

## Energy Crisis: An Issue of Good Governance, A Way Forward

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### Abstract

*Energy is viewed as the most crucial sector in elements of state's power in recent times. Energy sector is not only closely associated to the economic progress of a state but also determined the standing of a state in the committee of nations. In this connection energy sector is closely associated with the good governance and astute policy making mechanism of any state. By applying same hypothesis on Pakistan's energy scenario, many factors come to surface that help to understand the energy sector crisis in Pakistan. Revival of energy sector in Pakistan, in many ways is connected to the revival of governance standards in Pakistan. This is the only remedy that can stabilize the energy sector but also boom the economy of the country. Unless a long-term and viable policy is created with the consensus of all stakeholders, no policy can meet its desired ends. There are several examples in the region and in the world where nations have overcome their energy sector issues with viable policies. These examples can help Pakistan in many ways to overcome its energy sector issues. Good Governance is such a panacea that can help out to overcome many issues including energy sector.*

**Key Words:** Energy, Governance, Crisis, Security, Hydro power

### Introduction

Pakistan is a state that has remained engulfed in multiple and diverse issues throughout its political history. The common point among all these issues and problems have remained the issue of good governance and crisis of legitimacy. Whether it was earliest phase of independence, dictatorial regimes or democratic administrations, good governance and crisis of legitimacy has kept the governments under its sway so much so no viable, sustainable and perpetual policy line has been made or accepted ever. In the present decade country is passing through a serious dilemma of energy crisis. The in-depth study of this crucial sector again reveals the same factors. It is because of these issues of good governance and crisis of legitimacy that no government in last three decade has been able to initiate long-term and key energy projects.

Energy is the backbone of a state as the entire economic structure depends upon the availability continuous and reliable energy resources on affordable price. Like all other sectors of human development and prosperity of a nation,

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provision of energy is also the responsibility of state including energy generation, transmission and distribution. In the present time energy security has emerged as the major concern of the state. Growing population, flourishing economy and tough competition for acquisition of suitable markets have made energy security the top agenda throughout the globe. If the same issue is discussed within the political and historic framework of Pakistan, there come to surface multiple issues and underlying the dilapidated energy scenario prevailing right now.

### **Governance and Good Governance**

As far as issue of good governance is concerned, it has remained the core issue of developing nations that are constantly struggling for their systems and structures. Governance is a phenomenon that is more detailed than the government. Governance encompasses not only the policies formulated by the government but also their direction and implication on the general public. In the beginning this debate was not so clear but very soon the difference between government and the governance became quite obvious. Mishra has mentioned it like this, "The World Bank (1992) defined governance as having three distinct aspects (i) the form of a political regime (parliamentary or presidential, military, or civilian; authoritarian or democratic; (ii) the process by which authority is exercised in the management of a country's economics' and social resources; and (iii) the capacity of the government to design, formulate, and implement policies and, in general, to discharge governmental functions" (Mishra, 2009, p. 159).

There are certain types of governance like corporate, global, project, participatory, non-profit, information technology and Islamic governance. The basic point of all these types of governance is the welfare and facilitation of masses from macro to micro level. The phenomena of good governance takes into account all those facilities and a standard that ensure quality governance that can surely bring about the maximum welfare of the maximum number of people. Smith defines the good governance as, "good governance implied government that is democratically organized within a democratically culture and with efficient administrative organizations, plus the right policies particularly in the economic sphere. These have generally included trade liberalization. The deregulation of economic activities, the privatization of state enterprises, and 'pro-poor' policies such as reduction in military expenditures in favor of public spending on education and health care" (Smith, 2007, p. 4).

If the point of good governance is summarized, it brings to surface the following essentials, i) the government should be elected through a transparent electoral process, ii) a developed political culture that could

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ensure and generate democratic values of political development and change, iii) skilled and efficient human resources that could run an astute administrative mechanism (bureaucracy) with extreme professionalism. All these prerequisites are generally found in the developed world that has a mature and well evaluated political culture. In the developing and under-developed world this ratio of good system and astute structure come down gradually. With this reality certain well expected issues and problems also come to surface. In the case study of present energy crisis of Pakistan, the dilapidating standards of governance make their voice more than audible as the issue like energy and electricity is not the product of one administration or one regime but it is the product of neglect of the decades with multiple regimes and government.

Like that of governance if the theory of energy security is explored, it comes to surface that energy security is also a top priority agenda of the conscious world. With growing population and increased economic activity, the insecurity regarding production of energy and resources of energy has gone to its peak. Developed world round the globe is keen to reserve and capture major energy resources, with that it is indulge in devising more reliable and renewable energy resources. Think tanks are developed to assist the technical authorities in order to provide a strong dimension to the energy security policies and their methods of implementation. It has rather become a standard of good governance to ensure all means for free and affordable economic activity.

### Theoretical Explanation of Energy Security

Before connecting energy security as an issue of good governance, it is significant to explore theoretical background of the theory. Energy security is quite a new addition in the realm of security as a concept. It is aligned with the security concept some twenty years ago. Security itself remained in vogue till the end of decade of 80s. In this era two books on security are considered to be important; one is Carline Thomas book, "In Search of Security: The Third world in the International Relations" and David P. Barash and Charles P. Webel's book, "Peace and Conflict Studies". These books intended to explore some dimensions of security. Most significant work in this regard is Barry Buzan's book, People States and Fear. This book discussed security as a collective phenomenon that seriously impact upon the collective life of a human. Afterward the discussion on security became quite diverse and many aspects included in the array of security. Energy security included in this array it is the gist and the base of all other aspects of security. So much so, as Morgan and Rouques put it, energy security became prominent in the policy discourse of major governments of the world.

The scope of energy security can be determined by the following definition on the concept. Deutsh and Schlesinger defined it as, “energy security constitutes reliable and affordable supply of energy on a continuous and un-interrupting basis”. (Deutsh& Schlesinger, 2006, p.3).Kalicki and Goldwyn describe energy security as “unhindered delivery from the point of production to the ultimate consumer”. (Kalicki, 2013, p. 13)In another definition Milov says, “[...] conventional definition of energy security- that of securing adequate energy supplies to sustain economic performance and growth- and extends this quantitatively oriented definition, again in fairly conventional albeit less stable prices in order to sustain economic performance and growth” and further “[...] energy insecurity as a susceptibility to prolonged supply disruptions and price hikes” (Milov, 2005, p.60). A thorough assessment of these definitions suggests that the theory of energy security lacks many aspects of strategic, political and economic dimensions. This theory is not only associated with the power politics patterns but also it connects the technical, social and economic dimension as well. Energy has emerged like such a crucial element of the state power that is totally unavoidable on all levels of politics and economy.

### **Pakistan’s Energy Security Scenario**

Keeping in view such an importance of energy security, when the energy sector of Pakistan is explored there comes to surface a dilapidated picture of this sector. Energy sector is a crucial part of all developmental plans and policies which is needed to be addressed well ahead of requirement as neither energy issues are created over-night nor they are resolved in such short time span.

Like all other sectors Pakistan inherited a weak energy base at the time of independence. As provided by WAPDA resources Pakistan had only two hydropower projects; Malakand Power Station with the capacity of 9.6 MW and Renala Power Station with the capacity of 1.1 MW. The gross capacity of these two power stations was not more than 10.7 MW. In the entire decade of 50s the development in hydropower sector remained sluggish. There were many factors behind this slow progress. Beside Pakistan’s serious defense and rehabilitation issues financial constraint and water disputes with India also served as main factors regarding slow development in the energy sector. Pakistan adopted different measures in order to resolve the water distribution issue with India. Water distribution issue resolution took more than a decade. Pakistan, meanwhile took some steps to enhance its hydropower generation. Water and Power Distribution Authority (WAPDA) was created in 1956 (Asif, 2009. p.33-40). WAPDA under took several hydropower projects. In the initial phase the energy sector of Pakistan remained focused on two energy

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resources; hydropower and thermal power. In the initial two decades economic activity and agriculture sector was not much energy dependent. The methods employed in agriculture were mainly conventional and industrial development was also not on a rapid pace. By and by this scenario changed and a gradual increase in demand emerged. Pakistan, in the wake of water dispute with India was in no position to build mega hydro projects as they are not only colossal and time taking but also very expensive. Indus Water Treaty was finalized between India and Pakistan was signed in 1967 under the World Bank auspices. Indus Water Treaty enabled Pakistan to build mega hydro power projects like Mangla and Terbela Dams. WAPDA has taken up these projects with great responsibility. Tarbela dam provides total installed capacity of 3478 MW, Mangla 1000 MW and Chashma 184 MW. beside these mega project many other projects are also completed.

### Indus Water Treaty Benefits

System of Works approved by the IWT in Pakistan	Location	Capacity
Dams and Related Work	Jhelum River	Live Storage of 4.75 MAF
	Hydro electric	3,00,000 kw generating facilities
	Indus River	Live Storage of 4.2 MAF
Link Canals (Conservation and remodeling)	Rasul-Qadirabad	19,000 cusecs
	Qadirabad-Balloki	18,600 cusecs
	Balloki Suleimanki	18,500 cusecs
	Marala-Ravi	22,000 cusecs
	Bambanwala-Ravi-Bedian-Dipalpur	5,000 cusecs
	Triunna Islam	11,000 cusecs
	Kalabag Jhelum	22,000 cusecs
	Taunsa-Panjuad	12,000 cusecs
Barrages	Qadirabad	
	Ravi	
	Sutlej	
Tubewells and Drainage Works	About 2,500 tubewells to contribute to the lowering of the water table, some of which will yield additional water supplies for irrigation use A system of open drains to lower the water table in about 2.5 million acres of land now under cultivation but seriously threatened by water-logging and salinity.	
Other Works	Ancillary irrigation works directly related to the foregoing, including remodelling of existing works.	

Source: (Bisht, 2012, p.87)

Indus Water Treaty proves as a turning point in the hydropower generation in Pakistan. It was required to keep abreast the energy generation with the growing rate of population and economic activity. Unless energy sector keep abreast with these indicators of social development no prosperity can ever be achieved. Besides the on-going projects, most crucial and controversial project is the construction of Kalabagh Dam. This project has generated such a prolonged controversy and discord among the stakeholder that the planned sketch as yet not seen a formal ground breaking. This project was actually conceived in mid 80s in order to fine out some viable solution for the future energy requiremnets. Kalabagh dam is mega project with diverse specifications. It would be an earth filled dam with total height of 79m (259 ft) and length 3,350 m (10,991 ft). Kalabagh is situated in the district Mianwali in punjab province. Total insalled capacity of the Kalabagh Dam would be 3600MW, its estimated annual electricity generation is around 11,400 GWh. Currently Pakistan is purchasing this much electricity from the IPPs at the rate of Rs. 131.5 billion while Kalabagh dam would able to provide the same quantity at the cost below 6.5 Rs billion. Water distribution among the provinces is the major issue behind delaying this project.

#### Water Distribution Accord 1991

Province	Kharif	Rabi	Total
Punjab	37.07	18.87	55.94
Sindh*	33.94	14.82	48.76
Khyber Pakhtunkhwa (a)	3.48	2.30	5.78
(b) Civil Canals**	1.80	1.02	3.00
Baluchistan	2.85	1.02	3.87

\* Including already sanctioned Urban and Industrial uses for Metropolitan Karachi.

\*\* Engaged Civil Canals above the rim stations.

Source: (Bisht, 2012, p.67)

Water distribution has remained the major bone of contention behind the idea of the construction of Kalabagh Dam. Despite all settings, negotiations and plans the kalabagh projecky is still in dismay. This is serious set back in the hydro power generation sector of Pakistan. In a way this is the crisis of givernnace as well. There is no mechanism that could bring consus between all stake-holders and that could resolve the genuin concerns of all provinces.

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### **Decline in Hydropower Policy and Reliance on Thermal Power**

Hydropower is such a sector that needs long-term and far-reaching planning. No hydropower project can be planned and installed in a shorter period of time. It needs proper feasibility study and extensive economic resources to initiate and construct a hydropower plant. This long-term planning is missing in energy and hydro policy sector of Pakistan. Moreover, the proposed plan of Kalabagh Dam also suffered from ineffective governance issues. As the population was growing and economic activity was expanding, the gap in demand and supply of energy provision also widened with the passage of time.

Initially, the installed capacity of thermal power was around 67MW. As Pakistan's hydro resources were not in solid position and a dispute with India on water issues was also going on, secondly, keeping in view the climatic and seasonal conditions, it was rather inevitable to develop thermal power base in order to provide cushion to the hydropower base in the months of drought. Consequently, Pakistan developed thermal power resources at an accelerated pace. During the decade of 60s total installed capacity of thermal power reached upto 441MW. In coming decade this capacity reached towards 650 MW. Thermal power plants were established under the authority of WAPDA initially. The coherence between energy generation, transmission and distribution sector remained outstanding during all these decades. WAPDA was managing the energy sector single handedly. There are several important thermal power projects that were completed under WAPDA supervision. The table given below gives the details of thermal power projects completed by WAPDA.

**Thermal Power Plant Established under WAPDA**

S.No	Project	Current Capacity (MW)	Fuel Used	Date of Commissioning
1	Multan	195	Gas/FO	1960- 1963
2	Faisalabad	132	Gas/FO	1967
3	Shahdara	59	Gas/HSD	1966- 1969
4	Guddu	640	Gas/FO/HSD	1974- 1986
5	Faisalabad	244	Gas turbine	1975
6	Duddu	1015	Gas/FO/HSD	1985- 1993
7	Jamshoro	850	Gas/FO/HSD	1990- 1991
8	Pasni	17	HSD	1991
9	Muzaffargarh	1350	Gas/FO	1993- 1995
10	Kotri	174	Gas/HSD	1994
11	Lakhra	150	Coal	1995- 1996
12	Punjgoor	38	Gas turbine	1999- 2000
13	Quetta	35	Gas/ HSD	2004

Source:[www.wapda.gov.pk](http://www.wapda.gov.pk)

Hydropower plants and thermal power plants were operating under the WAPDA authorities and energy sector was working in coherence. Although planning for the energy sector development was not at pace with the growing demand, but the inter-relation between all energy sectors was quite effective. It was in the mid- eighties that the country suffered from serious shortfall of energy. It was during this time, the Government of Pakistan planned for some make-shift and short-termed energy measures. As a matter of fact that was the time when some mega hydropower project should be planned or at least issues around the Kalabagh Dam should be resolved through effective policies and reliable governance measures. The delays in the in construction of mega energy projects over petty issues and weak problem solving mechanism laid down the basis of current energy crisis. Instead of some effective measure in public sector, private sector was invited and facilitated for the purpose of energy generation. Such piece meal policies although served the purpose for the time being but they remained unsuccessful in giving long-termed, cost effective and reliable solution of the energy problems.



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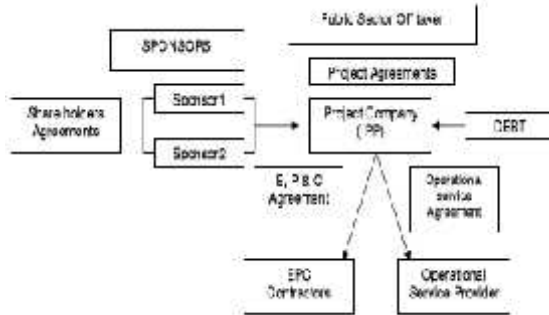
### IPPs: A Turning Point in Energy Sector

The shortfall created in 80s further increased in the next decade. So much so in that in 1994 Government of Pakistan established Private Power Infrastructure Board (PPIB). The purpose of the establishment of this board was to facilitate private sector in the field of power generation. Government gave a new power policy in 1994. The policy gave following points for the IPPs;

1. IPPs were free in selecting site, plant size, technology and fuel. The IPPs were given liberty to choose any type of fuel ranging from furnace oil, diesel oil, natural gas and LAPG etc.
2. The supply and transmission of fuel was guaranteed by the Government of Pakistan.
3. IPPs were allowed free repatriation of equity and were exempted from most of the taxes
4. Government of Pakistan guaranteed the provision of oil and payments of power purchases.
5. Government of Pakistan developed a mechanism for the indexation of certain portions of tariff based upon Rupee/Dollar exchange rate, international fuel price variations, interest rates and variations.

These facilities and favors kept on in almost all coming power policies. Gradually IPPs and their thermal power plants became capable of contributing -----MW in the main energy supply of the Pakistan. Thermal power plants were good strategy for the time being but with fluctuation of currency and global oil prices this source of energy became an extremely expensive commodity. When GoP invited private sector in the energy, no foresighted survey was done on the implications of provision that were devised to facilitate the establishment of IPPs. These provision turned out to be the liability of the GoP when it was bound to certain surities regarding oil, sale and purchase of electricity and currency rate fluctuation issues. Many issues like tariff and circular debt emerged in the energy sector as a corollary of these power policies. IPPs and thermal power sector has become the most crucial part of Pakistan's energy scenario. Before making a critical analysis of role of IPPs, it is significant to evaluate the contractual framework of IPPs.

## Contractual Framework of IPPs



Source:<http://www.icci.com.pk>

Like all other countries of the world, IPPs here in Pakistan face the same problem of single buyer market. This puts a great risk on the side of Private Power Generation Companies. IPPs negotiate tariffs with NEPRA under a transparent procedure of bidding and competition. The contracts signed by the parties are then followed strictly. IPPs on their part face several risks like;

1. Economic fluctuations, unstable exchange rates and inflation
2. Market risks as they have usually one buyer. In Pakistan WAPDA is the sole customer of IPPs. The GoP has given several guarantees to the IPPs but many a times WAPDA is just unable to afford the exorbitant dues of IPPs.
3. Political risks like wars, instability or military rule abhor foreign investors from joining the energy sector as such uncertain conditions put much doubts in the fulfillment of mutual contracts.
4. Another crucial issue related to IPPs is circular debt. Thermal units of IPPs are mainly dependant on furnishing oils and gas. IPPs have to purchase oil from PSO for electricity production. Shortage of working capital has made this procedure difficult. PSO is also engulfed with the inter-corporate circular debt because PSO has to import or purchase oil from domestic refineries and then onward supply it to IPPs and other public sector thermal power plants. Whenever some discrepancy takes place in this circle, that directly affects the generation and supply of electricity. This circle can be well explained through the following demonstration;

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Source:<http://www.icci.com.pk>

Keeping in view the policies, issues and implementational procedure, this reality is again verified that a minute and reality based survey was missing while devising these policies. Either hydropower sector or thermal power sector, all policies that are being devised since 80s in particular are quite myopic and they served as short-termed measure to cater the energy needs of near future. A well-planned and futuristic policy remained absent from the energy sector of Pakistan

### **Nuclear and Renewable Energy- Vague Contoures**

Nuclear and renewable energy resources are the important sector in the energy generation. Many countries are reaping huge benefits from these two resources. Pakistan has capability of both but these two resources are not utilized at their best till now. Nuclear power served as a trace element in the energy generation sector of Pakistan. Nuclear sector provides 2.3 percent of total installed capacity in Pakistan. PAEC (Pakistan Atomic Energy Commission) is controlling all nuclear power plants. Nuclear power is an expensive project to attain. In initial phase Pakistan's nuclear program remain quite slow. In 1954 a limited program for research and development in the atomic energy was initiated. In 1965, almost after a decade, a deal was signed with the Canadian firm General Electric for the construction of a nuclear reactor of a total capacity of 137 MW. This nuclear reactor was named as KANUPP (Karachi Nuclear Power Plant). This nuclear plant was planned in 1965 and it was commissioned in 1972. For the next thirty years this plant provided almost 10.2 billion kWh. As each nuclear power plant has its own commissioned life, the KANUPP also retired in 2002. In 2004 KANUPP was reconditioned for further working. This plant was enabled to work for the next 15 years but with less output capacity. The second nuclear power plant is

CHASNUPP (Chashma Nuclear Power Plant), it is located in chashma. Total energy generation capacity of CHASNUPP is around 325 MW. It was commissioned in 2000. KANUPP and CHASNUPP are the only operating nuclear power plants with combined installed capacity of 462 MW. Proposal for the construction of this nuclear power plant is also under operation. Total installed capacity of proposed CHASNUPP is estimated to be around 325 MW.

S.No	Project	Capacity (MW)	Year of Installation
1	KANUPP	125	1972
2	CHASNUPP	325	2000

Source: <http://www.paec.gov.pk>

As far as renewable energy sector is concerned, Pakistan is bestowed with ideal climatic conditions that are, besides other benefits, quite conducive for energy generation. All renewable energy resources like wind, solar and tidal are in abundance in Pakistan. The history of renewable energy resources is not quite new in Pakistan but some serious work has been done in this regard quite recently. Although some small-scale wind turbines were installed on pilot project basis but it was in the decades of 70s and 80s that some 4000 biogas units were set up in total. It was lack of proper patronization from the pertinent authorities that these projects could not proliferate into mega projects. These two sectors could be explored and utilized to their full if some appropriate and effective policies and economic incentives were there. In the nuclear energy sector many security and safety issues are involved that have made the utilization of nuclear power in the energy sector quite difficult.

### Major Issues of Governance in Pakistan's Energy Sector

Governance is an art of providing best suitable services on best suitable time. Energy has become a crucial sector for the power of a state. Energy provision is considered one of the basic and prime services a state can provide to its social and economic sector. Managing organizational and institutional capacities is the most crucial test of the capabilities of policy makers. In the energy sector of Pakistan these two factors are the key elements that are required to be handled with astuteness. While assessing the governance issues in the energy sector of Pakistan, two aspects are significant to be explored; one is institutional management and the other is financial management.

#### i) Institutional Management:

1. Pakistan's power sector consists of twenty organizations. This includes WAPDA, PEPCO, DISCOs, PPIB, IEDB, Thar Coal and

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Energy Board, Infrastructure Project Development Facility and other provincial power and irrigation departments. Such an array of institutions is needed to be administered with structural connections and coherent managerial skills. These crucial characteristics are seriously absent from Pakistan's energy sector. These institutions are suffering from structural connections and coherence, especially after vertical disintegration of WAPDA.

2. Such public service sector needs efficiency and astuteness. Pakistan's energy sector is the amalgum of public private participation. The entire energy sector is under one ministry that looks after both state-owned enterprises and private sector enterprises. All energy policies are lack proper commercialization that has caused management disorders and maladministration in the energy sector.
3. At one point it was decided to unbundle WAPDA but practically it has been centralised again under PEPCO that is managing financial and managerial matters of GENCOs and DISCOs. All these companies under PEPCO lack technical and managerial skill that is affecting the efficiency and quality of energy provision adversely.
4. DISCOs that are expected to accept their role as entity of good governance are rather unprofessional with careless behaviour towards their customer. Their staffing, management and performance is altogether unsatisfactory and they are generating much insufficiency in the system. Lack of discipline and unskilled recruitments are big managerial issues of the DISCOs.

### ii) Financial Management:

1. NEPRA is the body which is mainly accused of the most of the electricity issues in energy sector. The prime mandate of NEPRA was to maintain overall institutional ability of energy provision, effective execution of desired functions and maintaining the system of losses and tariffs. Unfortunately NEPRA seems to be ineffective in carrying out these functions. It has a weak administrative setup which lacks autonomy. It also lacks professional expertise to control and supervise the energy sector.
2. Distortions between NEPRA and OGRA is another financial failure of energy setup in Pakistan. Unless the harmony between the OGRA authorities and NEPRA is developed, no investor can attain a clear picture of the desired energy project. This is another big financial flaw.
3. The energy system in Pakistan is lacking efficiency due to delayed and prolonged decision-making procedures. The investors from the private sector are much discouraged due to this unprofessional and sluggish routine.
4. US funded power distribution improvement programme has reported that energy sector of Pakistan is suffering from huge deficits

accumulating to Rs. 391.60 per year mainly due to mismanagement and inefficiency. In this way almost 1500MW is lost because of mismanagement issues. This is a huge financial and managerial blow to the energy sector of Pakistan.

5. All policies in the last one decade are not well planned and transparent. For example Compact Fluorescent Lamp (CFLs) project which worth 6.7 billions is suffering from serious irregularities. Rental Power project and IPPs remained controversial on different pretexts. These violations and irregularities have seriously affected the financial management.
6. Tariff policy regarding distribution companies (DISCOs) is quite unrealistic and causing many financial irregularities. DISCOs like Quetta, Hyderabad and Peshawar are in perpetual loss while Lahore, Islamabad and Faisalabad DISCOs are in profit. Rather making all DISCOs making accountable for all their decisions and finances, government apply uniform tariff policy. Although separate determination of tariff has been made but due to political reasons it is not being applied which is creating serious financial set back in the energy sector. (Workshop on "Challenges in Energy Sector" conducted by WAPDA, attended by the scholar on 4-11-12)

#### **An Assessment:**

Governance is an elaborated term that encompasses almost all aspects of social, political and economic life of the citizens. Good governance is a step further than governance as it put standard criteria in the provisions of services to its citizens. In present times energy is the sector that has got primacy in all other sectors on both domestic global levels. Whether it is matter of the provision of good life standards or it is issue of creating harmony between ever enhancing population and economic growth, it is energy that can provide a certain picture of possible future standards of social and economic life anywhere in the world. In this connection it becomes significant to study Pakistan's energy sector in the pretext of prevailing energy crisis. This energy crisis not only gives future prospects of economic and social development but also it highlights some prominent flaws in the governance criteria operating in Pakistan since decades.

Energy sector has never been top priority of any government. In the initial phases this issue was taken up seriously and few mega projects were started but in the later decades this trend has seen mere decline. The main reason behind this fact is that all regimes whether civil or military remained occupied with their legitimacy issues. They were so uncertain and insecure of their existence that they could not start with any long term energy projects.

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Secondly, their weak position avoids them from creating consensus over crucial energy and resource distribution mechanism. The prime example is ongoing controversy over Kalabagh Dam. All stake holders are unable to come to a consensus just because there is no all-encompassing central authority that could provide required guaranties and evolving mechanism for the resolution of objections on the proposed project.

Beside this, the existing administrative structure of energy sector is so fragmented and ill-planned that it lacks crucial coherence and administrative cohesion. Power generation, transmission and distribution should be handled by a single body at the top. This can make the flow of both electricity and revenue generated through it, more effective. Vertical disintegration of WAPDA has dismantled this coherence and coordination. Consequently all distributing companies are facing administrative and economic issues which have made their performance quite low.

Unless an astute mechanism of administration is applied on the energy sector no efficient and progressive energy plan can be planned, managed and established with its full prowess. Good governance with required level of legitimacy can attempt to bring about change in the energy sector management and production. It is the same element that can reconcile the discords on resource management and distribution problems. All stake holder can be satisfied only when an administration with full legitimacy and authority shall be able to grant trustable guarantees and assurances.

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