



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/TRF-133/KESC-2009/2208-2211
February 25, 2015

Subject:- **Decision of the Authority in the matter of K-Electric Limited (formerly Karachi Electric Supply Company Limited) Request for Quarterly Adjustment in its Tariff for the Quarter Ended June 2014**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised schedule of electricity tariff, Annexure-I (12 pages) in respect of K-Electric Ltd. (formerly Karachi Electric Supply Company Ltd.) in Case No. NEPRA/TRF-133/KESC-2009(6).

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please note that the Schedule of Electricity Tariff (SoT) attached to the Decision as Annex-I needs to be notified in the official Gazette.

Enclosure: As above

(Syed Safer Hussain)

Secretary,
Ministry of Water & Power,
'A' Block, Pak Secretariat,
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Secretary, Privatization Commission, EAC Building, Islamabad.



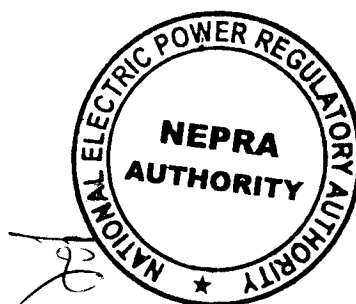
DECISION OF THE AUTHORITY IN THE MATTER OF K-ELECTRIC LIMITED (FORMERLY KARACHI ELECTRIC SUPPLY COMPANY LIMITED) REQUEST FOR QUARTERLY ADJUSTMENT IN ITS TARIFF FOR THE QUARTER ENDED JUNE, 2014

BACKGROUND

1. Pursuant to section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 and in accordance with the determination of the Authority in case No. NEPRA/TRF-133/KESC-2009(6) notified vide S.R.O. No. 11(I)/2010 dated January 01, 2010, K-Electric Limited (hereinafter referred to as "K-Electric") has been allowed certain adjustments in its tariff on quarterly basis. The adjustments allowed in the K-Electric's tariff on quarterly basis include the following:
 - Impact of variation in the Capacity Charges and Operation and Maintenance (hereinafter referred to as the "O&M") components of the cost of power purchased by K-Electric from the external sources.
 - The impact of transmission and distribution losses (hereinafter referred to as the "T & D losses") on the monthly Fuel Charges Adjustments (hereinafter referred to as "FCA").
2. In addition to the aforesaid adjustments in tariff, for allowing K-Electric recovery of its tariff in future on the latest price level, the tariff level is required to be adjusted at the price level of last month of the quarter i.e. in the current case the price level of June 2014.
3. Further, K-Electric's O&M cost component is adjusted for inflation on yearly basis. The adjustment/indexation is made in the O&M cost of each supply chain function undertaken by K-Electric, i.e. Generation, Transmission and Distribution. It is referred as "CPI-X" mechanism in the determination as O&M cost components of each segment once indexed for inflation are subjected to reduction by certain approved efficiency factors.

CURRENT REQUEST

4. K-Electric in accordance with the prescribed mechanism for adjustment of fuel and power purchase cost variations submitted quarterly adjustment request for the quarter April-June, 2014 (hereinafter referred to as the "current quarter") as well as yearly indexation request vide its letter No. RA&SP/NEPRA/071/1174 dated July 18, 2014. Summary of the adjustment as requested by K-Electric is tabulated below:





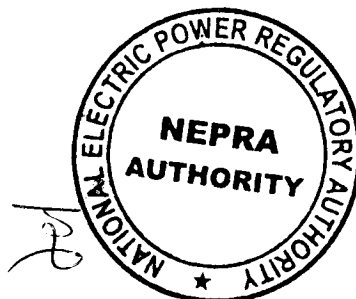
Items	DESCRIPTION	Proposed Adjustment
1	Fuel Price Variation of June, 2014 over March, 2014 (Ps/kWh)	6.794
	Power Purchase Price Variation of June, 2014 over March, 2014 (Ps/kWh)	(56.043)
	Total Variation in Tariff (Ps/kWh)	(49.250)
	Un Recovered Cost	
	Variation in O&M cost of IPPs and Other External Sources (Mill Rs)	(227.907)
	Variation in Capacity Charges of IPPs and Other External Sources (Mill Rs)	(26.925)
	Un-recovered cost of fuel in FCAs due to non-adjustment of T&D losses (Mill Rs)	(434.065)
	Other Adjustments during the quarter	(74.59)
	Total Unrecovered Cost (Mill Rs.)	(763.487)
	2	Estimated Units to be Sold in July-September,2014 (GWh)
Required Adjustments (Ps/kWh)		(23.755)
3	Reversal of Unrecovered Cost of Previous Quarter (Ps/kWh)	(33.157)
4	CPI Annual Adjustment (O&M cost component)	7.620
	Total Required Adjustment in K-Electric's Tariff (Ps/kWh) (1+2+3+4)	(98.542)

5. The break-up of other adjustments during the quarter of Rs. 74.590 Million, as provided by K-Electric, is as under;

Description		Rs. in Million
i)	Payment of Bonus to TAPAL	42.593
ii)	Adjustment of Units purchased from PASMIC in April 2014	40.551
iii)	Adjustment of Unrecovered cost of previous quarter	(157.734)
	Total	(74.59)

PUBLIC HEARING

6. Since the impact of tariff adjustment, if any, affects the consumers, therefore, in order to meet the ends of natural justice, the Authority considered it just and appropriate to provide an opportunity of hearing/filing of objections/comments to all the stakeholders. Accordingly, a public hearing for consideration of the requested adjustment was held by the Authority on September 4, 2014 at Marriot Hotel Karachi; notice thereof was published in the daily newspapers dated August 28, 2014 and separate notices were also sent to the major stakeholders inviting thereby comments/objections from the concerned stakeholders to make the process of hearing meaningful and to reach at an informed and just decision. During the hearing and in written form, various commentators raised several issues, such as uploading of K-Electric's petitions at NEPRA website,



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provision of the audio recording and transcripts of the hearing, provision of Audit Reports of the Audit carried out by NEPRA professional of the K-Electric, underutilization of generation capacity by K-Electric, Economic Merit Order, Auxiliary Consumption etc., with respect to the submissions of K-Electric. The Authority noted that submissions, of the commentators, relevant to tariff adjustments have already been considered and discussed in detail, in the monthly decisions for the current quarter, by the Authority, therefore, they need not to be discussed again in the current decision.

ANALYSIS

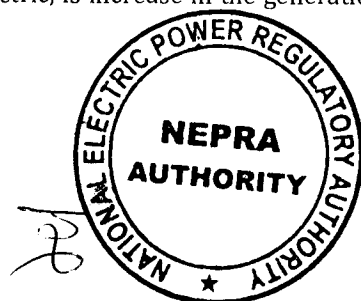
7. The generation data, rates, etc. of K-Electric (both from self-generation and power purchased from external sources) were scrutinized with respective original invoices and other underlying documents. K-Electric's request for the current quarter has been discussed in detail under the following headings:
- Changing the reference tariff from March, 2014 to June, 2014.
 - Under-recovered costs for the Current Quarter.
 - Reversal of tariff adjustment pertaining to the previous quarter i.e. Jan-Mar, 2014 which was applicable for the current quarter only.
 - Yearly Indexation in O&M Cost for the financial year 2014-15.

CHANGING THE REFERENCE TARIFF FROM MARCH 2014 to JUNE 2014

8. K-Electric's last adjusted tariff is based on the fuel prices (both own generation and power purchase), O&M costs and capacity charges of March, 2014. For allowing K-Electric, the recovery of its tariff in future on the latest price level, it is required that its tariff be adjusted to the price level of June, 2014. According to the prescribed mechanism, changing the tariff level requires allowing variations in the fuel cost of company's own generation as well as in its power purchase cost (fuel cost, O&M costs and Capacity Charges) of June, 2014 over the reference month of March, 2014. K-Electric has requested for allowing following adjustments in its tariff on this account:

Description	As Requested
Fuel cost variation of June, 2014 over March, 2014 (Mill Rs.)	87.706
Power purchase cost variation of June, 2014 over March, 2014 (Mill. Rs.)	(723.520)
Total Variation (Mill Rs.)	(635.814)
Units sold at 17% T&D losses for June, 2014 (GWh)	1291.005
Required adjustment in tariff (Ps/kWh)	(49.250)

9. The Authority noted that main reason of the claimed variation in the fuel cost component of K-Electric's own generation, as submitted by K-Electric, is increase in the generation on furnace oil which has increased from



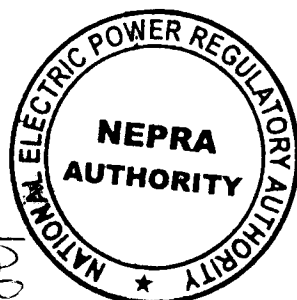


142.523 GWh in the month of March, 2014 to 271.708 GWh in the month of June, 2014, although, price of furnace oil has decreased from Rs.66,780 /M.Ton in March 2014 to Rs. 64,718/M.Ton in June 2014.

10. In the power purchase cost, the Authority noted that major reason for variation claimed by K-Electric was due to decrease in the cost of the energy procured from NTDC which decreased from Rs. 9.182 /kWh in the month of March, 2014 to Rs. 7.687/kWh in the month of June, 2014.
11. A comparative analysis of the adjustment in K-Electric's tariff required for bringing it to the tariff level of June, 2014 as requested and approved by the Authority after verification of all the relevant documentary evidences is tabulated below;

Description	As Requested	Approved
Fuel cost variation of June, 2014 over March, 2014 (Mill Rs.)	87.706	95.407
Power purchase cost variation of June, 2014 over March, 2014 (Mill. Rs.)	(723.520)	(706.448)
Total Variation (Mill Rs.)	(635.81)	(611.042)
Units sold at 17% T&D losses for June, 2014 (GWh)	1291.005	1291.004
Required adjustment in tariff (Ps/kWh)	(49.250)	(47.331)

12. The difference between the claimed and approved variation in fuel cost of own generation is due to inconsistency in the working of furnace oil rate (Rs/M.Ton) at K-Electric's end. The Authority has consistently been using monthly weighted average method to work out the furnace oil rate and has used the same method for working out the above mentioned fuel charges variations.
13. In the power purchase cost component, the major reason of the difference between the requested and approved variation is that K-Electric has used NTDC's invoiced fuel cost component for the month of June 2014 (Rs. 7.687/kWh) and March 2014 (Rs. 9.182/kWh), whereas, the Authority's approved fuel cost component of NTDC, applicable to all Ex-Wapda Distribution Companies (hereinafter referred to as "XWDISCOs") and K-Electric, for the current and reference months comes out to be Rs. 7.4333/kWh and Rs. 8.9067/kWh respectively. In addition, K-Electric in its request has used the fuel component of PASMIC for the month of June, 2014 as Rs. 8.871/kWh, however, on verification of the respective invoice, it was found that the same comes out to be Rs. 8.855/kWh. Furthermore, K-Electric had taken fixed cost component of PASMIC as Rs. 2.741/kWh, whereas the Authority has allowed the same as Rs. 2.169/kWh, to be applicable for the Financial 2013-14, in its decision for the quarter Jan-March 2014. Accordingly, fixed cost component of Rs. 2.169/kWh has been used for the current quarter i.e. April- June 2014.



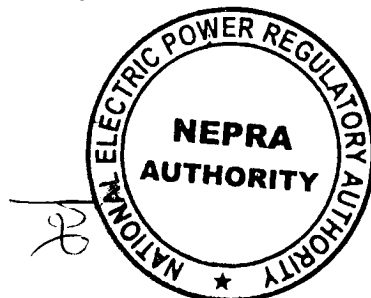


UNRECOVERED COST FOR THE CURRENT QUARTER

14. As per the approved mechanism, the monthly variation on account of O&M cost and capacity charges components of the power purchase cost of K-Electric, accumulated and not allowed in the monthly adjustments, is required to be adjusted in the quarterly tariff adjustment of the company. In addition, the cost of fuel that was not allowed to the utility to be passed on in the monthly FCAs to the extent of targeted T&D losses is required to be taken care of on quarterly basis in accordance with the prescribed mechanism. Furthermore, any costs that are allowed to be passed on under the approved mechanism but were not accounted for in the monthly FCAs are treated in the quarterly adjustment. The utility has requested for allowing it the recovery of the following unrecovered costs:

DESCRIPTION	Requested by K-Electric
Variation in O&M cost of IPPs and Other External Sources (Mill Rs)	(227.907)
Variation in Capacity Charges of IPPs and Other External Sources (Mill Rs)	(26.925)
Un-recovered cost of fuel in FCAs due to non-adjustment of T&D losses (Mill Rs)	(434.065)
Other Adjustments during the quarter	(74.590)
Total Unrecovered Cost (Mill Rs.)	(763.487)
Estimated Units to be Sold at 15% T&D losses July-September,2014 (GWh)	3,213.971
Required Adjustments (Ps/kWh)	(23.755)

15. Variation in O&M Costs: The variation in O&M cost component of the power purchase cost is worked out by comparing the monthly weighted average O&M costs of all external power sources. This method yields results representing the change both in prices and energy mix on month to month basis. K-Electric has claimed around minus Rs. 228 million variations on this account. The Authority noted that the main reason of claimed variation is the decrease in the fixed cost (*use of system charges + capacity charges*) against the energy purchased from NTDC by K-Electric in the two months of the quarter.
16. Variations in Capacity Charges: Similar to the mechanism of O&M costs, the variation in capacity charges is worked out by comparing the monthly weighted average cost of all the power stations from which K-Electric procures power, which represents change in both prices and energy. K-Electric has claimed variation of around minus Rs. 27 million under this head. The Authority noted that the reason of the claimed variation was the decrease in the amount of capacity charges of the two IPPs (Tapal and Gul Ahmed) during the current quarter as compared to the reference month of the last quarter owing to strengthening of rupee against dollar.
17. Un-recovered fuel cost due to non-adjustment of T&D losses in monthly FCA: The variation in the cost of fuel (own generation + power purchases) that was not allowed to K-Electric to be passed on in the monthly FCAs





to the extent of targeted T&D losses is required to be taken care of on quarterly basis. The company under this head has claimed about minus Rs. 434 million.

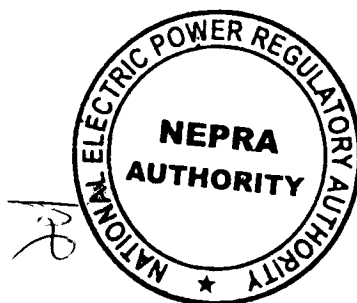
18. Other Adjustments during the Quarter: In addition to the above, K-Electric also claimed the following costs during the quarter;

- i. Payment of Bonus to IPP- TAPAL: K-Electric has claimed an amount of around Rs. 43 million on account of payment of Bonus to IPP-TAPAL in line with Section 9.6 of the Power Purchase Agreement (PPA) between K-Electric and TAPAL. The invoice in this regard as raised by Tapal was also submitted by the company.
- ii. Adjustment of Units purchased from PASMIC in April 2014: K-Electric has claimed an amount of around Rs. 41 million under the captioned head, however, no calculation / basis and any documentary evidence against this claim has been submitted by K-Electric.
- iii. Adjustment of unrecovered cost of previous quarters: The total Unrecovered Cost approved by the Authority for any quarter is divided by the units estimated to be sold in the following quarter to work out the captioned figure in Paisas/kWh. The figure as worked out is applicable only for one quarter, i.e. the quarter immediately following the quarter for which adjustments are allowed, afterwards, that adjustment ceases to exist. The adjustment owing to the difference, if any, between the estimated and actual number of units sold is adjusted in the next quarterly adjustment under the head of unrecovered cost. K-Electric under this head has claimed variations of around minus Rs. 158 million.

19. A comparative analysis of the adjustment in K-Electric tariff for the un-recovered costs of the current quarter to be recovered as per request submitted by K-Electric and being approved by the Authority after verification of all the relevant documentary evidence is tabulated below:

DESCRIPTION	Requested by K-Electric	Approved
Variation in O&M cost of IPPs and Other External Sources (Mill Rs)	(227.907)	(227.278)
Variation in Capacity Charges of IPPs and Other External Sources (Mill Rs)	(26.925)	(29.261)
Un-recovered cost of fuel in FCAs due to non-adjustment of T&D losses (Mill Rs)	(434.065)	(423.991)
Other Adjustments during the quarter	(74.590)	42.593
Total Unrecovered Cost (Mill Rs.)	(763.487)	(637.937)
Estimated Units to be Sold at 15% T&D losses July-September,2014 (GWh)	3,213.971	3898.571
Required Adjustments (Ps/kWh)	(23.755)	(16.363)

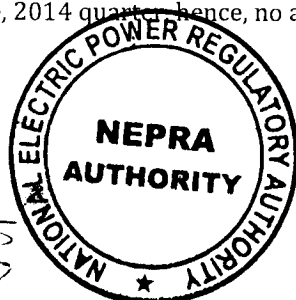
20. The difference in the requested and approved variation in unrecovered O&M component of the power purchase cost is due to the fact that incorrect figure of energy purchased from PASMIC in the month of April,





2014 was used by K-Electric in its request. Further, K-Electric has taken fixed cost component of PASMIC as Rs. 2.741/kWh, whereas the Authority has allowed the same as Rs. 2.169/kWh, to be applicable for the Financial 2013-14, in its decision for the quarter Jan-March 2014. Accordingly, fixed cost component of Rs. 2.169/kWh has been used for the current quarter i.e. April-June 2014, as well.

21. The difference in the requested and worked out variation in un-recovered Capacity charges of the power purchase cost is because incorrect figure of energy purchased from PASMIC in the month of April, 2014 was used by K-Electric in its request.
22. The difference in the requested and approved variation in un-recovered fuel cost, due to non-adjustment of T&D losses, is mainly due to the reason that K-Electric while claiming variation on this account used fuel cost component as invoiced by NTDC in each month of the quarter, whereas the aforementioned variation has been approved by the Authority on the basis of Authority's approved fuel cost component of NTDC.
23. K-Electric has claimed an amount of Rs. 42.593 Million on account of payment of Bonus to TAPAL Energy Private Limited (TEPL) in line with Section 9.6 of the Power Purchase Agreement (PPA) between K-Electric and TAPAL. Section 9.6 of the PPA between K-Electric and TAPAL states that *"In the event that the Net Electrical Output during any Agreement Year is in excess of 680,433,000 kWh, the KESCL shall pay to the Company within sixty (60) days of the end of such agreement year, in addition to any other payments due to the Company pursuant to Section 9.2, an amount equal to Rs.0.08 for each kWh by which the Net Electrical Output of the complex during the year is greater than 680,433,000 kWh. (b) The amount of bonus payable pursuant to this Section 9.6 shall be adjusted from time to time in accordance with Schedule 6."* As per K-Electric, an energy of 95,095,000 kWh have been delivered by TEPL in excess of the threshold in the 17th agreement year i.e. from June 20, 2013 to June 19, 2014 and accordingly Rs. 42.593 million as bonus has been paid to TEPL. The Authority considered the claim of K-Electric in the light of referred provisions of PPA and has also verified the invoices and payment of the same, therefore, has decided to allow amount of Bonus for the said excess energy i.e. Rs. 42.593 million to K-Electric.
24. The Authority noted that K-Electric in its monthly FCA request for April 2014 mentioned to have purchased 1.097 GWh from PASMIC, whereas upon verification of the original invoice raised by PASMIC to K-Electric, actual energy delivered to K-Electric in April 2014 was 4.954 GWh. Accordingly actual energy delivered by PASMIC i.e. 4.954 GWh was considered by the Authority in the monthly FCA of April 2014 as well as for the quarterly adjustment, therefore, no separate adjustment under this head is required.
25. K-Electric in its request claimed an amount of minus Rs. 158 million on account of unrecovered cost for the previous quarter, i.e. January-March, 2014 based on estimated units sold for the current quarter. However, the Authority had allowed quarterly adjustment for the quarter January-March, 2014 on the basis of the actual units sold in April-June, 2014 quarter. Hence, no adjustment on this account is required. As the decision





of the previous quarter had not been issued till the time K-Electric filed its request which is the reason K-Electric claimed the captioned amount.

26. Further, K-Electric in its request has estimated that 3213.971 GWh units will be sold @ 15% T&D losses in the next quarter (Jul-Sep. 2014), however as K-Electric's quarterly request for the quarter of July-Sep., 2014 has been received, therefore, actual units sold figure @ 15% T&D losses for the quarter Jul-Sep., 2014, i.e. 3898.571 GWh has been used to calculate the unrecovered cost in Ps/kWh.
27. The variation in tariff under this head, will be applicable for the next quarter only i.e. July-September, 2014 and will cease automatically at the end of that quarter.

REVERSAL OF TARIFF ADJUSTMENT WHICH WAS APPLICABLE FOR THE CURRENT QUARTER ONLY

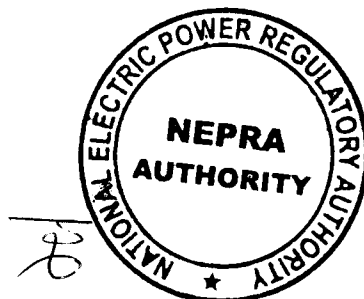
28. The Authority in its previous quarterly adjustment pertaining to Jan-Mar, 2014 allowed an increase of Ps. 13.364/kWh in K-Electric's tariff on the basis of next quarter's units sold for adjustment of unrecovered amount of Rs. 491.415 million by K-Electric. As per the direction in the same decision, this allowed increase of Ps. 13.364/kWh is required to be adjusted back in the K-Electric's current quarterly adjustment in order to nullify its impact in the schedule of tariff.

YEALRY INDEXATION OF O&M COST COMPONENTS

29. As per the mechanism prescribed in the Authority's determination dated December 23 2009, K-Electric's O&M cost components of Generation, Transmission and Distribution need to be adjusted on yearly basis for application of inflation in the tariff. Further, K-Electric's O&M components, once indexed, are subject to reduction by certain efficiency factor till the expiry of the Multi-Year tariff period, i.e. June, 2016. The approved efficiency (X) factor is required to be applied to the O&M cost component of each supply chain function undertaken by K-Electric. The existing O&M cost i.e. applicable for the year 2013-14, along with the X factor for each segment is indicated hereunder;

Portion of Tariff to which CPI is applicable	Existing Tariff (Ps/kWh)	X Factor (%)
Generation O&M	26.06	2
Transmission O&M	10.43	2
Distribution O&M	100.46	3
Total	136.95	

30. K-Electric in its request submitted that its tariff needs to be adjusted by Ps. 7.620/kWh on account of yearly indexation of O&M cost component effective from July, 2014 to June, 2015. The variable O&M cost components of K-Electric were last indexed on the basis of CPI for May, 2013. As per the report of Pakistan





Bureau of Statistics, CPI of May, 2014 has increased by 8.34% from the corresponding month of last year, i.e. May, 2013. The O&M cost indexation/adjustment on the basis of 8.34 % increase minus the specified efficiency factors comes out to be Ps. 7.678/kWh as mentioned below which is hereby allowed;

Break-up of O&M Cost	Existing Tariff (Ps/kWh)	Indexation (%)	Efficiency Factor (%)	Increase Required (%)	Increase Required (Ps/kWh)	Revised Tariff (Ps/kWh)
Generation	26.06	8.34%	2%	6.34%	1.652	27.712
Transmission	10.43	8.34%	2%	6.34%	0.661	11.091
Distribution	100.46	8.34%	3%	5.34%	5.365	105.825
Total	136.95				7.678	144.628

CLAW BACK MECHANISM - SHARING OF A PORTION OF K-ELECTRIC'S PROFIT WITH CONSUMERS

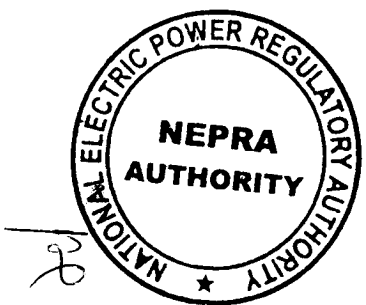
31. Pursuant to decision of the Authority issued vide NEPRA/TRF-133/KESC-2009/12889-12892 dated October 17, 2014, in the matter of K-Electric for the Quarter October-December 2013, minus Ps.42/ kWh assessed by the Authority in accordance with claw back mechanism for FY 2011-12 and 2012-13 (Ps.7.059/kWh for FY 2011-12 and Ps.34.576/kWh for 2012-13) have already been adjusted in the Schedule of Tariff for the previous quarter which will also remain applicable for the current quarter i.e. April-June 2014. Since as per the determined and notified Claw Back Mechanism, the impact of Clawed Back amount is to be shared with the consumers directly and the benefit of same shall go to all consumers classes through their bills, therefore, the revised schedule of tariff for the current quarter to be applicable from July 01, 2014 to September 30, 2014, has been grossed up by adding back the impact of claw back amount of minus Ps. 42/kWh in each consumer category except for the life line consumers.

OVERALL ADJUSTMENT IN TARIFF

32. The overall cumulative variation in the K-Electric's tariff after making all aforesaid adjustments, as discussed in the preceding paragraphs, works out to be minus Ps. 69.380/kWh against the claimed figure of minus Ps. 98.542/kWh as detailed below:

	Paisas per kWh
• Changing the reference tariff from March, 2014 to June, 2014	(47.331)
• Unrecovered costs for the current quarter	(16.363)
• Reversal of tariff adjustment which was applicable for the current quarter only	(13.364)
• Yearly Indexation O&M Cost Components	7.678

(69.380)

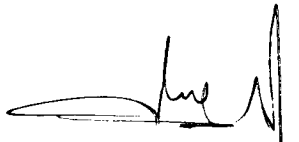





33. In order to allow aforesaid adjustments in K-Electric's tariff, **K-Electric is allowed a uniform decrease in consumer end tariff for all consumer categories, except for the life-line consumers, by minus paisa 70 per kWh.**
34. In view of the foregoing, the revised schedule of tariff for the subject quarter to be applicable from July 01, 2014 to September 30, 2014 is attached herewith as **Annexure-I.**
35. The Authority corrected an inadvertent error in the Schedules of Tariff of K-Electric through decision of the Authority dated March 31, 2014. However, K-Electric has filed civil suit in high court of Sindh at Karachi against the decision of the Authority and the Honorable High Court has suspended the decision of the Authority to the extent of reductions made by the Authority. Therefore, in compliance with the interim orders of the Honorable Court, the current quarterly adjustment has been worked out after excluding the impact of reductions made by the Authority through decision dated March 31, 2014. The impact of error and its adjustment shall be considered and worked out in the light of the decision of honorable court. Since the time of recovery as specified above has lapsed, therefore, K-Electric is hereby allowed to adjust the bills of pertinent consumers as per the following schedule;

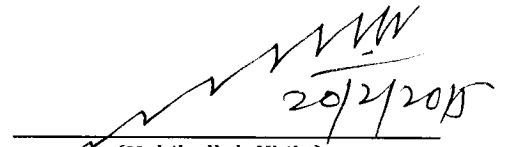
Adjustment applicable for	To be Charged in the Monthly Bills of
July, 2014	May, 2015
August, 2014	June, 2015
September, 2014	June, 2015


AUTHORITY

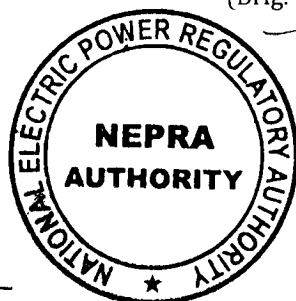

 (Khawaja Muhammad Naem)
 Member

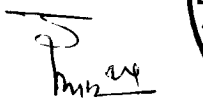

 (Maj. (R) Haroon Rashid)
 Member


 (Himayat Ullah Khan)
 Member


 (Habibullah Khilji)
 Vice Chairman


 (Brig. (R) Tariq Sadozai)
 Chairman




 25.02.15

**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED
(FORMERLY KARACHI ELECTRIC SUPPLY COMPANY LIMITED)
DETERMINED FOR THE QUARTER APRIL'14-JUNE'14**

A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		
			Peak	Off-Peak	
a)	For Sanctioned load less than 5 kW	-	4.00		
i	Up to 50 Units				
	For Consumption exceeding 50 Units				
ii	1- 100 Units				15.44
iii	101- 200 Units				16.48
iv	201- 300 Units				17.21
v	301- 700 Units	19.30			
vi	Above 700 Units	21.18			
b)	For Sanctioned load 5 kW & above	-	22.18	16.18	
	Time Of Use				

Under tariff A-1, there shall be minimum monthly customer charge at the following rates even if no energy is consumed.

a) Single Phase Connections:

Rs. 75/- per consumer per month

b) Three Phase Connections:

Rs. 150/- per consumer per month

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
a)	For Sanctioned load less than 5 kW	400.00	21.68	
b)	For Sanctioned load 5 kW & above		18.88	
c)	Time Of Use	400.00	23.18	17.68

Under tariff A-2, there shall be minimum monthly charges at the following rates even if no energy is consumed.

a) Single Phase Connections;

Rs. 175/- per consumer per month

b) Three Phase Connections:

Rs. 350/- per consumer per month

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
B1	Less than 5 kW (at 400/230 Volts)	-	18.18	
B2(a)	5-500 kW (at 400 Volts)	400.00	16.78	
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	380.00	16.38	
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	360.00	15.98	
	Time Of Use		22.18	15.93
B2(b)	5-500 kW (at 400 Volts)	400.00	21.68	15.43
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	380.00	21.18	15.18
B4(b)	For All Loads (at 66,132 kV & above)	360.00	20.68	14.93
B5	For All Loads (at 220 kV & above)	340.00		

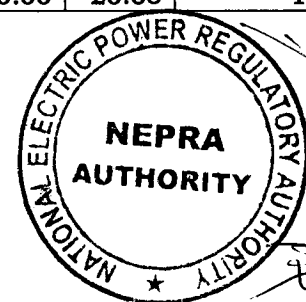
For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.

For B2 consumers there shall be a fixed minimum charge of Rs. 2,000 per month.

For B3 consumers there shall be a fixed minimum charge of Rs. 50,000 per month.

For B4 consumers there shall be a fixed minimum charge of Rs. 500,000 per month.

For B5 consumers there shall be a fixed minimum charge of Rs. 1000,000 per month.



C - SINGLE-POINT SUPPLY FOR PURCHASE IN BULK BY A DISTRIBUTION LICENSEE AND MIXED

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
C-1	For supply at 400/230 Volts			
a)	Sanctioned load less than 5 kW	-		18.18
b)	Sanctioned load 5 kW & up to 500 kW	400.00		17.33
C-2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00		17.33
C-3(a)	For supply at 132 and above, up to and including Time Of Use	360.00		17.18
C-1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	22.18	16.18
C-2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	21.68	15.38
C-3(b)	For supply at 132 kV up to and including 5000 kW	360.00	21.18	15.18

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
D-1	For all Loads Time of Use	200.00		17.66
D-2	For all Loads	200.00	23.78	15.78

Note:- The consumers having sanctioned load less than 5 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
E-1(i)	Residential Supply	-		21.58
E-1(ii)	Commercial Supply	-		24.48
E-2 (i)	Industrial Supply	-		21.18
E-2 (ii)	Bulk Supply			
	(a) at 400 Volts	-		21.58
	(b) at 11 kV			21.18

For the categories of E-1(i&ii) and E-2 (I&ii) above, the minimum bill of the consumers shall be Rs. 50/- per day subject to a minimum of Rs.500/- for the entire period of supply, even if no energy is consumed.

F - SEASONAL INDUSTRIAL SUPPLY TARIFF

125% of relevant industrial tariff

Note:

Tariff-F consumers will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of a new connection or at the beginning of the season. Once exercised, the option remains in force for at least one year.

G - PUBLIC LIGHTING

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
	Street Lighting	-		21.18

Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
	Residential Colonies attached to industrial premises			19.18

Note: The SoT has been grossed up with minus Ps. 42/ kWh on account of Claw Back Amount, however, same is to be shared with consumers directly on account of transfer of a portion of profits of K-Electric for the Financial Year 2011-12 and 2012-13, as per the Claw Back Mechanism.

