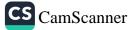
Expensive agreements with IPPs, overwhelming dependency on hydrocarbon Line and other losses in the Q transmission and distribution sector have caused massive hike in electricity Prices having far reaching implications on industry, domestic and other crucial sectors. Analzyze the stament and give possible Solution. Introduction of IPPs agreement and dependency of fossil-fuels:-In 1994, The Government of Pakistan Started allowed investors to Produce electricity. They given State secausance to Private investor. By this agreement, Gov of Paristan Chill havete purchase electricity and they will have to give both capacity pryment and energy ost. Due to these Policy, Many investor Came Pakoton and installed power producing Company Now Pakistan has 45,000 MWA Capacity, but Pakistan does not have potential to distribute accross paristan due to weak

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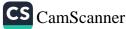
infrastructure: Palcistan produce electoricity and but not distribute that rezult energy prices is high in pakerstay by which high badly impoct on industrial and other crucial Sector. These problems can be Solved by taking effective measure. EPPS agreement and weak imprastructure impact on 2 Hike electricity prices impact on industryial sector. Due to high prices of electricity, Parcistan's industrial sector is electricity is the back bone of industry. 21 Product cost raises when electricity price high then product cost will also be raised. In pakirstan has high electricity prices due to transmission losses and expensive IPP derreement. Pakistan government Jerrs electricity on industry RI40 Per unit Which is expensive



Leave a line space in South asia between headings for 2.2 Profit margineatness rease orice when cost price of product is high , and then they have to reduce the proper margin because there are other businesses who sell on less price. in international market, 'Add and It workert Businesses finds other friendlyferenc businesses environment :-when electricity prices es/exam is high then businesses find, ples other venues where he can against make better production. In participal <u>electricity</u> <u>Pricier is Ligh</u> argumen <u>That</u> <u>rezults</u> <u>many</u> <u>Companies</u> <u>left</u> <u>Pakiton</u>: <u>Telenor</u>, <u>Shell</u> etc. so, when Product or service cost will high then business will find another way. Hike Prices impact on household 3 and small businesses :and small unsuccess is high when electricity prices is high then it great impacts on household and small businesses. In Pakistan 40% People Live under Poverty line according . Government groups BJO per unit consumer.

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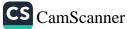
This is a greater shock to consumer. It rezults half par of middle Class's salary goo in to bill fagment. Thus minice electricity prices destabilize peolple. Reaction of upper middle and Reaction of upper middle and high Class against hike prices:-In Pakistan edectricity prices is too high that result people Shift oh Solar Energy. Many middle and upper class instacted Solar Pannel on roof. and decrease to gain electricity from government. This polarization decision is disaster to government lecture government has made because government has made agreenient with IPps and governme is trable to purchase electoricity. when electricity consumption is 1000 by people then government will have to raise. price per unit. So, hike electricity prices challanged to government and solarization further increase this problem: Add more arguments in these 4 How these plants lems can be eliminated by effective measures. The Government of Pakistan Should take Some measures



the electricity by which reduce 4.1 Privitization in checky distribution Sector :-In Pakistan, maximum electricity is lost in distribution sector and transmission line. According to the News The Nation, "Palcistan has losted 22,258 Gigwatt Louis electricity in amount is 520.3 bn. in do 22" These losses can be metigated when Government privitize the distribution Sector then private sector will mainten the transmission line. It results minimum energy loss and Per unit price cost will be low. 4.2 Expandion transmission line to far area The Government of Palcistan Should try to expand electricity access to far area. In Palcistan now electricity supply system is not available in Ex-Fata and Interior crudh. Now, Pakist

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hus high energy producing capacity (45000 MWh) - but Pakistan can not use all trese energy due to weak infrastructure. when tuese line transmission expand to-ward fur area then maximum energy will be used and Capacity payment will be reduced Per unit and government Can give easily these payment without raise electricity price. So, when maximum consumer utilize electricity then per unit capacity cost will reduce. 4.3 Hike taxes on Solar Panel and De government of Paristan Maade agreement with IPPs to Purchase electricity. If government does not take electricity, they will have to Pay full amount of electricity to Power Producer. Now, in Fiscal year dody-25 total 6 Megga wait electricity Pannel imported from china. and Pakistuni people reduced 9% electricity consumption because



People Shifted on Solar Pannel! This is disasted for government because when People Shifted to Solar Pannel then Capacity Payment will be increased per unit and electricity Prices will have to be raiseds. Government should takes low on electricity and expand wapda electricity consumption. Hence, when wapdo electricity consumption high then government Can easily Pay charged to IPPS. Renegotiate agreement with IPPs :-and Government of Pakiston Should renegotiate agreement with IPPS, The renegotian agenda Should be fixed dollar Price and convert imported Coal to local coal Because Pakistan has high potential of Thar Loal which an be used for generation of electricity. In Future, government Should make agreement based on renewable energy such as Leopernel, solar pannel and

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wind power. when government. renegotiate agreement based on these recompendation then these electricity hige price problem an be golved. A 20 marks answer Conclusion:- should have around 15 The government of subheadingsmide agreement with EPPS for energy Production. It is very expensive. and Pakistun has not capacity Lonsumer due ho bad infrastructur It ezults, business class and Common people have badly effected because they have to pay high electricity bill. These problems Can be solved, when government take some neasure which discusse in upper paragraph then Pakistan electricity hitke price problem will be solved and pakistan will 62 prosperous.

