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Neelum Jhelum Outage: Pakistan Faces Two-Year Power Deficit

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The Neelum Jhelum Hydropower Project's prolonged shutdown will keep it off Pakistan's national grid for two years, escalating costs for consumers.

Pakistan's energy sector faces a significant setback as the National Electric Power Regulatory Authority (NEPRA) was informed on Wednesday that the Neelum Jhelum Hydropower Project (NJHP), a critical 969-megawatt facility, will remain offline for the next two years. This extended outage, caused by persistent structural issues in the project's headrace tunnel, will deprive the national grid of a vital source of affordable electricity, forcing reliance on costlier thermal power plants. The financial burden on consumers is substantial, with losses already amounting to Rs167.8 billion from fiscal

years 2022-23 to 2024-25, according to a high-level government committee chaired by the Federal Minister for Power.

The NJHP, located in Azad Jammu and Kashmir, has been plagued by technical and geological challenges since its commissioning in 2018. A severe rock burst fault in May 2024 led to the project's latest shutdown, following a pressure drop in the 48-kilometer headrace tunnel. Inspections revealed collapses, silt accumulation, and structural damage, rendering the plant non-operational. NEPRA Chairman Tauseef H. Farooqi highlighted the plant's critical role in reducing reliance on fossil fuels, noting that its absence has increased consumer tariffs by an average of Rs0.54 per unit monthly. He urged swift rehabilitation, warning that delays exacerbate economic strain.

Repair efforts are underway, with an estimated cost of Rs23 billion to reinforce the faulty tunnel section, as advised by international consultant James Stevenson. However, the Water and Power Development Authority (WAPDA) has cautioned that even these repairs may not guarantee long-term stability, raising concerns about the project's design and execution. The NJHP, initially budgeted at Rs15.3 billion in 1989, ballooned to over Rs500 billion by completion due to mismanagement and complex terrain challenges. Critics argue that better planning could have mitigated these issues, pointing to the project's history of delays and cost overruns.

The outage underscores broader issues in Pakistan's energy infrastructure, with consumers bearing the brunt of inefficiencies. As the nation grapples with this loss, experts call for accountability and robust project management to prevent future failures. The government is urged to expedite repairs to restore the NJHP's contribution to the grid, alleviating the financial and energy burden on the public.