

# OpenVoiceNews Pakistan

Transparent. Unbiased. Yours.

## Pakistan's Silent Solar Surge Strains National Grid

July 17, 2025

– Categories: Economics



Pakistan's rapid shift to solar power, driven by soaring electricity costs, is overwhelming the national grid, with a boom in rooftop panels reducing reliance on traditional energy. This article examines the causes, economic impacts, and challenges of this unplanned solar rush, highlighting the need for robust energy reforms to balance innovation and grid stability.

A July 2025 report by DAWN reveals that Pakistanis across income levels are abandoning the national grid for solar panels, fueled by affordable Chinese imports and frustration with high tariffs and frequent outages. The Pakistan Solar Association (PSA) notes a “democratization of solar,” with 2024 seeing a 17% rise in solar equipment imports, reaching 433,651 metric tons, per the Sustainable Development Policy Institute (SDPI). “This solar boom is people-driven, not policy-driven,” said PSA Chairman Waqas Moosa, citing necessity over environmental motives. However, this shift strains a grid burdened by \$8 billion in power sector debt and costly contracts with independent power producers (IPPs), including Chinese-owned plants.

The surge has created a financial quagmire. A March 2025 government report warns that fewer grid users are driving up tariffs for remaining consumers, threatening the sector’s sustainability. Evening demand spikes, as solar users without battery storage revert to the grid, exacerbate the strain, says analyst Jones. The government’s response—a 10% tax on solar imports and proposed cuts to buy-back rates for excess solar energy—has sparked criticism. “These measures punish innovation,” argued Muhammad Basit Ghauri of Renewables First, urging smarter grid investments.

Pakistan’s solar rush highlights deeper systemic issues. Heavy reliance on expensive gas imports, sold at a loss, and rigid IPP contracts lock the government into unsustainable payments. With poverty affecting 39% of Pakistanis, per the Pakistan Institute of Development Economics (PIDE), solar offers relief but risks destabilizing the grid if unmanaged. The government must prioritize grid upgrades, battery storage incentives, and

targeted subsidies for low-income households to ensure equitable access without crippling the energy sector.