

No. Tariff/XWDISCOs-2020-21
 Government of Pakistan
 Ministry of Energy
 Power Division

Islamabad October 15, 2021.

The Registrar

National Electric Power Regulatory Authority
 NEPRA Tower, Attaturk Avenue (East)
 Sector G-5/1, Islamabad

Subject: FEDERAL GOVERNMENT MOTION WITH RESPECT TO RECOMMENDATION OF CONSUMER END TARIFF FOR XWDISCOS, UNDER SECTION 7 & 31 OF REGULATION, GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 (THE "ACT") READ WITH RULE 17 OF THE NEPRA TARIFF (STANDARDS AND PROCEDURES) RULES, 1998

Refer to the subject and to the Tariff Determination(s) for XWDISCOS (the "Consumer End Tariff Recommendations", as described in para 3 and 5 below), recommended under section 7 of the Act to the Federal Government by the National Electric Power Regulatory Authority (the "Authority") and notified by the Federal Government under section 31 of the Act.

2. Economic Co-Ordination Committee (ECC), vide its decision in Case No. ECC-106/22/2018 dated October 24, 2018 approved the Methodology for Arriving at Uniform Tariff and its Adjustment (**Annex A/1**), which was, thereafter, approved and ratified by the Cabinet. Furthermore, to structure the discretion for arriving at such uniform tariff, further appropriate guidelines were also adopted (**Annex A/2**), which, alongwith Annex A/1, be read as an integral part of this request.
3. Accordingly, the Authority has been determining the uniform tariff to be charged from the consumers, including the impact of targeted subsidy and inter disco tariff rationalization/cross subsidies, under the Act. The latest uniform tariff in field for XWDISCOs was determined by the Authority through its determination dated February 12, 2021 (**Annex B/1**) and has been notified vide SROs 182 to 191 (I)/2021 dated February 12, 2021 (**Annex B/2**).

The above referred uniform tariff determination and consequential applicable variable charge notified vide the above referred SROs, after accounting for tariff rationalization, tariff differential subsidy and cross subsidies, specifically envisage and provide for net subsidy to the tune of Rs. 185 Billion only to various categories of consumer. The SROs also specifically provide that modification in the subsidy may be reflected in the relevant Schedule of Tariff through the applicable variable charge.

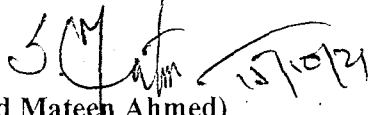
5. Thereafter, the Authority, through its determination dated September 23, 2021 (**Annex C/1**), in respect of Policy Guidelines of the Federal Government, approved modification/adjustments in the DISCOs Schedule of Tariffs and terms & conditions thereof with regard to creation and/or re-categorization of various consumer categories. Consequently, Annexures A, B and C

Tariff Division Record
 Dy. No. 6246
 Dated: 18-10-21
 REGISTRAR
 Dy. No. 1878/21
 Dated: 18-10-21

For n/a please
 - ADG Grid
 - MF
 - COM To
 - SA Tech
 - I & P Div
 N 18/121
 co chairman
 - VC/M (M&E)
 - M (I) CA
 - M (I) C

alongwith Annexure II, III & V of all DISCOs forming part of Authority's determination dated February, 12, 2021 were modified/amended. The said determination of the Authority has been notified vide SROs 1280 to 1289 (I)/2021 dated October 01, 2021 (**Annex C/2**). Consequently, after accounting for tariff rationalization, tariff differential subsidy and cross subsidies. such amendments/modification will result in net required subsidy to the tune of **Rs. 240 Billion** only to various categories of consumer.

6. Based on the consolidated revenue requirements of DISCOs as well as the economic and financial policy of the Federal Government, the tariff differential subsidy (TDS) is proposed to be modified and reduced. This modification in the targeted subsidy is proposed to be given effect alongwith modification of inter disco tariff rationalization/cross subsidies per practice in vogue, through modification of the applicable variable charge of categories of consumers of XWDISCOs, attached herewith at **Annex D**. The same has been approved by the Federal Government and it was decided that the same be submitted to the Authority for consideration in terms of section 31 (4) of the Act. This modification is not aimed at raising any revenues for the Federal Government, as it is within the determined revenue requirements of the XWDISCOs, as consolidated and determined by the Authority in the terms of section 31 (4) of the Act.
7. In this regard, reference is made to the National Electricity Policy, 2021 at **Annex E** approved by the Council of Common Interest which, *inter alia*, provides that financial sustainability of the sector is premised on timely recovery of full cost of service and in due course, financial self-sustainability will eliminate and minimize the need for Government subsidies except and save to the limited extent specified per the prevailing Government considerations.
8. In light of the above, instant Motion is being filed by the Federal Government with respect to Consumer End Tariff Recommendations under section 7, 31 (4) and 31 (7) of the Act read with Rule 17 of the NEPRA Tariff (Standards and Procedures) Rules, 1998 so as to reconsider and issue the revised/modified uniform schedule of tariff of XWDISCOs, by incorporating revised subsidy and inter distribution companies tariff rationalization/ cross subsidies (**Annex D**) for the category of each of NEPRA determined notified rate (inclusive of subsidy/cross subsidies/ inter disco tariff rationalization) in SRO Nos. 01 to 10 of 2019 dated January 01, 2019 as modified by SROs 182 to 191 (I)/2021 dated February 12, 2021 and 1280 to 1289 (I)/2021 dated October 01, 2021.
9. That for the purposes of this motion it is requested that a hearing be provided for the purposes of providing detailed submissions including session with the technical professional team of the Authority prior to hearing. Further, additional grounds may also be presented subsequently.
10. In view of above, the Authority is also requested to condone the delay, if any, in filing this request under section 31 of the Act.


(Syed Mateen Ahmed)
Deputy Secretary(T&S)

C.C:-

1. PSO to Minister for Power Division.
2. PSO to Secretary, Ministry of Energy.
3. PS to Addl Secretary-II, Power Division.
4. PS to Joint Secretary, Power Division.

~~CONFIDENTIAL~~

Methodology of Tariff Determination for Distribution Companies and Notification thereof by the Federal Government in terms of the Provisions of "Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997" (the "Act")

A. Pre Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act, 2018

1. In terms of section 31 (1) of the Act (prior to amendment in the year 2018) read with National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 (the "Tariff Rules"), National Electric Power Regulatory Authority (NEPRA), after ascertaining the prudence of costs and conducting public hearing, arrived at a determination for 'revenue requirement' of each distribution company separately under Rule 17 (3) of the Tariff Rules comprising of: (a) Power Purchase Price; (b) Impact of T&D losses; (c) Distribution Margin; and (d) Prior Year Adjustment;
2. Such determined revenue requirement is reflected in estimated sales revenue as set out in Annexure-II of the tariff determination, to be recovered from the consumer by way of the schedule of tariff annexed as Annexure-III of the determination.

a. Pre Amendment – Uniform Tariff Methodology

3. Keeping in view various parameters, including (a) the socio economic objectives; (b) the budgetary targets in field; and (c) the policy of maintaining uniform tariff rates across the consumers and regions; (d) recommendations of NEPRA with respect to consumer end tariff for each distribution company, the Federal Government used to arrive at uniform tariff to be charged from all the categories of consumers, which in essence was the lowest recommended tariff for each category of consumers out of all the ten distribution company.
4. In terms of section 31 (4) of the Act (prior to amendment in the year 2018), the recommended tariff by NEPRA was notified as Schedule-I and the rates at which a distribution company shall receive payment from its consumers was notified as Schedule-II, from time to time. The difference between the two schedules was to be paid by the Federal Government, as tariff differential subsidy.
5. Lately however, the targeted subsidy allocation in the federal budget declined. Consequently, the methodology mentioned above was revised. Since 2014-15, the process was that national average for each category was taken as the benchmark and thereafter for such distribution companies where the recommended rate for such category by NEPRA was more subsidy was specified and for such distribution companies where recommended rate was less surcharge in terms of section 31(5) of NEPRA Act was specified. This exercise was undertaken in view of the available targeted subsidy amount. The surcharge was initially referred to as Universal Obligation and lastly as Tariff Rationalization Surcharge. The same was to be collected by

XWDISCOs and deposited with CPPA-G for the purposes of settlement of the notified prudent costs of the approved generation companies and the transmission companies.

a. Other Surcharges

6. In addition: (i) Neelum Jhelum surcharge @ Rs. 0.10/unit was also charged till June 2018; and (ii) Financing Cost surcharge @ Rs. 0.43/unit is also being charged.
7. In compliance with the directions of the Honorable Superior Court, lately such imposition of surcharges was also routed through NEPRA, prior to notification of the consumer end tariff.

B. Post Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act, 2018 (the "Amendment Act, 2018")

8. By way of the Amendment Act, 2018 two-pronged strategy was adopted. Firstly, all surcharges to date imposed were ratified and validated by the Parliament in terms of section 51 of the Act. Secondly, the authority and obligation to determine uniform tariff in the public consumer interest has now been vested in NEPRA for such distribution companies, which are owned and controlled by a common shareholder on the basis of their consolidated accounts.

The legal framework for tariff determination, notification and steps entailed are as follows:

9. In terms of the amended section 31 (1) of the Act, NEPRA has to determine the "individual" tariff of each distribution company for the provision of electric power services. The same is reproduced below for ease of reference:

"(1) The Authority shall, in the determination, modification or revision of rates, charges and terms and conditions for the provision of electric power services, be guided by the national electricity policy, the national electricity plan and such guidelines as may be issued by the Federal Government in order to give effect to the national electricity policy and national electricity plan."

10. Accordingly, on the basis of individual accounts of each XWDISCOs and other factors prescribed by the Act including section 31 (2) & (3) of the Act, separate revenue requirements and schedule of tariff for each XWDISCOs has been determined and recommended by NEPRA for notification in terms of section 31(7) of the Act. The details whereof are as follows:

#.	DISCOs	Admitted Date	Hearing Date	Determination Date
1	LESCO	15 Mar 2018 (PPP Adjustment)	31-07-18	31-Aug-18
		28 July 2018 (PYA, DM Adjustment)		
2	IESCO	15-Mar-18	15-08-18	31-Aug-18
3	FESCO	1 Mar 2018 (PPP Adjustment)	15-08-18	31-Aug-18
		18 Aug 2018 (PPP, PYA, DM Adjustments)		
4	GEPCO	28-Mar-18	12-04-18	20-Jul-18
5	HESCO	22-Nov-17	4-01-18	6-Jul-18
6	QESCO	16-May-17	20-06-17	6-Jul-18
7	PESCO	13-Feb-18	12-04-18	12-Jul-18
8	MEPCO	12-Oct-17	28-11-17	6-Jul-18
9	TESCO	10-May-18	11-07-18	31-Aug-18
10	SEPCO	7-Feb-18	20-03-18	3-Jul-18

Additionally, the quarterly adjustments for 2017-18 of GEPCO, HESCO, QESCO, PESCO, MEPCO, TESCO and SEPCO have also been recommended by NEPRA date September 10, 2018, by superseding schedule of tariff earlier determined, for notification in term of section 31(7) of Act.

11. It is thus evident from the above that the process for some of the distribution companies including hearing of the tariff determinations was completed prior to Amendment Act, 2018. Whereas, for others the same was undertaken post the Amendment Act, 2018. However, tariff determination and recommendations based on individual accounts of each distribution company owned and controlled by the Federal Government by NEPRA is post the Amendment Act, 2018. In essence the determined prudent revenue requirement is to the tune of Rs. 1,611 billion, i.e., a sum of Rs. 396 billion over and above the uniform notified tariff in field at present.
12. Presently the consolidated prudent revenue requirement of Rs. 1,611 billion recommended by NEPRA is to be recovered by way of differential tariff for each category of consumer for each XWDISCO. As an illustration the differential rate in each consumer category for residential and industrial consumer for one XWDISCO in each Province is as follows:

Particular	Punjab	Sindh	Baluchistan	KPK
	GEPCO	SEPCO	QESCO	PESCO
Residential	Rs / kWh			
Up to 50 Units	4.00	4.00	4.00	4.00
For peak load requirement less than 5 kW				
01-100 Units	9.52	17.41	12.13	18.04
101-200 Units	11.49	18.65	14.64	21.38
201-300 Units	12.75	21.35	15.49	21.69
301-700 Units	15.73	23.20	16.49	23.04
Above 700 Units	16.39	25.59	18.54	24.11
Load Exceeding 5 kW				
Time of Use - Peak	16.28	25.59	18.54	24.04
Time of Use - Off-Peak	9.78	19.64	12.16	18.49
Industrial	Rs / kWh			
B3 - TOU (Peak)	16.28	25.60	18.54	24.04
B3 - TOU (Off-peak)	9.48	19.34	11.84	18.19
B4 - TOU (Peak)	16.28	25.59	18.53	24.04
B4 - TOU (Off-peak)	9.38	19.24	11.73	18.09

13. It is pointed out that at present the schedule of tariff based on tariff rationalization (subsidy/surcharge) applies the same rate for each category of consumer while maintaining national average at Rs. 12.92/- per unit, inclusive of subsidy of Rs. 1.19/- per unit. Whereas in order to recover the additional determined revenue requirement of Rs. 396 billion only, the national average is to be maintained at Rs. 15.53/- per unit.
14. It is also pointed out that the National Power Policy, 2013 (the "Power Policy") developed by the Federal Government and approved by CCI is in vogue. One of the essential components of the Power Policy is to safeguard the low-end consumers from any price escalation and tariff rationalization/uniformity with an aim to minimize/eliminate subsidy within industrial, commercial and bulk consumers.
15. Similarly, in pursuance of the Power Policy, the National Power Tariff and Subsidy Policy Guidelines, 2014 (the "Tariff and Subsidy Policy") is also in vogue. The Tariff and Subsidy Policy aim to strike a balance between the interest of consumers and the interest of providers of capital. The main objective of the Tariff and Subsidy Policy is: (a) in the context of tariff policy to ensure: (i) financial viability of the sector entities while protecting interests of the consumers; and (ii) predictability in regulatory actions; and (b) in the context of national subsidy policy: (i) subsidy policy for low income residential customers; (ii) subsidy not to exceed amount funded by the federal budget; and (iii) tariff adjustment mechanism. The Tariff and Subsidy Policy also

maintains the commitment of the Federal Government for now to continue a uniform national tariff.

16. Furthermore, period of one year for alignment of rules and regulations with the amended provisions of the Act, prescribed under section 50, is in the field. Additionally, section 31 (4) of the Act, provides that after determination of tariff for each individual distribution company, NEPRA has to determine a "uniform tariff for distribution licensees", wholly owned or controlled by a common shareholder, on the basis of their consolidated accounts. The same has been apparently done to take into account, inter alia, the socio-economic objectives as well as the policy of maintaining uniform tariff rates across the consumers and regions. The same is reproduced below for ease of reference:

"(4) Subject to sub-sections (2) and (3), the Authority shall, in the public consumer interest, determine a uniform tariff for distribution licensees wholly owned and controlled by a common shareholder, on the basis of their consolidated accounts."

17. In view of above it is evident that NEPRA has already determined revenue requirements of each XWDISCO based on individual accounts of each XWDISCO, which determinations led to recommendations for differential schedule of tariff. However, the process enshrined in section 31(4) of the Act so as to provide for uniform tariff is yet to be adopted. In view of the period of one year prescribed in Section 50 of the Act, the public consumer interest reflected in the National Power Policy and the Tariff and Subsidy Policy it is proposed that the revenue requirements of each XWDISCO determined by NEPRA on the basis of individual account of each XWDISCO be consolidated so that the consolidated revenue requirement be reflective of consolidated accounts. Thereafter, the consolidated revenue requirement be utilized for the purposes of arriving at uniform tariff cross each category of consumer of XWDISCO (i.e. national average), subject to its adjustment on account of targeted subsidy. For achieving and implementing the above purpose, amendment of the Tariff Rules is also being proposed so as to provide the mechanism/procedure/standard for the purposes of determination of uniform tariff.

18. In view of the economic and social policy objectives mentioned above as well as the proposed methodology for uniform tariff being within the consolidated revenue requirements, reflective of principles of prudence, and full cost of service subject to targeted subsidy, set forth in the Act, is proposed. Accordingly, the uniform tariff based on the consolidated revenue requirement approved and determined by NEPRA for XWDISCOs while taking into account targeted subsidy, ~~of Rs. 167 billion is proposed.~~ Once the same is considered by NEPRA, uniform tariff in terms of section 31 (4) of the Act for XWDISCOs wholly owned and controlled by the Federal Government is to be recommended by NEPRA for notification under section 31: (7) of the Act.

Methodology of Tariff Determination for XWDISCOs and Notification thereof by the Federal Government in terms of the Provisions of “Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997” (the “Act”)

1. Economic Co-Ordination Committee (ECC) vide its decision in Case No. ECC-106/22/2018 dated October 24, 2018, which was, thereafter, approved and ratified by the Cabinet, approved the Methodology for Arriving at Uniform Tariff and its Adjustment. The same was communicated to National Electric Power Regulatory Authority (NEPRA) by the Federal Government vide letter No. MoWP tariff/2017-18 dated November 09, 2018, for determination and recommendation of uniform tariff for XWDISCOs in light thereof. Accordingly, NEPRA, through its determination dated December 19, 2018 (the “**Determination**”), considered and approved the uniform tariff to be charged from the consumers including the impact of targeted subsidy and inter disco tariff rationalization in terms of section 31 (4) of the Act. The Determination was duly notified by the Federal Government vide SRO Nos. [1] to [10] of 2019 dated January 2019.
2. National Power Policy, 2013 (the “**Power Policy**”) developed by the Federal Government and approved by Council of Common Interest is in vogue. One of the essential components of the Power Policy is to safeguard the low-end consumers from any price escalation and tariff rationalization/uniformity with an aim to minimize/eliminate subsidy within industrial, commercial and bulk consumers. The guidelines proposed by NEPRA in the Determination are also reflective of the same and also reflected herein.
3. Similarly, in pursuance of the Power Policy, the National Power Tariff and Subsidy Policy Guidelines, 2014 (the “**Tariff and Subsidy Policy**”) is also in vogue. The Tariff and Subsidy Policy aim to strike a balance between the interest of consumers and the interest of providers of capital. The main objective of the Tariff and Subsidy Policy is: (a) in the context of tariff policy to ensure: (i) financial viability of the sector entities while protecting interests of the consumers; and (ii) predictability in regulatory actions; and (b) in the context of national subsidy policy: (i) subsidy policy for low income residential customers; (ii) subsidy not to exceed amount funded by the federal budget; and (iii) tariff adjustment mechanism. The Tariff and Subsidy Policy also maintains the commitment of the Federal Government for now to continue a uniform national tariff.
4. The tariff determinations of NEPRA under section 31 (1) of the Act are recommending the prudent revenue requirement of Rs. 1681 Billion to be recovered by way of differential tariff for each category of consumer for each XWDISCO, attached herewith as **Annex – I**. As an illustration the differential rate in each consumer category for residential and industrial consumer for one XWDISCO in each Province is as follows:

Description	Punjab	Sindh	Baluchistan	KPK
	GEPCO	SEPCO	QESCO	PESCO
Residential	Rs./ kWh			
Up to 50 Units	4.00	4.00	4.00	4.00
For peak load requirement less than 5 kW				
01-100 Units	12.72	17.28	20.69	13.88
101-200 Units	14.65	20.31	23.14	17.06
201-300 Units	15.90	23.00	23.59	17.57
301-700Units	18.85	24.61	24.46	18.81
Above 700 Units	19.46	26.99	27.70	20.58
For peak load requirement exceeding 5 kW)				
Time of Use (TOU) – Peak	19.39	27.00	27.91	19.84
Time of Use (TOU) - Off-Peak	12.90	21.05	21.51	12.41
Industrial	Rs./ kWh			
B3 - TOU (Peak)	18.99	26.84	22.34	19.27
B3 - TOU (Off-peak)	12.19	18.59	15.64	13.86
B4 - TOU (Peak)	18.99	26.84	22.34	19.71
B4 - TOU (Off-peak)	12.09	20.49	15.54	14.23

5. Keeping in view the social and economic policy objectives of the Federal Government, in line with the provision of section 31 (2) of the Act as well as the Power Policy approved by CCI, the proposed Uniform Tariff proposes uniform rate in each consumer category for residential and industrial consumer for XWDISCOs in each Province. Thereby maintaining level playing field and also protecting citizens of each Province, equally and in the same manner.
6. It is further pointed out that the proposed SOT based on differential tariff leads to recovery of consolidated revenue requirements of all XWDISCOs at a national average of Rs. 16.69/- per unit. Keeping in view the socioeconomic objectives as well as budgeted/targeted subsidy inclusive of inter disco tariff rationalization, it is proposed that the consolidated revenue requirements be recovered by maintaining national average at Rs. 14.88/- per unit and subsidy of Rs. 1.81/- per unit as reflected in **Annex - II**.
7. In line with the Power Policy, the Tariff and Subsidy Policy as well as section 31 (4) of the Act, the proposed Uniform Tariff incorporates targeted subsidies as well as inter disco

tariff rationalization within the uniform tariff, which would lead to protection of the target low-end consumer category from any price escalation.

8. Accordingly, from the above factors and workings, the public consumer interest being fulfilled through the proposed Uniform Tariff is evident, while remaining within the scope of section 31 (2) and (3) of the Act, as is required to be depicted in terms of section 31 (4) of the Act, with respect to XWDISCOs owned and controlled by the Federal Government.
9. The proposed Uniform Tariff is based on the consolidated revenue requirement of XWDISCOs in respect of which the Uniform Tariff is being sought, determined by NEPRA in respective tariff determinations for such XWDISCOs; the same is based on actual and projected statements of expenses, receipts and income for such distribution licensees as examined by NEPRA and depicts a consolidated picture of such accounts. The same is attached herewith as **Annex – III**.
10. In view of the economic and social policy objectives mentioned above as well as the methodology for uniform tariff being within the consolidated revenue requirements, reflective of principles of prudence, and full cost of service subject to targeted subsidy, set forth in the Act, is proposed. Accordingly, the uniform tariff based on the consolidated revenue requirement approved and determined by NEPRA for XWDISCOs while taking into account targeted subsidy is proposed. Once the same is considered by NEPRA, uniform tariff in terms of section 31 (4) of the Act for XWDISCOs wholly owned and controlled by the Federal Government is to be recommended by NEPRA for notification under section 31 (7) of the Act.
11. It is further proposed that for such category of customer of each XWDICO where the recommended rate of NEPRA in terms of section 31(1) of the Act is more than uniform tariff determined under section 31(4) of the Act such XWDISCO shall be entitled to claim the differential as subsidy, which shall be released subject to adjustment on account of inter disco tariff rationalization. Similarly, for such category of customer of each XWDISCO where recommended rate in terms of section 31(1) of the Act is less than uniform tariff under section 31(4) of the Act, such DISCO shall be obligated to deposit such additional charge as inter disco tariff rationalization adjustment directly with CPPA-G for the purposes of adjustment of liabilities of approved and notified generation and transmission costs.



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-100/XWDISCOs/7695-7697

February 12, 2021

Subject: Decision of the Authority in the matter of Motion filed by the Federal Government under Section 7, 31(4) and 31(7) of the NEPRA Act 1997 read with Rule 17 of the NEPRA (Tariff Standards and Procedure) Rules, 1998 with respect to Recommendation of the Consumer-end Tariff for XWDISCOs

Dear Sir,

Please find enclosed herewith subject Decision of the Authority including Annexures-A, B, C along with Annex-II, III & IV of each XWDISCO (53 pages).

2. The Decision including Annexures-A, B, C along with Annex-II, III & IV of each XWDISCO is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

Enclosure: As above

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(Syed Safer Hussain)

Secretary
 Ministry of Energy (Power Division)
 'A' Block, Pak Secretariat
 Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

Government of Pakistan
Ministry of Energy

Islamabad, the 12th February, 2021.

NOTIFICATION

S.R.O.182(I)/2021. - In pursuance of section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Federal Government is pleased to direct that the following amendments shall be made in its notification No. 374(I)/2018 dated March 22, 2018 as amended and modified by S.R.O. 01(I)/2019 dated January 01, 2019, with immediate effect:

2. In the aforesaid notification, the Schedule Of Electricity Tariffs determined by National Electric Power Regulatory Authority (the “**Authority**”), inclusive of GoP Tariff Rationalization, of Quetta Electric Supply Company Limited (QESCO), is substituted with the final tariff dated February 12, 2021 intimated by the Authority, based on uniform tariff determined by the Authority in terms of sub-section (4) of section 31, both of which the Federal Government is pleased to notify as Schedule-I&II in terms of sub-section 7 of section 31 of the Act. Provided that any modification in the targeted subsidy shall accordingly be reflected in the applicable variable charge specified in the Schedule-I.
3. In the aforesaid notification the Annex-II and IIA, Annex-I and IA, Annex-III, Annex-IV, Annex-V mentioned in paragraph no. 1 are respectively substituted with the Fuel Price Adjustment Mechanism and Quarterly/Biannual Adjustment Mechanism at Annex-I and IA, Order dated 08-12-2020 of the Authority at Annex-II and IIA, QESCO Estimated Sales Revenue at Annex-III, QESCO Power Purchase Price at Annex-IV, the Terms and Conditions of Tariff (For Supply Of Electric Power To Consumers By Distribution Licensee) at Annex-V, which are also notified in respect of QESCO and paragraph no. 2 in the aforesaid notification is deleted.

Government of Pakistan
Ministry of Energy

Islamabad, the 12th February, 2021.

NOTIFICATION

S.R.O. 191(I)/2021. - In pursuance of section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Federal Government is pleased to direct that the following amendments shall be made in its notification No. 383(I)/2018 dated March 22, 2018 as amended and modified by S.R.O. 10(I)/2019 dated January 01, 2019, with immediate effect:

2. In the aforesaid notification, the Schedule Of Electricity Tariffs determined by National Electric Power Regulatory Authority (the "Authority"), inclusive of GoP Tariff Rationalization, of Tribal Areas Electric Supply Company Limited (TESCO), is substituted with the final tariff dated February 12, 2021 intimated by the Authority, based on uniform tariff determined by the Authority in terms of sub-section (4) of section 31, both of which the Federal Government is pleased to notify as Schedule-I&II in terms of sub-section 7 of section 31 of the Act. Provided that any modification in the targeted subsidy shall accordingly be reflected in the applicable variable charge specified in the Schedule-I.
3. In the aforesaid notification the Annex-II and IIA, Annex-I and IA, Annex-III, Annex-IV, Annex-V mentioned in paragraph no. 1 are respectively substituted with the Fuel Price Adjustment Mechanism and Quarterly/Biannual Adjustment Mechanism at Annex-I and IA, Order dated 14-12-2020 of the Authority at Annex-II and Order dated 11-12-2020 of the Authority IIA, TESCO Estimated Sales Revenue at Annex-III, TESCO Power Purchase Price at Annex-IV, the Terms and Conditions of Tariff (For Supply Of Electric Power To Consumers By Distribution Licensee) at Annex-V, which are also notified in respect of TESCO and paragraph no. 2 in the aforesaid notification is deleted.



Registrar

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Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-100/XWDISCOs/37543-37545
September 23, 2021

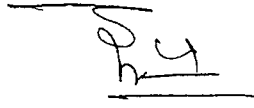
Subject: Determination in the matter of Policy Guidelines forwarded by the Ministry of Energy (MoE) under Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 for providing basis for Re-Targeting Power Sector Subsidies in Future

Dear Sir,

Please find enclosed herewith subject Determination of the Authority along with Annexures (152 pages).

2. The Determination along with Annexures is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

Enclosure: As above


23 09 21
(Syed Safer Hussain)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

Government of Pakistan
Ministry of Energy

Islamabad, the 1st October, 2021

NOTIFICATION

1280
S.R.O. (I)/2021. - In pursuance of section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Federal Government is pleased to direct that the following amendments shall be made in its notification No. 185(I)/2021 dated February 12, 2021, with immediate effect:

2. In the aforesaid notification, Schedule-I, Schedule-II, Annex-III and Annex-V shall respectively be substituted with the Schedule of Electricity Tariffs at S-I, National Average Uniform Tariff at S-II&IIA, IESCO Estimated Sales Revenue at Annex-III, and the Terms and Conditions of Tariff (For Supply of Electric Power to Consumers by Distribution Licensee) at Annex-V, hereunder, per the determination of National Electric Power Regulatory Authority, as intimated vide letter dated September 23, 2021.
3. Subject to the amendments made through this notification, all other provisions, terms and conditions contained in notification No. 185(I)/2021 dated February 12, 2021 will continue to remain in full force and effect.

Government of Pakistan
Ministry of Energy

Islamabad, the 1st October, 2021

NOTIFICATION

S.R.O. ¹²⁸⁹ (I)/2021. - In pursuance of section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Federal Government is pleased to direct that the following amendments shall be made in its notification No. 191(I)/2021 dated February 12, 2021, with immediate effect:

2. In the aforesaid notification, Schedule-I, Schedule-II, Annex-III and Annex-V shall respectively be substituted with the Schedule of Electricity Tariffs at S-I, National Average Uniform Tariff at S-II&IIA, TESCO Estimated Sales Revenue at Annex-III, and the Terms and Conditions of Tariff (For Supply of Electric Power to Consumers by Distribution Licensee) at Annex-V, hereunder, per the determination of National Electric Power Regulatory Authority, as intimated vide letter dated September 23, 2021.
3. Subject to the amendments made through this notification, all other provisions, terms and conditions contained in notification No. 191(I)/2021 dated February 12, 2021 will continue to remain in full force and effect.

Rs. /kWhs Variable Rates Only

NEPRA Determined Tariff

Proposed

Description		IESCO	LESCO	GEPSCO	FESCO	MEPCO	PESCO	HESCO	QESCO	SEPCO	TESCO	National Avg.	Uniform Applicable
Residential													
Protected	Up to 50 Units - Life Line	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.95
	51-100 Units - Life Line	12.00	13.75	12.72	13.72	15.83	13.88	19.30	20.69	17.28	12.06	14.59	7.74
	01-100 Units	12.00	13.75	12.72	13.72	15.83	13.88	19.30	20.69	17.28	12.06	14.59	7.74
	101-200 Units	15.13	15.20	14.65	17.09	16.36	17.06	20.95	23.14	20.31	14.21	16.41	10.06
Unprotected	01-100 Units	12.00	13.75	12.72	13.72	15.83	13.88	19.30	20.69	17.28	12.06	14.59	9.42
	101-200 Units	15.13	15.20	14.65	17.09	16.36	17.06	20.95	23.14	20.31	14.21	16.41	11.74
	201-300 Units	16.71	16.94	15.90	17.83	17.43	17.57	22.34	23.59	23.00	15.17	17.53	13.83
	301-400 Units	17.72	18.37	18.85	18.14	19.92	18.81	23.38	24.46	24.61	15.59	19.07	21.23
	401-500 Units	17.72	18.37	18.85	18.14	19.92	18.81	23.38	24.46	24.61	15.59	19.07	21.23
	501-600 Units	17.72	18.37	18.85	18.14	19.92	18.81	23.38	24.46	24.61	15.59	19.07	21.23
	601-700 Units	17.72	18.37	18.85	18.14	19.92	18.81	23.38	24.46	24.61	15.59	19.07	21.23
	Above 700 Units	19.82	20.70	19.46	19.59	20.90	20.56	25.03	27.70	26.99	16.47	20.61	24.33
Total Residential													
Commercial - A2													
Load up to 5 kW													
Load Exceeding 5 kW													
Regular													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
Temporary Supply													
Total Commercial													
General Services-A3													
Industrial													
B1													
B1 Peak													
B1 Off Peak													
B2													
B2 - TOU (Peak)													
B2 - TOU (Off-peak)													
B3 - TOU (Peak)													
B3 - TOU (Off-peak)													
B4 - TOU (Peak)													
B4 - TOU (Off-peak)													
Temporary Supply													
Total Industrial													
Bulk Supply													
C1(a) Supply at 400 Volts- up to 5 kW													
C1(b) Supply at 400 Volts-exceeding 5													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
C2 Supply at 11 kV													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
C3 Supply above 11 kV													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
Total Bulk Supply													
Agricultural													
Scarp													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
Agricultural Tube-wells													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
Total Agricultural													
Public Lighting													
Resid. Colon.att. to ind													
Railway Traction													
Special Contracts - AJK													
Time of Use (TOU) - Peak													
Time of Use (TOU) - Off-Peak													
Special Contracts - Rawat Lab.													
Avg. Sale Rate (Rs. /kWh)													
Variable													
Fixed													
Revenue Requirement (Bln. Rs.)													
Variable													
Fixed													
Avg.													
Revenue Requirement on Updated Sale Mix													
Subsidy Requirement 12 Months													
Subsidy requirement (Jul-Oct) FY 2022													
Subsidy requirement (Nov-Jun) FY 2022													
Total Subsidy Requirement													



National Electricity Policy 2021

Government of Pakistan

