

F. No Tariff/EVCS-2025
Government of Pakistan
Ministry of Energy
(Power Division)

Islamabad, January 24, 2025

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

Subject: FEDERAL GOVERNMENT MOTION AND POLICY GUIDELINES FOR RATIONALIZATION OF TARIFF FOR ELECTRIC VEHICLE CHARGING STATIONS

The global transition towards sustainable energy underscores the critical importance of advancing the adoption of electric vehicles (EVs). EVs represent a cleaner and more efficient mode of transportation, offering an opportunity to reduce reliance on imported fuels and mitigate environmental degradation. However, the growth of Pakistan's EV sector has been limited due to structural and financial constraints, including challenging economic conditions and high energy prices. The development of EV charging infrastructure is pivotal to realizing the sector's potential, yet the current tariff structure presents significant impediments for both investors and consumers.

2. According to the Federal Government's SRO Nos. 1025-1035 (I)/2024 dated July 12, 2024 read with SRO 1039 (I)/2024 dated July 14, 2024, the tariff for Electric Vehicle Charging Stations (EVCS) falls under the commercial category, with a base rate of PKR 45.5/kWh. This base rate includes a cross-subsidy of approximately PKR 10/kWh. After the application of around 43% taxes and further adjustments, the effective final tariff is approximately PKR 71/kWh. Furthermore, NEPRA has determined a margin of PKR 24.44/kWh for EVCS. As a result, the maximum tariff for EV charging has been set at approximately PKR 95/kWh, which is currently being charged to users. While this rate provides notable savings for EV users compared to conventional fuels, it does not offer a sustainable Return on Investment (ROI) for charging station operators. The resulting negative internal rates of return (IRR) discourage potential investors, hindering the development and expansion of charging infrastructure.

3. Considering the above, the Federal Government has approved the tariff reduction for EVCS vide Case No. 27 /Rule-19/2025/47 on January 20, 2025 (**Annex-I**) and it was decided that policy guidelines be issued to NEPRA for approval and incorporation of proposed initiative in the regulatory framework. The general provisions of policy guidelines are listed below:

- a) Proposed rationalization of the base rate of PKR 23.57/kWh for EVCS to encourage the development of charging infrastructure to meet the EV policy target set by GoP by 2030. The difference between the proposed and existing base tariff will be managed through a cross-subsidy mechanism. All existing taxes and adjustments applicable will continue to apply to EVCS.

Forwarded please.

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For kind information please.

1. Chairman	2. M (Tech)
3. M (Lic.)	4. M (Inf & Fin)
5. M (Law)	

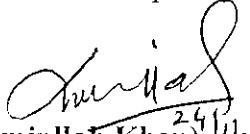
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- b) Removal of the capped margin of Rs. 24.44/kWh allowing the market to determine the margin for EVCS.

4. In light of the above, the instant motion is being filed by the Federal Government pursuant to Sections 7 and 31 of the Act, read with Rule 17 of the NEPRA (Tariff Standards and Procedure) Rules, requesting that the proposed amendments be incorporated into the respective schedules of tariffs and terms and conditions accordingly.


(Samiullah Khan) 24/11/25
Deputy Secretary (T&S)

C.C: -

1. PS to **Secretary**, Ministry of Energy, Power Division, Islamabad.
2. PS to **Additional Secretary-II** Ministry of Energy, Power Division, Islamabad.
3. PS to **Joint Secretary (T&S)**, Ministry of Energy, Power Division, Islamabad.
4. SPS to **Joint Secretary (PF)**, Ministry of Energy, Power Division, Islamabad.