement in the Power sector has a serious financial impact, which certainly is in multimillion rupees on daily basis and in multi-billion rupees on annual basis.

In view of our requirement, we again request that the required information be provided to us on 54 monthly sheets (July 2010 to December 2014) which have earlier too been provided to NEPRA and NTDC. We are again enclosing the data sheets for providing the information in the manner required by the data sheets. We request NTDC to provide this information immediately as the same has already been delayed and our analysis held up.

NEPRA is also requested to direct NTDC not only to provide the information to us but to also obtain a copy for its own information, and analysis by NEPRA's professional staff.

Thanking you in anticipation and with best regards.

Yours sincerely,

Encl: Copy of Booklet of Data Sheets
for FYs 2010 to 2014.

(Anwar Kamal Law Associates)

Copy forwarded for information and necessary action to:

1. The Chairman, National Electric Power Regulatory Authority (NEPRA), Attaturk Avenue (East), NEPRA Tower, Sector G-5/1, Islamabad, alongwith a copy of NTDC's letter dated 31.03.2015 with its attachments.

2. The Registrar, National Electric Power Regulatory Authority (NEPRA), Attaturk Avenue (East), NEPRA Tower, Sector G-5/1, NEPRA Tower, opposite Federal Flood Commission, Islamabad, alongwith a copy of the Data Sheets from 2010 to 2014 and a copy of the NTDC's letter dated 31.03.2015 with its attachments, being a copy of NEPRA's Reminder-1 dated 03.02.2015 and 4 sheets of Energy Procurement Report by CPPA for FY 2013-14, 2012-13, 2011-12 and 2010-11.
3. The Managing Director, National Transmission and Despatch Company Limited (NTDC), 414-WAPDA House, The Mall, Lahore.
4. The Managing Director, the National Power Control Center (NPCC) Sector H-8, Opposite Beacon House School, Main Campus, Islamabad.
5. The Managing Director, Pakistan Electric Power Company (Pvt.) Limited (PEPCO), 719-WAPDA House, The Mall, Lahore.
6. The Secretary to the Government of Pakistan, Ministry of Water and Power, Room No.202-203, 2nd Floor, A Block, Pak Secretariat, Islamabad. By TCS & Email: secretary@mowp.gov.pk
7. The Secretary to the Government of Pakistan, Ministry of Finance, Government of Pakistan, Q-Block, Pak Secretariat, Islamabad.
- ✓ 8. Mr. Sohail Muzaffar, Chairman, Transparency International Pakistan, 5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII, D.H.A., Karachi.
9. Mr. Adil Gilani, Chairman, Whistleblower Pakistan, 72-F/II Jami Commercial Street No.9, Phase VII, DHA, Karachi. Email: gilaniadil@gmail.com
10. The President, Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi-75600.
11. The President, Institute of Cost and Management Accountants of Pakistan, ICMAP Building, Street No.18/C, ICMAP Avenue, Block 6, Gulshan-e-Iqbal, Karachi 75300. By TCS & Email: info@icmap.com.pk
12. The Chairman, Securities and Exchange Commission of Pakistan National Insurance Corporation Building, Jinnah Avenue, Islamabad-44000.
13. The Auditor General of Pakistan, Constitution Avenue, Islamabad.

Anwar Kamal

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Note: If desired, copies of NTDC's letter dated 31.03.2015 with the attachments noted above at serial No. 2 and Booklet of data sheets can be provided.

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