

COMMENTS ON STATE OF INDUSTRY REPORT 2015

The Report is primarily focused on core energy projects, situation analysis and regulations. As such the report is more relevant for the Energy Department. However, the Industries, Commerce & Investment Department has the below mentioned comments:

- The Report is blind to provincial needs and disparities. It is important highlight that based on Punjab Growth Strategy 2018 analysis, resolving energy crises in the Punjab will cause the provincial GDP to grow by an additional 2%.
- The Chapter 8 which talks about promulgation of new rules/regulations must provide some analysis of impact as a result of these amendments. A statement of actual implementation may also be provided.
- Keeping in view the existing power generation and transmission system, financial constraints and line losses of DISCO's due to theft and other factors. It is suggested that the power generation and distribution licenses should be issued to SEZ's and Industrial estates and later on, same should be repeated for the industrial clusters/ semi-formal sectors so that the sustainable and smooth electricity should be ensured to the industry. In Punjab, most of the industrial estates have heavily invested in their own distribution networks yet they are dependent on DISCOs. By issuing the power generation license to industrial estates and/or permission to purchase bulk electricity directly from NTDC will boost the industrial activities in Punjab.
- Finally, it is felt that report is focused on stating factual data but adds a little on analysis and way forward. For example, it does not say anything on PPP projects and how tariff negotiation should work on these models.