(TCS)

Faisalabad Electric Supply Company Limited

FESCO

CHIEF EXECUTIVE OFFICER FESCO HQ

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No. 4682 **FESCO/CMRA/UoSC/** Dated: 01/09/2025

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

Subject: **SUBMISSION OF PETITION FOR DETERMINATION OF GRID CHARGES/USE OF SYSTEM CHARGES (UoSC) FY 2025-26**

Ref: Your office letter No.13028 dated 22.08.2025 & No.13900 dated 29.08.2025.

With reference to the subject cited above, FESCO is pleased to **resubmit its Updated Petition for Determination of Grid Charges / Use of System Charges for FY 2025-26**, duly aligned with the NEPRA-determined consumer-end tariff for FY 2025-26, in compliance with **Rule-3 of the NEPRA (Tariff Standards and Procedures) Rules, 1998 (Tariff Rules)**. The petition is being resubmitted along with the approved resolution of the Board of Directors.

It is also submitted that **all earlier petitions filed by FESCO for determination of Use of System Charges may kindly be treated as withdrawn.**

Tariff Division Record
Dy No. 4065
Dated 4-9-25

TARIFF (DEPARTMENT)
Dir (T-I)..... Dir (T-II).....
Dir (T-III)..... Dir (T-IV).....
Dir (T-V)..... Addl. Dir (RE).....
Date. 4-9-25

Enclosures:

a) Updated Petition in Original
b) Grid Charges/UoSC Proposals **(Annex-1 & Annex-1A)**
c) FESCO Updated Cost of Service Study **(Annex-2)**
d) BOD Resolution.

Chief Executive Officer
FESCO Faisalabad

CC
1. Chief Financial Officer FESCO Faisalabad.
2. SO to Chief Executive Officer FESCO Faisalabad.

REGISTRAR OFFICE
Diary No: 05799
Date: 05/9/25

DD(T)

Forwarded please:
☑ For nec. action ☐ For Information

☐ DG (Lic.)	☐ DG (Admn/HR)
☐ DG (M&E)	☐ DG (CAD)
☐ DG (Tech.)	☐ DG (ATC)
☐ ADG (T&I)	☐ ADG (Fin.)
☐ SLA	☐ Dir. (I.T)
☐ Consult (Tech.)	☐ Consult (CTBCM)

For kind information, please.
1. Chairman 2. M (Tech)
3. M (Law) 4. M (Dev)

FY 2025-26

Petition for Determination of Grid Charges/Use of System Charges FY 2025-26

August 08, 2025

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED

Table of Contents

FAISALABAD ELECTRIC SUPPLY COMPANY (FESCO) LTD

Preamble

National Electric Power Regulatory Authority ("NEPRA"), in exercise of the powers under the Regulation of Generation, Transmission & Distribution of Electric Power Act 1997, as amended from time to time ("NEPRA Act") has promulgated the NEPRA open Access (Interconnection and Wheeling of Electric Power) Regulations 2022 ("Open Access Regulations") whose Regulation No. 7 provides the time line for filing of the Petition for Determination of Use of System Charges i.e., 90 days from the date of promulgation.

In compliance of the Regulations and Regulatory Requirements, FESCO filed petition for determination of Use of System Charges for FY 2022-23 on 07-03-2023 and on 27-06-2023 (Addendum), petition for FY 2023-24 on 02-10-2023 and on 21-11-2023 (Addendum). FESCO also submitted petition for FY 2025-26 on 12.05.2025. Now, ISMO conducted a session on 23.07.2025 to discuss/finalize addendum to petition for FY 2025-26 & directed to file a revised petition based on the recently notified uniform tariff for FY 2025-26 and in compliance of amendment in National Electricity Plan SD-87. So the petition is being filed for the determination of the Use of System/ Wheeling Charges for FESCO to the extent of grid charges only. It is further requested that all previous petitions related to use of system charge may be considered as withdrawn.

Background

Faisalabad Electricity Supply Company Limited (FESCO) is an ex-WAPDA Distribution Company (XWDISCO) owned by the Government of Pakistan (GoP) and incorporated as a Public Limited Company on March 21, 1998 vide company registration No.L09460 of 1997-98 under section 32 of the then Companies Ordinance 1984 (now Companies Act, 2017).

The principal business of FESCO is to provide electricity to the consumers of eight numbers Civil Districts of Faisalabad, Chiniot, Jhang, Toba Tek Singh, Bhakkar, Sargodha, Khushab and Mianwali in the province of Punjab under Distribution License No. DL/02/2023 granted by NEPRA (the Distribution Licensee).

Authority under Section 20 and 21 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, as amended from time to time, granted Distribution License No. DL/02/2023 dated May 09, 2023 to FESCO for a term of twenty (20) years from the date of its issuance to engage in the distribution of electric power to the consumers in its Service Territory on a non-exclusive basis subject to and in accordance with the terms and conditions of the License.

Authority under Sections-23 E and 23 F of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended from time to time granted Electric Power Supply License No. SOLR/02/2023 dated December 27, 2023 for a term of twenty (20) years commencing from April 27, 2023, up to April 26, 2043 to engage in electric power supply business as Supplier of Last Resort (SoLR) subject to and in accordance with the terms and conditions of the license.

After the approval of Competitive Trading and Bilateral Contracts Market (CTBCM) by the Honorable Authority on November 12, 2020 (No.NEPRA/R/DL/LAM-01/40691-98), a number of implementation actions were taken. This included issuance of License for the Market Operator (MO), approval of Market Commercial Code (MCC) and promulgation of different Regulations to ensure smooth implementation of CTBCM and to create balance in roles, rights and obligations of the stakeholders in the CTBCM.

Grounds for Petition:

Pursuant to the relevant directions of National Electricity Policy (**"NE Policy"**) and National Electricity Plan, as amended (**"NE Plan"**) read with NEPRA Open Access (Interconnection and Wheeling of Electric Power) Regulations, 2022 (**"Open Access Regulations"**) and Rule 5 of the Eligibility Criteria (Electric Power Supply Licenses) Rule, 2023, following are the grounds for petition for determination of use of system charges:

a. In compliance with the Clause 4.4, Clause 5.5.2(f), Clause 5.5.2(g), Clause 5.5.4 and Clause 5.6.5 and 5.6.7 of NE Policy.
b. Strategic Directives 87 (as amended) and 88 of the NE Plan.
c. In compliance with the regulation No.7 of Open Access Regulations, each distribution licensee, in consultation with the respective supplier of last resort shall, within ninety days following the date of notification of Open Access Regulations, submit separate petition to the Authority for determination of use of system charges. While the said obligation is already complied with by FESCO, however, determination of Use of System Charges for the open access users, in alignment with the regulated tariff, is required to ensure compliance to intent of the law, the policy, the plan, the CTBCM and the rules.
d. FESCO vide letter No.1007/FESCO/CFO dated 26-02-2025 submitted petition for determination of Annual Adjustment/Indexation for FY 2025-26 along-with Prior Year Adjustment (PYA) in respect of Distribution and Supply Business under MYT Regime

for the period FY 2023-24 to FY 2027-28. FESCO filed Use of System Charges petition for FY 2025-26 on 12.05.2025 in line with Annual Adjustment/Indexation request.

e. NEPRA determined FESCO Annual Adjustment/Indexation through its determination No.NEPRA/R/ADG (Tariff)/ TRF-606/9297-9303 dated June 23, 2025.

f. Recently, ISMO conducted a session on 23.07.2025 to discuss/finalize addendum to Use of System Charges petition for FY 2025-26 and directed FESCO to file a revised petition based on the recently notified uniform tariff for FY 2025-26 & also in compliance of amendment in National Electricity Plan SD-87. In pursuance of the Act, Policy, Plan, Rules and Regulations, simultaneous determination of Use of System Charges, in alignment with the said petitions is essential for systematic alignment with effectiveness of Commercial Market Operations of the power market envisaged under the CTBCM.

Directions in National Electricity Policy and National Electricity Plan:

The National Electricity Policy, 2021 issued under Section 14A of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (**"The Act"**) was prepared by the Government of Pakistan for the development, reform, improvement and sustainability of the power market and power sector.

The National Electricity Policy identifies the major goals sought to be achieved for the power sector, and in this respect, provides policy directions. It also provides the key guiding principles to develop subservient frameworks that will steer the decision making in the power sector to achieve identified goals.

Various sections of the said National Electricity Policy, 2021, as relevant to the instant case, are provided in the below lines.

Clause 4.4 (Financial Viability) of the National Electricity Policy provides that sustainability of the entire power sector pivots around the financial and commercial viability of its individual sub-sectors. This will be done by:

a) *promoting investments on least cost basis balanced with development in the underserved areas;*

b) *having cost-reflective tariffs in transmission and distribution, to the extent feasible;*

c) *timely passing of costs to the consumers, while netting off any subsidies funded by the Government; and*

d) *Recovery of costs arising on account of open access, distributed generation, etc.*

Clause 5.5.2(f) of National Electricity Policy also provides

"Providing a level playing field to all market participants through uniform application of cross-subsidization and other grid charges to consumers of all suppliers;

Clause 5.5.2(g) of National Electricity Policy also provides:

"The Government shall take a decision on the recovery of costs that arise due to advent of the open access and market liberalization;"

Clause 5.5.4 of National Electricity Policy further directs:

"In order to ensure implementation of wholesale market design and its further evolution, the Regulator shall in a timely manner frame, modify and evolve regulatory framework for, inter alia, supply, procurement, open access / wheeling, competitive bidding, import of power, and ensure effective market monitoring and enforcement. Provided that after implementation of CTBCM, every transmission licensee and distribution licensee shall offer, to all market participants, non-discriminatory open access / wheeling to its respective transmission or distribution system and interconnection services in accordance with CTBCM on the terms determined under the policy and legal framework."

Clause 5.6.5 of National Electricity Policy stipulates:

"The Regulator, in order to ensure liquidity of the power sector, provide a level playing field for the development of wholesale market and to facilitate prudent projects of the Government, may impose additional charge(s) which shall be deemed to be costs incurred by the distribution companies / electric power supplier(s). Such additional charge may take into account the sustainability, socio-economic objectives and commercial viability of the sector, affordability for the consumers and the policy of uniform tariff. Similarly, the Government may also incorporate, in the consumer-end tariff, any surcharge imposed by it, which shall also be deemed to be cost incurred by the distribution companies / electric power supplier(s) and shall be collected by them in discharge of their public service obligations."

Clause 5.6.7 of National Electricity Policy directs:

"The Regulator will provide for recovery of costs arising on account of distributed generation and open access in the consumer-end tariff, as decided by the Government. Further, the Government may announce, from time to time, various concessional packages to incentivize additional consumption to minimize such costs."

National Electricity Plan 2023-27

Strategic Directive 87 to 90 provided in Objective – 5 (Financial Viability), Priority Area (Recovery of Open Access Charge) -15 of National Electricity Plan 2023-27 provides:

I. Open access charges shall be recovered from all consumers opting for open access through competitive supplier.

II. Grid charges, including use of transmission and distribution system charges, Market and system operator fee, cross subsidy charges, metering service charges etc., shall be recovered from all consumers, opting for open access, till the currency of this National Electricity Plan or as amended by the Government;

III. The Federal Government shall provide the frameworks or policy guidelines, from time to time, stipulating the mechanism for recovery of the stranded costs on account of market liberalization and open access.

IV. Determination of use of system charges is a prerequisite for CMOD (CTBCM).

Legal and Regulatory Framework

The approved design of Competitive Trading and Bilateral Contracting Market (CTBCM) provides the right of choice to the eligible Bulk Power Consumers (BPCs) to opt for any Supplier of Electric Power. The design, within the framework of the Act, also provides the concept of Competitive Supplier of electric power besides the Supplier of Last Resort, for the purposes of said right of choice to the BPCs within the said wholesale market design. The said right of choice, referred to as "open access", envisages non-discriminatory access to the transmission and distribution network. It enables the eligible Bulk Power Consumers to procure power at competitive price, to meet their demand, from any supplier including the supplier of last resort. The foremost concern of DISCOs emanates from apprehended loss of base load, good paymaster and subsiding consumers to the open access; and resultant evident adverse impact on financial and operational efficiencies. It is plausibly noted that, in addition to and in line with the above mentioned policy framework, the regulatory framework also provides suitable resources and relief to the DISCOs to mitigate the said possible adverse impacts.

As directed in Clause 5.5.4 of the said National Electricity Policy, 2021, the honorable Authority promulgated / specified several Regulations to ensure effective implementation of the market regime in Pakistan. This included promulgation of National Electric Power Regulatory Authority Open Access (Interconnection and Wheeling of Electric Power) Regulations, 2022 (**"Open Access Regulations"**).

For the purpose of this petition for determination of Use of System Charges in terms of mentioned Open Access Regulations, following terms as defined in the legal and regulatory framework are reproduced as below:

As per Section 2(ii) of the Act 1997:

*"**bulk-power consumer**" means a consumer who purchases or receives electric power, at one premises, in an amount of one megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas"*

Important definitions provided in Regulation 2 of Open Access Regulations are provided below:

***2(1)(m) "open access"** means the access to a network licensee's system or its associated facilities for movement and delivery of electric power, subject to the terms and conditions as provided in the Act, these regulations and use of system agreement, on non-discriminatory basis to:*

(i) an electric power supplier for supply of electric power to its consumer(s); or

(ii) a captive generating plant for delivery of the electric power from generation facility to the destination of its use; or

(iii) any other person, including a licensee for delivery of electric power from a designated place to another designated place;

***2(1)(n) "open access user"** means any person who is availing open access under these regulations;*

***2(1)(r) "use of system charges"** shall include all charges related to use of distribution system, use of transmission system, system operator services, market operator services, metering service provider services and any other charges as determined by the Authority **that may arise due to advent of the open access and market liberalization**.*

Part-III (OPEN ACCESS) Regulation 5 (Obligation to provide open access) of Open Access Regulations is reproduced hereunder:

(1) *"A network licensee shall establish, operate and maintain its distribution system or transmission system, as the case may be, in a manner that ensure non-discriminatory open access in accordance with the Act, these regulations, Market Commercial Code, Grid Code, Distribution Code and other applicable documents.*

(2) *A network licensee shall, on an annual basis, prepare an open access report demonstrating compliance with these regulations and License terms and conditions, with the detail of its open access users, available and planned capacity, any issues identified in provision of open access, and any instances where open access was denied along with justification thereof. The said report shall also be made available on the website of the network licensee.*

(3) *The report required under sub-regulation (2) shall be prepared and submitted to the Authority within a period of one month from the date of end of respective financial year and shall also be made available on the website of the network licensee.*

(4) *The distribution company shall develop the use of system agreement in accordance with the minimum provisions provided in Schedule I within ninety days of the notification of these regulations and shall obtain the approval of the Authority and publish the same in its website."*

Regulation 7 (Filing of petition and determination of use of system charges) of Open Access Regulations provides as under:

"Within ninety days following the date of notification of these regulations, each distribution licensee, in consultation with the respective supplier of last resort, shall prepare and submit separate petition to the Authority for determination of its use of system charges. Such petition shall be accompanied with a statement which will set out the basis upon which the use of system charges shall be calculated in such manner and with such details as shall be necessary."

Regulation 8 (Wheeling of electric power) of Open Access Regulations states under:

"An open access user shall be entitled to wheel electric power using system of network licensee subject to compliance with these regulations and the Market Commercial Code, upon coming into effect, and use of system agreement."

In addition to the Open Access Regulations as detailed above, the Federal Govt. of Pakistan also, inter alia, prescribed the Eligibility Criteria (Distribution Licenses) Rules, 2023 and Eligibility Criteria (Electric Power Supplier Licenses) Rules, 2023 (the Supplier Rules). The Rule 3(g)(C) requires an electric power supplier to be eligible, among others, for the following:

"(C) Collection and deposit of following charges and may be determined by the Authority, in a timely manner, including but not limited to-

(i) Transmission use of system charges;

(ii) Distribution use of system charges;

(iii) Market and system operator fee; and

(iv) Any other charges as provided in rule 5 of these rules;"

The Rule 5 (1) of the Supplier Rules obligates a supplier of electric power to bill and collect from the bulk power consumers, and make timely deposit to the relevant distribution licensee in the designated account, all the (i) grid charges including the amount of cross subsidy, and (ii) other costs arising on account of market liberalization and advent of open access, namely, the capacity costs or stranded costs.

The Sub-Rule (2) of Rule 5 of the Supplier Rules requires the Authority to determine the above charges in accordance with the provisions of the National Electricity Policy, National Electricity Plan and such other economic and social policy objectives as may be provided by the Federal Government to the Authority.

It may further be noted that as per Rule 5(2)(b) of the Supplier Rules, the costs arising on account of market liberalization and advent of open access, i.e. the capacity charges or stranded costs, are to be paid by all bulk power consumers of a competitive supplier.

The Federal Government shall provide the frameworks or policy guidelines, from time to time, stipulating the mechanism for recovery of stranded cost on account of market liberalization and open access.

Technical and Financial Attributes

Adjoining the purposes of CTBCM, directions of the National Electricity Policy, 2021 and stipulations of the legal and regulatory framework; following understandings are inferred:

i) The network licensee, the FESCO for the purposes of instant petition, is obligated to provide open access, to its network, to the open access users on non-discriminatory basis.

ii) For the said obligation, the FESCO is entitled for recovery of use of system charges in line with use of system agreement, as determined by the Honorable Authority.

iii) The use of system charges shall include:

a. Transmission Use of System Charges (NTDC, NGC) irrespective of the placement of BPC and the respective generator.
b. System Operator Charges
c. Metering Service Provider Charges
d. Market Operator Charges
e. Distribution Margin Charges w.r.t. to the voltage level (132kV, 11kV etc) and consumer category wise for all possible BPCs.
f. Cross-Subsidy Charges (consumer category wise for all possible BPCs)
g. The stranded costs as per frameworks or policy guidelines provided by the Federal Government.

iv) With reference to the above elements of use of system charges, following clarification shall apply for clarity of application:

a. Currently applicable Transmission Use of System (TUoS) Charges, as already determined by the Honorable Authority, compositely represent the charges relating to Transmission Network Operator(s)/Licensee(s), System Operator and Metering Service Provider. Accordingly, the said TUoS Charges remain part of use of system charges till separate charges for each of the said service providers are separately determined by the Honorable Authority.
b. Market Operator Fee / Charges (MOF) will be recovered by Market Operator as per the mechanism provided in the Market Commercial Code. Accordingly, without prejudice to being part of Cost of Service of FESCO, these shall not form part of use of system charges to be recovered directly by FESCO.
c. Cross subsidy will be assessed based on Cost of Service analysis for the applicable consumer categories of all possible BPCs, which is according to the principles of uniformity as provided in the National Electricity Policy (referred above).
d. As prescribed by the Government on the recovery of costs that arise due to market liberalization and advent of the open access, namely, the Stranded Costs will be as determined by the Authority as per the frameworks and policy guidelines provided by the Federal Government. It is clarified that as per the provisions of the National Electricity Plan, a separate request will be submitted for determination of this component upon arising of the need.

e. As the transmission and distribution losses will be charged to market participants of open access through the mechanism as provided in the Market Commercial Code, therefore, such charges shall not be levied under the use of system charges as requested under this instant petition.

Explanation:

The use of system charges will be determined in terms of metered quantities (kWh or kW), in consideration of allowed %age of losses and also that arrangements under the Market Commercial Code the parties (the BPC, Competitive Supplier and/or Generator) shall be committing to the Capacity Obligation (including all losses and reserve margin up to bus-bar) through Firm Capacity, therefore, such transmission or distribution losses, as the case may be, will not be charged separately. However, for the purposes of transparency of charges, the impact of such losses may be separately disclosed.

f. The use of system charges, including the Distribution Margin Charges, as requested by FESCO and to the extent approved by Authority, will be applicable with reference to those eligible Bulk Power Consumers (BPCs) who opt for supply from a competitive supplier, other than supplier of last resort.

g. The use of system charges shall be with reference to the voltage level (132/66 kV, 11/33 kV) for the applicable consumer categories of all possible BPCs. The component-wise Cost of Service as per outcome detailed Cost of Service Study **(Annex-2)** and consequent assessment, as detailed above, of component-wise Use of System Charges for the applicable BPCs is provided at **Annex – 1.**

h. Use of System Charges proposed in this petition, and as shall be determined by the Authority, shall be charged from the Competitive Supplier and any other open access user.

i. Power Factor Penalty as provided in applicable documents shall remain applicable in addition to the Use of System Charges.

j. Any charges, taxes and surcharges as imposed by the Government shall be applicable.

Summarizing the above, following is the abstract of entitled entities for each element of the use of system charges:

Sr. No.	Use of System Charge Element	Entitled Entity
1.	Transmission Use of System Charge	NTDC and other TSPs through NTDC/NGC.
2.	System Operator Charge / Fee	System Operator through NTDC.
3.	MSP Charge / Fee	MSP through NTDC
4.	Distribution Use of System Charge	FESCO as Distribution Licensee
5.	Cross Subsidy	FESCO as SOLR (Supply Licensee)
6.	Stranded Costs (to be determined separately)	FESCO as SOLR (Supply Licensee)

Basis for Use of System Charges

The instant petition for determination of use of system charges has been developed based on Cost of Service Study (FY 2025-26) carried out by FESCO forming integral part of this petition and provided separately as attached hereto as **Annex-2**.

Method for Recovery of Use of System Charges

The instant petition is for determination of use of system charges for recovery of costs and charges relating to service providers (SO, TNO, TSP, DNO), stranded capacity costs and the cross-subsidy currently being contributed by the eligible BPCs. It is pertinent to mention that most, if not all, costs and charges are fixed in nature, the natural mode of recovery should be the fixed (in terms of Rs./kW/Month) charge. However, following options are available for consideration and determination:

i) Use of system charges recovery in term of Rs./kW/Month metered shall provide guaranteed stream of revenue to cover for costs which are fixed in nature. This may, however, over burden the relevant consumers thus undermining the very purpose of CTBCM and open access regime.

ii) Use of system charges recovery in term of Rs./kWh will render the service providers and the SOLR to face the revenue loss arising from low load factor of the eligible BPCs. On the other hand the open access users shall be benefitted for any favorable Energy or Capacity Imbalance at the Market. This option may not provide a balanced approach to promised sharing of risks and rewards under CTBCM regime.

iii) Use of system charges recovery through a **hybrid approach,** i.e. partly through fixed charge in terms of Rs./kW/Month (subject to minimum MDI compared to the contracted load) and partly in terms of Rs./kWh may provide a balanced plausible approach for all the involved parties. It is submitted that, in order to ensure level playing field for consumers of SOLR and Competitive Supplier, the recovery of use of system charges may have same charging mechanism.

As already mentioned, **Annex-1** to this petition also include proposed rates to be charged under each of the Three (3) options narrated above.

It is, however, noted that the methodology and process as per FACOS model, for the purpose of allocation of demand (kW or MW) related costs, and allocates average of monthly system peak demand (of FESCO) to different categories to arrive at the allocation base. This allocation, despite being rational, judicious and in line with international norms, results in less than actual (billable) MDIs of respective customers. Accordingly, taking the same MW demand as denominator for demand (MW) based rate making will result in higher per MW rates. In consideration thereof, a second proposal (Proposal-2) for arriving at demand based rates as per option (i) above, i.e. whole cost recovery in terms of Rs./kW and option (iii), hybrid partial cost recovery in terms of Rs./kW; has been developed **based on billable MDIs** of A2(c), B3, B4 C2, C3 and D2 (b) customer categories and provided as **Annex-1A** herewith.

Mechanism for Adjustment/Indexation of Use of System Charges

Each component of use of system charges detailed in the instant petition shall be subject to periodic adjustment/indexations. Whenever these components are adjusted for regulated consumers of the suppliers of last resort, at the same time, the corresponding adjustment in the relevant component of the proposed Use of System Charges for eligible BPCs shall simultaneously be made.

Applicable Categories / Classification of Eligible BPCs

While, in terms of existing stipulation contained in the Act, a consumer who purchases or receives electric power, at one premises, in an amount of one megawatt or more is considered as Bulk Power Consumer, following position, with regard to consumer with possibly one megawatt or more load at connection voltage 11 kV and above, is brought out for consideration:

Sr. No.	Consumption Category	Tariff Category	Voltage Level	Remarks
1.	General	A-2 & A-3	N/A	As per the existing tariffs, no kW sanctioned load quantification or connection voltage is applicable to A-2 and A-3 tariff categories. Accordingly these are not considered BPC for the purposes of this petition. However, these customers, based on the sanctioned load, may be connected at 11 KV level, as required. Any such customer falling within the definition of BPC, and subject to the approval of the Authority, will be considered in the analogy of A2 (c).

2.	Industrial	B-3	11/33 kV	B 3 consumer ranges from 500 kW to 5 MW.[Extendable to 7.5 MW under conditions] It is clarified here that the consumers of this category below 1MW shall not be treated as eligible BPCs for open access.
3.	Industrial	B-4	66/132 kV and above	This tariff is applicable for supply to Industries for all loads of more than 5MW and above receiving supply at 66kv/132 kV and above and also for Industries having load of 5MW or below who opt to receive supply at 66 kV or 132 kV and above.
4.	Bulk Supply	C-2 (b)	11/33 kV	Bulk Supply consumer ranges from 500 kW to 5 MW. [Extendable to 7.5 MW under conditions] Although the Bulk Supply C-2 (b) customers are at 11/33 KV connection level. It is clarified here that the consumers of this category below 1MW shall not be treated as eligible BPCs for open access. Further, the consumers falling under the resale shall not be considered as eligible BPC.
5.	Bulk Supply	C-3 (a&b)	66 kV and above	This tariff is applicable for Bulk Supply Consumers for all loads of more than 5MW and above receiving supply at 66kv/132 kV and above and also for Bulk Supply having load of 5MW or below who opt to receive supply at 66 kV or 132 kV and above. Further, the consumers falling under the resale shall not be considered as eligible BPC.
6.	Housing Colonies attached to Industries	H	N/A	As per the existing tariffs, no kW sanctioned load quantification or connection voltage is applicable to H tariff category. Further, these connections are resale in nature. Accordingly, these are not considered BPC for the purposes of this petition.
7.	Agricultural	D2(b)	0.4 KV	This tariff is applicable to consumers falling under Agriculture Supply excluding SCARP related installations having sanctioned load 5 kW and above.

Note: Consumer of all or any of the above listed categories, found involved in resale of power beyond the point of supply, shall NOT be considered BPC irrespective of the applicable relevant sanctioned load and/or voltage level of supply.

Other Important Aspects

Following paragraphs of the petition highlights other important aspects which shall be taken into account while determining the said charges.

Government Subsidies

Any subsidy provided by the Government to the industrial or any other eligible BPC, as applicable, will be dealt with according to the directions and terms and conditions thereof as decided by the Government. However, for the purposes of this petition, such subsidies are not considered.

Captive Power Producers and Users

(1) A captive power producer / user using the FESCO network for wheeling of power to User destination will be considered "Market Participant" in terms of Market Commercial Code and will be dealt with accordingly. The use of system charges shall fully apply in manner applicable to any other eligible BPC.

(2) The cases of captive generation and consumption points at the same location taking additional supply from the local supplier of last resort (SOLR) shall be considered a regulated consumer of the SOLR with applicable regulated tariff. The quantum of additional sanctioned / contracted load (in terms of MW) shall be considered to determine its status as BPC in terms of the Act. In case, such BPC choose to exercise option for a competitive supplier, the use of system charges shall apply in full.

(3) In case of captive power producer / user supplying / receiving electric power at same premises where FESCO network is totally not used, the use of system charges shall NOT apply in any way or manner.

Applicability of Use of System Charges on New Eligible BPCs

The Use of System Charges provided in the instant petition shall be applicable to all such BPCs who will opt to get supply of electric power from competitive supplier including the captive generator using the network to wheel its power to the destination of its use. Such charges shall be fully applicable to any new eligible BPC or incremental consumption, obtaining supply of electric power from competitive supplier without any exception.

Prayer:

In view of the aforementioned circumstances, grounds and facts especially the amendments in National Electricity Plan SD 87, it is respectfully prayed that this petition may kindly be admitted and the FESCO's Use of System Charges may very graciously be determined to the extent of grid charges only in the first stage, as estimated in **Annex-1** and/ or **Annex-1A**.

For stranded cost, the working has been done and included in **Annex-1** and/ or **Annex-1A** but as per the provisions of the National Electricity Plan, a separate request will be submitted for determination of this component upon arising of the need.

Honorable Authority is also requested to allow inter DISCOs settlement on behalf of uniform Use of System Charges (as per provisions of National Electricity Plan) on the similar lines as being done for consumer end tariff.

Additionally, it is further requested that all previous petitions related to use of system charge may be considered as withdrawn.

With best Regards

Chief Executive Officer
FESCO, Faisalabad

Attachments:

1. Annex-1 & Annex-1A (Use of System Charges Proposals)
2. Annex-2 (Cost of Service Study)

CamScanner

Proposal-I Based on Hybrid Approach

Annex-1

FAISALABAD ELECTRIC SUPPLY COMPANY (FESCO)

Cost of Service & Proposed Grid Charges/UoSC for FY 2025-26

For Eligilble BPC's (One MW & above at One Premise)

PROPOSAL NO.1

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Commercial				Commercial				Commercial - A2(c)			
Tariff Category	Commercial - A2(c)				Commercial - A2(c)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.56			10.56	9.65			9.65				
Generation Cost - Capacity		9,945	12.84	12.84		9,088	11.74	11.74				
Transmission Charges		986	1.27	1.27		901	1.16	1.16	901	1.16	270	0.81
Market Operator's Fee		3	0.004	0.004		3	0.004	0.004				
Distribution Use of System		2,709	3.50	3.50		2,475	3.20	3.20	2,475	3.20	743	2.24
Total Applicable Costs	**10.56**	**13,643**	**17.62**	**28.18**	**9.65**	**12,467**	**16.10**	**25.75**	**3,376**	**4.36**	**1,013**	**3.05**
Impact of allowed losses					0.91	1,176	1.52	2.43				
Total Cost of Service	**10.56**	**13,643**	**17.62**	**28.18**	**10.56**	**13,643**	**17.62**	**28.18**	**3,376**	**4.36**	**1,013**	**3.05**
Cross Subsidy				15.16				15.16	11,743	15.16		15.16
Average Applicable Tariff				**43.34**				**43.34**	**15,119**	**19.52**	**1,013**	**18.22**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Industrial				Industrial				Industrial - B3			
Tariff Category	Industrial - B3				Industrial - B3				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.38			10.38	9.65			9.65				
Generation Cost - Capacity		9,772	13.00	13.00		9,088	12.09	12.09				
Transmission Charges		969	1.29	1.29		901	1.20	1.20	901	1.20	270	0.84
Market Operator's Fee		3	0.004	0.00		3	0.004	0.004				
Distribution Use of System		2,632	3.50	3.50		2,448	3.26	3.26	2,448	3.26	734	2.28
Total Applicable Costs	**10.38**	**13,376**	**17.80**	**28.18**	**9.65**	**12,440**	**16.56**	**26.21**	**3,349**	**4.46**	**1,005**	**3.12**
Impact of allowed losses					0.73	936	1.25	1.97				
Total Cost of Service	**10.38**	**13,376**	**17.80**	**28.18**	**10.38**	**13,376**	**17.80**	**28.18**	**3,349**	**4.46**	**1,005**	**3.12**
Cross Subsidy				5.17				5.17	3,883	5.17		5.17
Average Applicable Tariff				**33.35**				**33.35**	**7,232**	**9.63**	**1,005**	**8.29**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Industrial				Industrial				Industrial - B4			
Tariff Category	Industrial - B4				Industrial - B4				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	9.78			9.78	9.65			9.65				
Generation Cost - Capacity		9,209	12.31	12.31		9,088	12.14	12.14				
Transmission Charges		913	1.22	1.22		901	1.20	1.20	901	1.20	270	0.84
Market Operator's Fee		3	0.004	0.00		3	0.004	0.004				
Distribution Use of System		1,512	2.02	2.02		1,492	1.99	1.99	1,492	1.99	448	1.40
Total Applicable Costs	**9.78**	**11,638**	**15.55**	**25.33**	**9.65**	**11,484**	**15.34**	**24.99**	**2,393**	**3.20**	**718**	**2.24**
Impact of allowed losses					0.13	154	0.21	0.33				
Total Cost of Service	**9.78**	**11,638**	**15.55**	**25.33**	**9.78**	**11,638**	**15.55**	**25.33**	**2,393**	**3.20**	**718**	**2.24**
Cross Subsidy				7.65				7.65	5,723	7.65		7.65
Average Applicable Tariff				**32.97**				**32.97**	**8,116**	**10.84**	**718**	**9.88**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Bulk Supply				Bulk Supply				Bulk Supply - C2(b)			
Tariff Category	Bulk Supply - C2(b)				Bulk Supply - C2(b)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.38			10.38	9.65			9.65				
Generation Cost - Capacity		9,772	17.48	17.48		9,088	16.26	16.26				
Transmission Charges		969	1.73	1.73		901	1.61	1.61	901	1.61	270	1.13
Market Operator's Fee		3	0.006	0.01		3	0.005	0.005				
Distribution Use of System		2,404	4.30	4.30		2,236	4.00	4.00	2,236	4.00	671	2.80
Total Applicable Costs	**10.38**	**13,148**	**23.52**	**33.90**	**9.65**	**12,228**	**21.88**	**31.53**	**3,137**	**5.61**	**941**	**3.93**
Impact of allowed losses					0.73	920	1.65	2.37				
Total Cost of Service	**10.38**	**13,148**	**23.52**	**33.90**	**10.38**	**13,148**	**23.52**	**33.90**	**3,137**	**5.61**	**941**	**3.93**
Cross Subsidy				7.81				7.81	4,366	7.81		7.81
Average Applicable Tariff				**41.71**				**41.71**	**7,503**	**13.42**	**941**	**11.74**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Bulk Supply				Bulk Supply				Bulk Supply - C3(a&b)			
Tariff Category	Bulk Supply - C3(a&b)				Bulk Supply - C3(a&b)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	9.78			9.78	9.65			9.65				
Generation Cost - Capacity		9,209	22.67	22.67		9,088	22.37	22.37				
Transmission Charges		913	2.25	2.25		901	2.22	2.22	901	2.22	270	1.55
Market Operator's Fee		3	0.008	0.008		3	0.007	0.007				
Distribution Use of System		1,151	2.83	2.83		1,136	2.80	2.80	1,136	2.80	341	1.96
Total Applicable Costs	**9.78**	**11,277**	**27.76**	**37.54**	**9.65**	**11,128**	**27.39**	**37.04**	**2,037**	**5.01**	**611**	**3.51**
Impact of allowed losses					0.13	149	0.37	0.50				
Total Cost of Service	**9.78**	**11,277**	**27.76**	**37.54**	**9.78**	**11,277**	**27.76**	**37.54**	**2,037**	**5.01**	**611**	**3.51**
Cross Subsidy				4.28				4.28	1,739	4.28		4.28
Average Applicable Tariff				**41.82**				**41.82**	**3,776**	**9.30**	**611**	**7.79**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	Agriculture				Agriculture				Agricultural - D2(b)			
Tariff Category	Agricultural - D2(b)				Agricultural - D2(b)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.56			10.56	9.65			9.65				
Generation Cost - Capacity		9,945	8.49	8.49		9,088	7.76	7.76				
Transmission Charges		986	0.84	0.84		901	0.77	0.77	901	0.77	270	0.54
Market Operator's Fee		3	0.003	0.003		3	0.003	0.003				
Distribution Use of System		3,182	2.72	2.72		2,908	2.48	2.48	2,908	2.48	872	1.74
Total Applicable Costs	**10.56**	**14,116**	**12.05**	**22.61**	**9.65**	**12,900**	**11.01**	**20.66**	**3,809**	**3.25**	**1,143**	**2.28**
Impact of allowed losses					0.91	1,217	1.04	1.95				
Total Cost of Service	**10.56**	**14,116**	**12.05**	**22.61**	**10.56**	**14,116**	**12.05**	**22.61**	**3,809**	**3.25**	**1,143**	**2.28**
Cross Subsidy				6.23				6.23	7,302	6.23		6.23
Average Applicable Tariff				**28.85**				**28.85**	**11,111**	**9.49**	**1,143**	**8.51**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/ UoSC (Proposal-I)			
Consumption Category	General				General				A3 General			
Tariff Category	A3 General				A3 General				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.56			10.56	9.65			9.65				
Generation Cost - Capacity		9,945	17.22	17.22		9,088	15.73	15.73				
Transmission Charges		986	1.71	1.71		901	1.56	1.56	901	1.56	270	1.09
Market Operator's Fee		3	0.006	0.01		3	0.005	0.005				
Distribution Use of System		2,474	4.28	4.28		2,261	3.91	3.91	2,261	3.91	678	2.74
Total Applicable Costs	**10.56**	**13,408**	**23.21**	**33.77**	**9.65**	**12,253**	**21.21**	**30.86**	**3,162**	**5.47**	**949**	**3.83**
Impact of allowed losses					0.91	1,156	2.00	2.91				
Total Cost of Service	**10.56**	**13,408**	**23.21**	**33.77**	**10.56**	**13,408**	**23.21**	**33.77**	**3,162**	**5.47**	**949**	**3.83**
Cross Subsidy				10.20				10.20	5,891	10.20		10.20
Average Applicable Tariff				**43.97**				**43.97**	**9,053**	**15.67**	**949**	**14.03**

Proposal-II Based on Billable MDI Approach

Annex-1A

FAISALABAD ELECTRIC SUPPLY COMPANY (FESCO)

Cost of Service & Proposed Grid Charges/UoSC for FY 2025-26

For Eligilble BPC's (One MW & above at One Premise)

PROPOSAL NO.2

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/UoSC (Proposal-II)			
Consumption Category	Commercial				Commercial				Commercial - A2(c)			
Tariff Category	Commercial - A2(c)				Commercial - A2(c)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.56			10.56	9.65			9.65				
Generation Cost - Capacity		2,510	12.84	12.84		2,293	11.74	11.74				
Transmission Charges		249	1.27	1.27		227	1.16	1.16	227	1.16	68	0.81
Market Operator's Fee		1	0.004	0.004		1	0.004	0.004				
Distribution Use of System		684	3.50	3.50		625	3.20	3.20	625	3.20	187	2.24
Total Applicable Costs	**10.56**	**3,443**	**17.62**	**28.18**	**9.65**	**3,146**	**16.10**	**25.75**	**852**	**4.36**	**256**	**3.05**
Impact of allowed losses					0.91	297	1.52	2.43				
Total Cost of Service	**10.56**	**3,443**	**17.62**	**28.18**	**10.56**	**3,443**	**17.62**	**28.18**	**852**	**4.36**	**256**	**3.05**
Cross Subsidy				15.16				15.16	11,743	15.16		15.16
Average Applicable Tariff				**43.34**				**43.34**	**12,595**	**19.52**	**256**	**18.22**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/UoSC (Proposal-II)			
Consumption Category	Industrial				Industrial				Industrial - B3			
Tariff Category	Industrial - B3				Industrial - B3				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.38			10.38	9.65			9.65				
Generation Cost - Capacity		4,272	13.00	13.00		3,973	12.09	12.09				
Transmission Charges		424	1.29	1.29		394	1.20	1.20	394	1.20	118	0.84
Market Operator's Fee		1	0.004	0.00		1	0.004	0.004				
Distribution Use of System		1,151	3.50	3.50		1,070	3.26	3.26	1,070	3.26	321	2.28
Total Applicable Costs	**10.38**	**5,848**	**17.80**	**28.18**	**9.65**	**5,439**	**16.56**	**26.21**	**1,464**	**4.46**	**439**	**3.12**
Impact of allowed losses					0.73	409	1.25	1.97				
Total Cost of Service	**10.38**	**5,848**	**17.80**	**28.18**	**10.38**	**5,848**	**17.80**	**28.18**	**1,464**	**4.46**	**439**	**3.12**
Cross Subsidy				5.17				5.17	3,883	5.17		5.17
Average Applicable Tariff				**33.35**				**33.35**	**5,347**	**9.63**	**439**	**8.29**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/UoSC (Proposal-II)			
Consumption Category	Industrial				Industrial				Industrial - B4			
Tariff Category	Industrial - B4				Industrial - B4				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	9.78			9.78	9.65			9.65				
Generation Cost - Capacity		4,042	12.31	12.31		3,989	12.14	12.14				
Transmission Charges		401	1.22	1.22		395	1.20	1.20	395	1.20	119	0.84
Market Operator's Fee		1	0.004	0.00		1	0.004	0.004				
Distribution Use of System		664	2.02	2.02		655	1.99	1.99	655	1.99	196	1.40
Total Applicable Costs	**9.78**	**5,108**	**15.55**	**25.33**	**9.65**	**5,041**	**15.34**	**24.99**	**1,050**	**3.20**	**315**	**2.24**
Impact of allowed losses					0.13	67	0.21	0.33				
Total Cost of Service	**9.78**	**5,108**	**15.55**	**25.33**	**9.78**	**5,108**	**15.55**	**25.33**	**1,050**	**3.20**	**315**	**2.24**
Cross Subsidy				7.65				7.65	5,723	7.65		7.65
Average Applicable Tariff				**32.97**				**32.97**	**6,773**	**10.84**	**315**	**9.88**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/UoSC (Proposal-II)			
Consumption Category	Bulk Supply				Bulk Supply				Bulk Supply - C2(b)			
Tariff Category	Bulk Supply - C2(b)				Bulk Supply - C2(b)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	10.38			10.38	9.65			9.65				
Generation Cost - Capacity		5,548	17.48	17.48		5,160	16.26	16.26				
Transmission Charges		550	1.73	1.73		512	1.61	1.61	512	1.61	153	1.13
Market Operator's Fee		2	0.006	0.01		2	0.005	0.005				
Distribution Use of System		1,365	4.30	4.30		1,270	4.00	4.00	1,270	4.00	381	2.80
Total Applicable Costs	**10.38**	**7,465**	**23.52**	**33.90**	**9.65**	**6,943**	**21.88**	**31.53**	**1,781**	**5.61**	**534**	**3.93**
Impact of allowed losses					0.73	522	1.65	2.37				
Total Cost of Service	**10.38**	**7,465**	**23.52**	**33.90**	**10.38**	**7,465**	**23.52**	**33.90**	**1,781**	**5.61**	**534**	**3.93**
Cross Subsidy				7.81				7.81	4,366	7.81		7.81
Average Applicable Tariff				**41.71**				**41.71**	**6,147**	**13.42**	**534**	**11.74**

Cost Assessment Level	Cost of Service (Inclusive of Energy Loss Impact)				Cost of Service (Separated Energy Loss Impact)				Proposed Grid Charges/UoSC (Proposal-II)			
Consumption Category	Bulk Supply				Bulk Supply				Bulk Supply - C3(a&b)			
Tariff Category	Bulk Supply - C3(a&b)				Bulk Supply - C3(a&b)				MDI Based	Volumetric	Hybrid	
Functional Cost Element	Variable	Fixed		Total	Variable	Fixed		Total				
	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kWh	Rs./kW/ Month	Rs./kWh	Rs./kW/ Month	Rs./kWh
Generation Cost - Energy	9.78			9.78	9.65			9.65				
Generation Cost - Capacity		7,551	22.67	22.67		7,452	22.37	22.37				
Transmission Charges		749	2.25	2.25		739	2.22	2.22	739	2.22	222	1.55
Market Operator's Fee		3	0.008	0.008		2	0.007	0.007				
Distribution Use of System		944	2.83	2.83		932	2.80	2.80	932	2.80	279	1.96
Total Applicable Costs	**9.78**	**9,247**	**27.76**	**37.54**	**9.65**	**9,125**	**27.39**	**37.04**	**1,670**	**5.01**	**501**	**3.51**
Impact of allowed losses					0.13	122	0.37	0.50				
Total Cost of Service	**9.78**	**9,247**	**27.76**	**37.54**	**9.78**	**9,247**	**27.76**	**37.54**	**1,670**	**5.01**	**501**	**3.51**
Cross Subsidy				4.28				4.28	1,739	4.28		4.28
Average Applicable Tariff				**41.82**				**41.82**	**3,410**	**9.30**	**501**	**7.79**

FY 2025-26

FESCO Cost of Service Study

FY 2025-26

FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED

Table of Contents

List of Tables

FAISALABAD Electric Power Company (FESCO) Ltd

Cost of Service Study

A Cost of Service (COS) study is the fundamental tool for evaluating and establishing utility rates. The changes in industrial scope and adoption of new technologies, it is necessary to distinguish full and partial requirement of customer's classes, these Cost of Service Studies. This is due to the increasing presence of distributed energy resources and/or to accommodate customers' expectations of having more control over their usage and utility bills.

Cost of Service is the total cost incurred by a utility company/DISCO in providing services to its customers, and the allocation of the same to customer classes and/or voltage levels.

Fully Allocated Cost of Service Study (FACOS) Model

FACOS is a model developed in MS Excel with the support of USAID for DISCO's to conduct Cost of Service Study. The methodology used to build the FACOS Model follows very closely the standards that are used internationally. The Model performs the standard three steps encompassed in most of Cost Studies, namely, functionalization, classification, and allocation. The functionalities adopted in the FACOS Model are duly considered and approved by the Authority, as detailed below.

As per **Clause 24.1** of the decision of the Authority (NEPRA), on Tariff Determination in the matter of Faisalabad Electric Supply Company (FESCO), No. NEPRA/TRF-272/FESCO-2014/3158-3160 dated March 10, 2015

24 Tariff based on Cost of Service Study model

24.1 The Power Development Program (PDP} of USAID has conducted a cost of service study for few DISCOs (IESCO, MEPCO, FESCO, LESCO and GEPCO) named as Fully Allocated cost of service study. This cost of service study is based on computation of cost of providing electricity to each consumer class and thereafter a/locating the cost to each category and computation of tariff thereof. This study is based on international best practices and aims to map all the consumers of each DISCO with the cost centers and power distribution levels. The purpose of this study is to arrive at cost reflective tariffs giving proper price signals to the customers and to standardize the tariff-setting methodology and make it more understandable and agreeable.

24.2 The cost allocation model is based on certain standard assumptions as below;

- Energy Cost is 100% allocated on the basis of each customer class share in the total energy
- (kWh) received by DISCO at Common Delivery Points (CDPs);
- Capacity Cost and Transmission cost is 100% allocated in the ratio of each customer class peak demand (kW) to the DISCO's computed peak demand.
- O&M cost to the extent of Repair and Maintenance, Depreciation, working capital (if any) and Other income is allocated to each level of power distribution (132/66kV, 11kV, 0.4/0.2kV) in accordance with the proportionate share of assets deployed to provide service at that voltage level divided by the total assets deployed for power distribution.

- Advertising expense and bill collection charges are allocated 100% on the basis of proportionate number of Customers in each customer class to the total number of customers.
- Remaining heads of O&M cost, i.e., Salaries, wages and other miscellaneous expenses are allocated to each level of power distribution (132/66kV, 11KV, 0.4/0.2kV) based on the allocated distribution margin (excluding advertising, bill collection and administrative expenses) for that voltage level divided by DISCO's total distribution margin (excluding advertising, bill collection and administrative expenses).
- Other income and amortization of deferred credit is allocated to each level of power distribution (132/66kV, 11kV, 0.4/0.2kV) based on the allocated distribution margin (excluding administrative expenses) for that voltage level divided by DISCO's total distribution margin (excluding administrative expenses).
- Prior year adjustment is allocated on the basis of respective share of each customer category in every functionally classified item.

Major Steps of Cost of Service Study

The Cost of Service Study begins with a detailed documentation of the numerous budgetary elements of the total revenue requirement. The detailed revenue requirements are the data inputs to the FACOS. At a high level, the FACOS process consists of the following three (3) basic steps:

1. **Functionalization** – The identification of each cost element as one of the basic utility service "functions" (e.g. Generation/Power Purchase Price, transmission, distribution and customer).
2. **Classification** – The classification of the functionalized costs based on the billing component/determinant that each is associated with (e.g. KWs of capacity, kWhs of energy and number of customers).
3. **Allocation** – The allocation of the functionalized and classified costs to customer classes, based on respective service requirements / parameters (e.g. KWs of capacity, KWhs of energy and the number of customers) of each class.

Fundamental Assumptions

Table 1

Description	FY 2025-26
Weighted Average Cost of Capital (NEPRA Determined)	13.44%
Capital Work in Progress ("CWIP")	CWIP 100%
Working Capital Allowance to be included in Rate Base	NO
Prior Year Adjustment Rs. in Million (NEPRA Determined)	8,452
Demand Allocation Methodology (12CPs that means average of 12 months' coincident peak)	12 CPs
Customer Growth % (Expected on the Basis of Previous Years)	5.00%
Model Year	FY 2025-26
Base Year	FY 2023-24

Projections and Revenue Requirement for Financial Year 2025-26

The Revenue Requirement (RR) is the fundamental input to the Cost of Service of FESCO for allocation to different categories of consumers based on Capacity (kW), Energy (kWh) and number of consumers. The **Table 2** below explains the basis and sources for arriving at Revenue Requirement (or overall Cost of Service) of FESCO.

Table 2

Description	FY 2025-26	Source
Units Purchases (MkWh)	15,692	NEPRA determined vide decision No. NEPRA/R/ADG(Tariff)/TRF-605 & TRF-606/9297-9303 dated June 23, 2025
Units Sales (MkWh)	14,432	
Assessed T&D Losses	8.03%	
Consumer Growth	5.00%	Projected on the Basis of Previous Trends
Average Monthly MDI (MW) (Non-coincidencial at CDPs)	3,008	
Energy Charge (Rs/kWh)	10.49	
Capacity Charge (Rs/kW/Month)	6,484	
T.UoSC & MoF (Rs/kW/Month)	637	
Engergy Charges (Rs. Mln)	151,417	NEPRA determined vide decision No. NEPRA/R/ADG(Tariff)/TRF-605 & TRF-606/9297-9303 dated June 23, 2025
Capacity Charges (Rs. Mln)	234,008	
T.UoSC & MoF (Rs. Mln)	22,981	
Power Purchase Price (Rs. Mln)	**408,406**	
O&M Cost (Rs. Mln)	44,388	NEPRA determined vide decision No. NEPRA/R/ADG(Tariff)/TRF-605 & TRF-606/9297-9303 dated June 23, 2025
Depreciation (Rs. Mln)	6,839	
RORB (Rs. Mln)	11,185	
Other Income (Rs. Mln)	(7,553)	
Prior Year Adjustment (Rs. Mln)	8,452	
Revenue Requirement (Rs. Mln)	**471,717**	
Cost per kWh (Sold) in (Rs.)	**32.69**	

Revenue Requirement Summary

The extract of Revenue Requirement is provided in the **Table 3** below:

Table 3

Revenue Requirement Summary	
Description	**FY 2025-26 Rs.(Million)**
Engergy Charges	151,417
Capacity Charges	234,008
T.UoSC & MoF	22,981
Power Purchase Price (PPP)	**408,406**
O&M Cost	44,388
Depreciation	6,839
RORB	11,185
Other Income	(7,553)
Distribution Margin (DM)	**54,859**
Prior Year Adjustment (PYA)	8,452
Revenue Requirement	**471,717**

Line Losses Charged on Voltage Levels

Line losses approved by NEPRA for FY 2025-26 as a percentage on purchased units is given in **Table 4**. Line losses as a percentage on received Units at each voltage level are calculated on the basis of sales data of FY 2025-26.

Table 4

Losses FY 2025-26						
Voltage Level	**0.2 KV**	**0.4 KV**	**11 KV**	**132KV**	**Total**	**Source**
Losses %age on Purchased Units	1.33%		5.38%	1.32%	8.03%	NEPRA Determined under MYT Tariff Regime for FY 2023-24 to FY 2027-28
Losses %age on Received Units	1.75%		5.76%	1.32%	8.82%	Calculated as applied on units received at each voltage level.
Losses %age charged on Purchased Units	8.63%		7.00%	1.32%		Reversed calculated to show affective %age of losses vs. units purchased for each voltage level.

Overall the effective %age of energy losses, i.e. (total kWh purchases – total kWh sold)/total kWh purchased remains 8.03% as per NEPRA target.

Customer Classification by Voltage Level

While the Cost of Service study is based on allocation of the Revenue Requirement on Classes (categories) of the consumers at different voltage levels; the **Table 5** below provides mapping of existing categories of consumers on the basis of applicable voltage levels.

Table 5

Classification by Voltage Level				
Voltage	1	2	3	4
	132/66kV	11kV	0.4kV	0.2 kV
Customer Categories	B4	B3	A1b	A1a
	C3a	C2a	A2b	A2a
	C3b	C2b	A2c	C1a
		H1	A2d	E1i
		H2	A3a	
			B1a	
			B1b	
			B2a	
			B2b	
			C1b	
			C1c	
			D1a	
			D1b	
			D2a	
			D2b	
			E1ii	
			E2	
			G1	
			G2	

FESCO Tariff determined by NEPRA in June-2025 & GOP notified Tariff

Tariffs for various categories of FESCO consumers as determined by NEPRA vide their determination No.NEPRA/R/ADG (Tariff)/TRF-605&TRF-606/9297-9303 dated 23-06-2025 and GOP notified Applicable tariff w.e.f 01.07.2025 are provided in ***Table 6*** below.

Table 6

GoP Notified Applicable Tariff w.e.f 01-07-2025 (National Average)				
TARIFF CATAGORIES		Fixed Charges Rs./CON/M	Fixed Charges Rs./KW/M	Variable Charges Rs./kWh
A1 (a)	RESIDENTIAL -A1			
i	Up to 50 Units Life line			3.95
ii	51-100 units Life line			7.74
iii	01-100 Units			10.54
iv	101-200 Units			13.01
v	01-100 Units			22.44
vi	101-200 Units			28.91
vii	201-300 Units			33.10
viii	301-400Units	200		37.99
ix	401-500Units	400		40.20
x	501-600Units	600		41.62
xi	601-700Units	800		42.76
xii	Above 700 Units	1000		47.69
A1(b)	Time of Use (TOU) - Peak			46.85
	Time of Use (TOU) - Off-Peak	1000		40.53
E-1(i)	Temporary E-1 (i)	2000		57.94
	COMMERCIAL - A2			
A2 (a)	Commercial - For peak load requirement up to 5	1000		37.44
A2 (b)	Sanctioned load 5 kw and above		1250	39.76
A2 (c)	Time of Use (TOU) - Peak		1250	43.82
	Time of Use (TOU) - Off-Peak		1250	35.15
A2 (d)	Electric Vehicle Charging Station			53.44
E-1 (ii)	Temporary E-1 (ii)	5000		23.57
	INDUSTRIAL			
B1(a)	B1	1000		30.80
B1(b)	B1- TOU (Peak)	1000		36.74
	B1 - TOU (Off-peak)	1000		30.05
B2 (a)	B2		1250	30.73
B2 (b)	B2 - TOU (Peak)		1250	36.68
	B2 - TOU (Off-peak)		1250	27.41
B3	B3 - TOU (Peak)		1250	36.68
	B3 - TOU (Off-peak)		1250	28.24
B4	B4 - TOU (Peak)		1250	36.68
	B4 - TOU (Off-peak)		1250	27.96
E-2	Temporary E-2	5000		42.25
	BULK SUPPLY			
C1 (a)	Up to 5 kW	2000		43.39
C1 (b)	Exceeding 5 kW		1250	40.63
C1 (c)	Time of Use (TOU) - Peak		1250	46.31
	Time of Use (TOU) - Off-Peak		1250	37.54
C2 (a)	Supply at 11 KV (Non ToU)		1250	40.57
C2 (b)	Time of Use (TOU) - Peak		1250	46.31
	Time of Use (TOU) - Off-Peak		1250	36.03
C3 (a)	Supply above 11 kV (Non ToU)		1250	40.77
C3 (b)	Time of Use (TOU) - Peak		1250	46.31
	Time of Use (TOU) - Off-Peak		1250	35.76
	AGRICULTURAL TUBE WELLS - Tariff D			
D1 (a)	Scarp (Non ToU)			39.87
D2 (a)	Agricultural Tube-wells (Non ToU)		400	28.90
D1 (b)	Time of Use (TOU) - Peak (Scarp)		400	42.79
	Time of Use (TOU) - Off-Peak (Scarp)		400	34.71
D2 (b)	Time of Use (TOU) - Peak (Agriculture)		400	29.54
	Time of Use (TOU) - Off-Peak (Agriculture)		400	28.69
G	Public Lighting	2000		42.91
H	Residential Colonies	2000		42.10
A3	General Services	1000		42.48

Results from FACOS Model

Revenue Requirement Allocation (in Percentage)

While developing the Fully Allocated Cost of Service (FACOS) Model, the detailed study for allocation of cost of service and rate base (for each component) to cost drivers (energy, demand and customer) was developed. Overall summary of the allocation is given in below **Table 7**

Table 7

Revenue Requirement Allocation %age				
Description	**Energy**	**Demand**	**Customer**	**Total**
Engergy Charges	100%	-	-	100%
Capacity Charges	-	100%	-	100%
T.UoSC & MoF	-	100%	-	100%
O&M Cost	-	81%	19%	100%
Depreciation	-	82%	18%	100%
RORB	-	74%	26%	100%
Other Income	-	88%	12%	100%
Prior Year Adjustment (PYA)	-	65%	35%	100%

Revenue Requirement Allocation to Energy, Demand and Customer

Based on the allocation percentages given in above table, the revenue requirement allocated to energy, demand and customer (cost triggers) is shown in **Table** below.

Table 8

Revenue Requirement Allocation in Rs. (Million)				
Description	**Energy**	**Demand**	**Customer**	**Total**
Engergy Charges	151,417	-	-	151,417
Capacity Charges	-	234,008	-	234,008
T.UoSC & MoF	-	22,981	-	22,981
Power Purchase Price (PPP)	**151,417**	**256,988**	**-**	**408,406**
O&M Cost	-	35,955	8,434	44,388
Depreciation	-	5,608	1,231	6,839
RORB	-	8,277	2,908	11,185
Other Income	-	(6,647)	(906)	(7,553)
Distribution Margin (DM)	**-**	**43,192**	**11,666**	**54,859**
Prior Year Adjustment (PYA)	-	5,494	**2,958**	8,452
Revenue Requirement	**151,417**	**305,674**	**14,625**	**471,717**

Revenue as per GoP Notified Tariff by Customer Category and Voltage Level

The ***Table 9*** below provides detailed category-wise estimated revenue and average (Rs./kWh) thereof. Whereas the ***Table* 10** is summary of the said category-wise estimated revenue based on the supply Voltage level of relevant customer category, with average rate (Rs./kWh) thereof.

The calculation of revenue is based on GoP Notified Tariff (National Average) effective from 01.07.2025 already provided in ***Table 6*** above.

Table 9

FY 2025-26							
Customer Category	**MDI MW**	**Sales (GWh)**	**Fixed Charge/Con (Rs.Mln)**	**Fixed Charge/KW (Rs.Mln)**	**Variable Charge (Rs.Mln)**	**Total Revenue (Rs.Mln)**	**Rs./kWh**
Residential - A1(a)	-	6,929	463	-	179,764	180,226	26.01
Residential - A1(b)	-	199	393	-	8,293	8,685	43.75
Commercial - A2(a)	-	388	4,838	-	14,522	19,361	49.91
Commercial - A2(c)	170	399	-	2,550	14,730	17,280	43.34
Commercial - A2(d)	-	0	-	-	2	2	23.57
Industrial - B1(a)	-	55	70	-	1,702	1,772	32.07
Industrial - B1(b)	-	336	342	-	10,452	10,794	32.09
Industrial - B2(b)	761	2,024	-	11,415	58,387	69,801	34.49
Industrial - B3	444	1,750	-	6,659	51,691	58,349	33.35
Industrial - B4	188	741	-	2,821	21,622	24,443	32.97
Bulk Supply - C1(a)	-	0	1	-	5	5	48.06
Bulk Supply - C1(c)	2	17	-	35	663	698	41.53
Bulk Supply - C2(b)	26	100	-	395	3,788	4,183	41.71
Bulk Supply - C3(a&b)	18	70	-	263	2,665	2,927	41.82
Agricultural - D1(a)	-	7	-	-	282	282	39.87
Agricultural - D2(a)	-	0	-	0	1	1	30.34
Agricultural - D2(b)	6	1,109	-	30	31,972	32,003	28.85
Agricultural - D1(b)	455	22	-	2,183	777	2,960	134.79
Temporary Supply - E1(i)	-	1	1	-	73	74	58.44
Temporary Supply - E1(ii)	-	24	26	-	1,268	1,294	54.54
Public Lighting - G	-	17	42	-	739	780	45.32
Residential Colonies-H	-	5	3	-	212	215	42.66
Azad Jammu Kashmir-K1a	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	-	-	-	-	-	-	-
A3 General	-	238	356	-	10,126	10,482	43.97
Total	**2,070**	**14,432**	**6,534**	**26,350**	**413,734**	**446,618**	**30.95**

Table 10

FY 2025-26							
Voltage Level	**MDI MW**	**Sales (GWh)**	**Fixed Charge/Con (Rs.Mln)**	**Fixed Charge/KW (Rs.Mln)**	**Variable Charge (Rs.Mln)**	**Total Revenue (Rs.Mln)**	**Rs./kWh**
0.2 KV	-	7,397	5,398.77	0.05	197,616	203,015	27.45
0.4 KV	1,394	4,369	1,132	16,213	136,140	153,485	35.13
11 KV	470	1,855	3	7,054	55,691	62,747	33.82
132 KV	206	811	-	3,083	24,287	27,370	33.74
TOTAL	**2,070**	**14,432**	**6,534**	**26,350**	**413,734**	**446,618**	**30.95**

Cost of Service Functionalized Rates (Tariff Wise)

Based on the allocation of overall Revenue Requirement of FESCO to customers categories, the resultant functional amounts (Rs. in million) for each customer category are summarized at **Table 11** below.

Table 11

FY 2025-26										
Customer Category	**Volt. Level**	**No. of Customers**	**Energy**	**Demand**	**Generation Cost**		**Transmission**	**Distribution**		**Total Cost (Rs.Mln)**
			GWh	**MW**	**Energy (Rs.Mln)**	**Demand (Rs.Mln)**	**Cost (Rs.Mln)**	**Demand (Rs.Mln)**	**Customer Cost (Rs.Mln)**	
Residential - A1(a)	0.2kV	4,890,930	6,929	1,197	73,163	142,796	14,205	25,634	8,421	264,219
Residential - A1(b)	0.4kV	32,736	199	24	2,096	2,807	279	504	237	5,924
Commercial - A2(a)	0.2kV	403,202	388	80	4,096	9,517	947	1,708	471	16,739
Commercial - A2(c)	0.4kV	17,116	399	43	4,210	5,120	509	919	475	11,234
Commercial - A2(d)	0.4kV	6	0	0	1	53	5	9	0	68
Industrial - B1(a)	0.4kV	5,855	55	4	583	440	44	79	67	1,214
Industrial - B1(b)	0.4kV	28,516	336	42	3,552	5,054	503	907	401	10,417
Industrial - B2(b)	0.4kV	13,137	2,024	184	21,372	21,927	2,181	3,936	2,413	51,830
Industrial - B3	11kV	407	1,750	194	18,155	22,757	2,264	4,057	2,074	49,307
Industrial - B4	132kV	24	741	83	7,248	9,121	907	716	782	18,775
Bulk Supply - C1(a)	0.2kV	22	0	0	1	2	0	0	0	4
Bulk Supply - C1(c)	0.4kV	121	17	2	177	275	27	49	20	549
Bulk Supply - C2(b)	11kV	57	100	15	1,040	1,753	174	313	119	3,400
Bulk Supply - C3(a&b)	132kV	7	70	14	684	1,587	158	125	74	2,628
Agricultural - D1(a)	0.4kV	45	7	1	75	108	11	19	8	221
Agricultural - D2(a)	0.4kV	8	0	0	0	1	0	0	0	1
Agricultural - D2(b)	0.4kV	50,075	1,109	79	11,714	9,420	937	1,691	1,323	25,086
Agricultural - D1(b)	0.4kV	254	22	0	232	39	4	7	26	308
Temporary Supply - E1(i)	0.2kV	26	1	0	13	13	1	2	2	32
Temporary Supply - E1(ii)	0.4kV	435	24	5	250	345	34	62	29	721
Public Lighting - G	0.4kV	1,732	17	1	182	146	15	26	21	390
Residential Colonies-H	11kV	118	5	1	52	126	13	22	6	219
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	29,653	238	34	2,517	4,104	408	737	284	8,050
Total		**5,474,482**	**14,432**	**2,004**	**151,417**	**237,811**	**23,657**	**41,578**	**17,254**	**471,717**

Based on the cost drivers (energy, demand & customers), the allocation of overall Revenue Requirement of FESCO to the customers categories, the resultant functional (generation, transmission, Market Operator Fee & Distribution) rates (in terms of Rs./kWh, Rs./kW/Month and Rs./Customer / Month, as applicable) are summarized at **Table 12** below.

Table 12

FY 2025-26										
Customer Category	Volt. Level	No. of Customers	Energy	Demand	Generation Cost		Transmission	Distribution		Total Rs./kWh
			GWh	MW	Energy (Rs/kWh)	Demand (Rs/kW /Month)	(Rs/kW /Month)	(Rs/kW /Month)	(Rs./Customer /Month)	
Residential - A1(a)	0.2kV	4,890,930	6,929	1,197	10.56	9,945	989	1,785	143	38.13
Residential - A1(b)	0.4kV	32,736	199	24	10.56	9,945	989	1,785	603	29.84
Commercial - A2(a)	0.2kV	403,202	388	80	10.56	9,945	989	1,785	97	43.16
Commercial - A2(c)	0.4kV	17,116	399	43	10.56	9,945	989	1,785	2,315	28.18
Commercial - A2(d)	0.4kV	6	0	0	10.56	9,945	989	1,785	1,117	960.84
Industrial - B1(a)	0.4kV	5,855	55	4	10.56	9,945	989	1,785	956	21.96
Industrial - B1(b)	0.4kV	28,516	336	42	10.56	9,945	989	1,785	1,172	30.97
Industrial - B2(b)	0.4kV	13,137	2,024	184	10.56	9,945	989	1,785	15,310	25.61
Industrial - B3	11kV	407	1,750	194	10.38	9,772	972	1,742	424,243	28.18
Industrial - B4	132kV	24	741	83	9.78	9,209	916	723	2,698,349	25.33
Bulk Supply - C1(a)	0.2kV	22	0	0	10.56	9,945	989	1,785	521	32.55
Bulk Supply - C1(c)	0.4kV	121	17	2	10.56	9,945	989	1,785	13,832	32.65
Bulk Supply - C2(b)	11kV	57	100	15	10.38	9,772	972	1,742	174,694	33.90
Bulk Supply - C3(a&b)	132kV	7	70	14	9.78	9,209	916	723	837,212	37.54
Agricultural - D1(a)	0.4kV	45	7	1	10.56	9,945	989	1,785	15,564	31.30
Agricultural - D2(a)	0.4kV	8	0	0	10.56	9,945	989	1,785	392	42.38
Agricultural - D2(b)	0.4kV	50,075	1,109	79	10.56	9,945	989	1,785	2,202	22.61
Agricultural - D1(b)	0.4kV	254	22	0	10.56	9,945	989	1,785	8,588	14.02
Temporary Supply - E1(i)	0.2kV	26	1	0	10.56	9,945	989	1,785	4,864	25.22
Temporary Supply - E1(ii)	0.4kV	435	24	5	10.56	5,341	531	959	5,523	30.39
Public Lighting - G	0.4kV	1,732	17	1	10.56	9,945	989	1,785	988	22.63
Residential Colonies-H	11kV	118	5	1	10.38	9,772	972	1,742	4,211	43.57
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	29,653	238	34	10.56	9,945	989	1,785	799	33.77
Total/Average		**5,474,482**	**14,432**	**2,004**	**10.49**	**9,891**	**984**	**1,729**	**263**	**32.69**

The above detailed functional rates recapitulated, in terms of Rs./kW/Month, for each function is given in **Table 13** below.

Table 13

FY 2025-26										
Customer Category	Volt. Level	No. of Customers	Energy	Demand	Generation Cost		Transmission	Distribution		Total Rs./kW/ Month
			GWh	MW	Energy (Rs/kW/ Month)	Demand (Rs/kW/ Month)	(Rs/kW /Month)	(Rs/kW/ Month)	(Rs./kW/ Month)	
Residential - A1(a)	0.2kV	4,890,930	6,929	1,197	5,095	9,945	989	1,785	586	18,401
Residential - A1(b)	0.4kV	32,736	199	24	7,426	9,945	989	1,785	839	20,984
Commercial - A2(a)	0.2kV	403,202	388	80	4,280	9,945	989	1,785	493	17,492
Commercial - A2(c)	0.4kV	17,116	399	43	8,177	9,945	989	1,785	923	21,820
Commercial - A2(d)	0.4kV	6	0	0	142	9,945	989	1,785	16	12,877
Industrial - B1(a)	0.4kV	5,855	55	4	13,182	9,945	989	1,785	1,517	27,419
Industrial - B1(b)	0.4kV	28,516	336	42	6,990	9,945	989	1,785	789	20,499
Industrial - B2(b)	0.4kV	13,137	2,024	184	9,693	9,945	989	1,785	1,095	23,507
Industrial - B3	11kV	407	1,750	194	7,796	9,772	972	1,742	891	21,172
Industrial - B4	132kV	24	741	83	7,318	9,209	916	723	790	18,956
Bulk Supply - C1(a)	0.2kV	22	0	0	6,466	9,945	989	1,785	744	19,929
Bulk Supply - C1(c)	0.4kV	121	17	2	6,427	9,945	989	1,785	726	19,872
Bulk Supply - C2(b)	11kV	57	100	15	5,799	9,772	972	1,742	662	18,947
Bulk Supply - C3(a&b)	132kV	7	70	14	3,972	9,209	916	723	429	15,249
Agricultural - D1(a)	0.4kV	45	7	1	6,870	9,945	989	1,785	776	20,365
Agricultural - D2(a)	0.4kV	8	0	0	4,385	9,945	989	1,785	495	17,600
Agricultural - D2(b)	0.4kV	50,075	1,109	79	12,367	9,945	989	1,785	1,397	26,483
Agricultural - D1(b)	0.4kV	254	22	0	59,321	9,945	989	1,785	6,699	78,739
Temporary Supply - E1(i)	0.2kV	26	1	0	9,991	9,945	989	1,785	1,150	23,860
Temporary Supply - E1(ii)	0.4kV	435	24	5	3,876	5,341	531	959	446	11,154
Temporary Supply - E2	0.4kV	-	-	-	-	-	-	-	-	-
Public Lighting - G	0.4kV	1,732	17	1	12,348	9,945	989	1,785	1,394	26,462
Residential Colonies-H	11kV	118	5	1	4,047	9,772	972	1,742	462	16,995
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	29,653	238	34	6,099	9,945	989	1,785	689	19,507
Total		**5,474,482**	**14,432**	**2,004**	**6,298**	**9,891**	**984**	**1,729**	**718**	**19,620**

Unbundled Rates Rs./kWh (Tariff Wise)

The functional allocation of Revenue Requirement of FESCO (Generation, Transmission, Market Operator Fee and Distribution Cost) to customers categories, in Rs./kWh are shown in **Table 14** below.

Table 14

FY 2025-26							
Customer Category	**Voltage level**	**Sales GWh**	**Demand MW**	**Generation Rs./kWh**	**T.UoSC Rs./kWh**	**D.UoSC Rs./kWh**	**Total Rate Rs./kWh**
Residential - A1(a)	0.2kV	6,929	1,197	31.17	2.05	4.91	38.13
Residential - A1(b)	0.4kV	199	24	24.70	1.41	3.73	29.84
Commercial - A2(a)	0.2kV	388	80	35.10	2.44	5.62	43.16
Commercial - A2(c)	0.4kV	399	43	23.40	1.28	3.50	28.18
Commercial - A2(d)	0.4kV	0	0	753	74	134	961
Industrial - B1(a)	0.4kV	55	4	18.53	0.79	2.65	21.96
Industrial - B1(b)	0.4kV	336	42	25.58	1.49	3.89	30.97
Industrial - B2(b)	0.4kV	2,024	184	21.39	1.08	3.14	25.61
Industrial - B3	11kV	1,750	194	23.38	1.29	3.50	28.18
Industrial - B4	132kV	741	83	22.08	1.22	2.02	25.33
Bulk Supply - C1(a)	0.2kV	0	0	26.80	1.62	4.13	32.55
Bulk Supply - C1(c)	0.4kV	17	2	26.90	1.63	4.13	32.65
Bulk Supply - C2(b)	11kV	100	15	27.86	1.74	4.30	33.90
Bulk Supply - C3(a&b)	132kV	70	14	32.45	2.26	2.83	37.54
Agricultural - D1(a)	0.4kV	7	1	25.85	1.52	3.94	31.30
Agricultural - D2(a)	0.4kV	0	0	34.51	2.38	5.49	42.38
Agricultural - D2(b)	0.4kV	1,109	79	19.05	0.84	2.72	22.61
Agricultural - D1(b)	0.4kV	22	0	12.33	0.18	1.51	14.02
Temporary Supply - E1(i)	0.2kV	1	0	21.07	1.05	3.10	25.22
Temporary Supply - E1(ii)	0.4kV	24	5	25.11	1.45	3.83	30.39
Public Lighting - G	0.4kV	17	1	19.06	0.85	2.72	22.63
Residential Colonies-H	11kV	5	1	35.43	2.49	5.65	43.57
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-
A3 General	0.4kV	238	34	27.78	1.71	4.28	33.77
Total		**14,432**	**2,004**	**26.97**	**1.64**	**4.08**	**32.69**

Volumetric Rates at Each Customer Category

The above functional rates combined in terms of the nature (Fixed or Variable) and resultant rates in terms of Rs./kW/Month and/or Rs./kWh are provided in **Table 15** below.

Table 15

FY 2025-26							
Customer Category	Voltage Level	Sales GWh	Allocated Cost (Rs.Mln)		Fixed Charge Rs/kW/Month	Variable Charge Rs/kWh	Total Rate Rs/kWh
			Fixed Cost	Variable Cost			
Residential - A1(a)	0.2kV	6,929	182,635	81,584	12,720	26.36	38.13
Residential - A1(b)	0.4kV	199	3,591	2,333	12,720	18.09	29.84
Commercial - A2(a)	0.2kV	388	12,172	4,567	12,720	31.38	43.16
Commercial - A2(c)	0.4kV	399	6,549	4,685	12,720	16.43	28.18
Commercial - A2(d)	0.4kV	0	67	1	12,720	949	961
Industrial - B1(a)	0.4kV	55	563	651	12,720	10.19	21.96
Industrial - B1(b)	0.4kV	336	6,464	3,953	12,720	19.21	30.97
Industrial - B2(b)	0.4kV	2,024	28,045	23,786	12,720	13.86	25.61
Industrial - B3	11kV	1,750	29,077	20,229	12,486	16.62	28.18
Industrial - B4	132kV	741	10,745	8,030	10,848	14.49	25.33
Bulk Supply - C1(a)	0.2kV	0	2	1	12,720	20.77	32.55
Bulk Supply - C1(c)	0.4kV	17	351	198	12,720	20.90	32.65
Bulk Supply - C2(b)	11kV	100	2,240	1,159	12,486	22.34	33.90
Bulk Supply - C3(a&b)	132kV	70	1,869	758	10,848	26.71	37.54
Agricultural - D1(a)	0.4kV	7	138	83	12,720	19.55	31.30
Agricultural - D2(a)	0.4kV	0	1	0	12,720	30.63	42.38
Agricultural - D2(b)	0.4kV	1,109	12,049	13,037	12,720	10.86	22.61
Agricultural - D1(b)	0.4kV	22	50	258	12,720	2.26	14.02
Temporary Supply - E1(i)	0.2kV	1	17	15	12,720	13.44	25.22
Temporary Supply - E1(ii)	0.4kV	24	441	279	8,116	18.61	30.39
Public Lighting - G	0.4kV	17	187	202	12,720	10.88	22.63
Residential Colonies-H	11kV	5	161	58	12,486	32.01	43.57
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-
A3 General	0.4kV	238	5,249	2,801	12,720	22.02	33.77
Total		**14,432**	**303,046**	**168,671**	**12,720**	**22.02**	**32.69**

Note: Variable Cost in **Table 15** includes Energy cost and Customer services cost.

Revenue, Cost of Service and Subsidies (Tariff Category Wise)

Based on assessment of revenue and the cost of service for each category of consumer, as per the details provided herein before, the Subsidy or Cross Subsidy (the difference between revenue and cost) in terms of million rupees against each customer tariff category is provided in **Table 16** below. It may be noted that the negative figure means the customer is subsidized (revenue less than cost) whereas the positive figure shows that the customer is cross subsidizing (revenue more than cost). Average, in terms of Rs./kWh, assessment of subsidy or cross-subsidy, as the case may be, is also arrived in the last column of **Table 16** below.

Table 16

FY 2025-26												
Customer Category	Voltage Level	Sales GWh	Demand MW	Revenue as per GoP notified Applicable Tariff				Revenue as Per Cost of Service			Difference Subsidy (Rs.Mln)	Subsidy Rs./kWh
				Customer Charge (Rs.Mln)	Demand Charge (Rs.Mln)	Energy Charge (Rs.Mln)	Total (Rs.Mln)	Demand Cost (Rs.Mln)	Energy Cost (Rs.Mln)	Total (Rs.Mln)		
Residential - A1(a)	0.2kV	6,929	1,197	463	-	179,764	180,226	182,635	81,584	264,219	(83,993)	(12.12)
Residential - A1(b)	0.4kV	199	24	393	-	8,293	8,685	3,591	2,333	5,924	2,762	13.91
Commercial - A2(a)	0.2kV	388	80	4,838	-	14,522	19,361	12,172	4,567	16,739	2,621	6.76
Commercial - A2(c)	0.4kV	399	43	-	2,550	14,730	17,280	6,549	4,685	11,234	6,046	15.16
Commercial - A2(d)	0.4kV	0	0	-	-	2	2	67	1	68	(66)	(937)
Industrial - B1(a)	0.4kV	55	4	70	-	1,702	1,772	563	651	1,214	559	10.11
Industrial - B1(b)	0.4kV	336	42	342	-	10,452	10,794	6,464	3,953	10,417	376	1.12
Industrial - B2(b)	0.4kV	2,024	184	-	11,415	58,387	69,801	28,045	23,786	51,830	17,971	8.88
Industrial - B3	11kV	1,750	194	-	6,659	51,691	58,349	29,077	20,229	49,307	9,043	5.17
Industrial - B4	132kV	741	83	-	2,821	21,622	24,443	10,745	8,030	18,775	5,668	7.65
Bulk Supply - C1(a)	0.2kV	0	0	1	-	5	5	2	1	4	2	15.51
Bulk Supply - C1(c)	0.4kV	17	2	-	35	663	698	351	198	549	149	8.88
Bulk Supply - C2(b)	11kV	100	15	-	395	3,788	4,183	2,240	1,159	3,400	783	7.81
Bulk Supply - C3(a&b)	132kV	70	14	-	263	2,665	2,927	1,869	758	2,628	300	4.28
Agricultural - D1(a)	0.4kV	7	1	-	-	282	282	138	83	221	61	8.57
Agricultural - D2(a)	0.4kV	0	0	-	0	1	1	1	0	1	(0)	(12.04)
Agricultural - D2(b)	0.4kV	1,109	79	-	30	31,972	32,003	12,049	13,037	25,086	6,917	6.23
Agricultural - D1(b)	0.4kV	22	0	-	2,183	777	2,960	50	258	308	2,652	120.78
Temporary Supply - E1(i)	0.2kV	1	0	1	-	73	74	17	15	32	42	33.22
Temporary Supply - E1(ii)	0.4kV	24	5	26	-	1,268	1,294	441	279	721	573	24.16
Public Lighting - G	0.4kV	17	1	42	-	739	780	187	202	390	391	22.70
Residential Colonies-H	11kV	5	1	3	-	212	215	161	58	219	(5)	(0.91)
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	34	356	-	10,126	10,482	5,249	2,801	8,050	2,431	10.20
Total		**14,432**	**2,004**	**6,534**	**26,350**	**413,734**	**446,618**	**303,046**	**168,671**	**471,717**	**(25,098)**	**(1.74)**

Revenue, Cost of Service, Subsidy and Revenue to Cost Ratios

Revenue, Cost of Service and Subsidy in terms of million rupees for each category of the consumers is shown in **Table 17** below. The Table also provides the Revenue to Cost Ratio which shows that:

- If this ratio is less than one, the relevant customer class is subsidized, i.e. the tariff revenue is less than the allocated cost;
- If this ratio is greater than one, the relevant customer class is cross subsidizing, i.e. the tariff revenue is higher than the allocated cost; and
- If this ratio is equal to one, the customer class is at adequately priced vis-à-vis the allocated cost.

Table 17

FY 2025-26												
Customer Category	Voltage	Sales GWh	Demand MW	Revenue as per GoP notified Applicable Tariff			Revenue as Per Cost of Service		Difference/Subsidy		Revenue to Cost Ratio	
				Fixed/Con (Rs.Mln)	Fixed/KW (Rs.Mln)	Variable (Rs. Mln)	Fixed (Rs.Mln)	Variable (Rs. Mln)	Fixed (Rs.Mln)	Variable (Rs.Mln)	Fixed	Variable
Residential - A1(a)	0.2kV	6,929	1,197	463	-	179,764	182,635	81,584	182,173	(98,180)	0.00	2.20
Residential - A1(b)	0.4kV	199	24	393	-	8,293	3,591	2,333	3,198	(5,960)	0.11	3.55
Commercial - A2(a)	0.2kV	388	80	4,838	-	14,522	12,172	4,567	7,334	(9,955)	0.40	3.18
Commercial - A2(c)	0.4kV	399	43	-	2,550	14,730	6,549	4,685	3,998	(10,044)	0.39	3.14
Commercial - A2(d)	0.4kV	0	0	-	-	2	67	1	67	(1)	-	2.01
Industrial - B1(a)	0.4kV	55	4	70	-	1,702	563	651	493	(1,051)	0.12	2.62
Industrial - B1(b)	0.4kV	336	42	342	-	10,452	6,464	3,953	6,122	(6,498)	0.05	2.64
Industrial - B2(b)	0.4kV	2,024	184	-	11,415	58,387	28,045	23,786	16,630	(34,601)	0.41	2.45
Industrial - B3	11kV	1,750	194	-	6,659	51,691	29,077	20,229	22,419	(31,462)	0.23	2.56
Industrial - B4	132kV	741	83	-	2,821	21,622	10,745	8,030	7,924	(13,592)	0.26	2.69
Bulk Supply - C1(a)	0.2kV	0	0	1	-	5	2	1	2	(4)	0.22	3.69
Bulk Supply - C1(c)	0.4kV	17	2	-	35	663	351	198	316	(466)	0.10	3.36
Bulk Supply - C2(b)	11kV	100	15	-	395	3,788	2,240	1,159	1,845	(2,629)	0.18	3.27
Bulk Supply - C3(a&b)	132kV	70	14	-	263	2,665	1,869	758	1,607	(1,906)	0.14	3.51
Agricultural - D1(a)	0.4kV	7	1	-	-	282	138	83	138	(199)	-	3.39
Agricultural - D2(a)	0.4kV	0	0	-	0	1	1	0	1	(1)	0.05	2.46
Agricultural - D2(b)	0.4kV	1,109	79	-	30	31,972	12,049	13,037	12,018	(18,935)	0.00	2.45
Agricultural - D1(b)	0.4kV	22	0	-	2,183	777	50	258	(2,133)	(519)	43.90	3.01
Temporary Supply - E1(i)	0.2kV	1	0	1	-	73	17	15	16	(58)	0.04	4.92
Temporary Supply - E1(ii)	0.4kV	24	5	26	-	1,268	441	279	415	(988)	0.06	4.54
Temporary Supply - E2	0.4kV	-	-	-	-	-	380	-	380	-	-	-
Public Lighting - G	0.4kV	17	1	42	-	739	187	202	146	(536)	0.22	3.65
Residential Colonies-H	11kV	5	1	3	-	212	161	58	158	(154)	0.02	3.64
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	34	356	-	10,126	5,249	2,801	4,893	(7,325)	0.07	3.61
Total		**14,432**	**2,004**	**6,534**	**26,350**	**413,734**	**303,046**	**168,671**	**270,161**	**(245,063)**	**0.11**	**2.45**

Revenue, Cost of Service and Subsidies (Rs./kWh)

Revenue, Cost of Service and Subsidy in terms of Rs./kWh for each category of the consumers is shown in **Table 18** below. The Table also provides the Revenue to Cost Ratio.

Table 18

FY 2025-26						
Customer Category	Voltage Level	Sales GWh	Revenue as Per GoP Rs./kwh	Revenue as per Cost of Service Rs./kWh	Subsidy Rs./kWh	Revenue to Cost Ratio
Residential - A1(a)	0.2kV	6,929	26.01	38.13	(12.12)	0.68
Residential - A1(b)	0.4kV	199	43.75	29.84	13.91	1.47
Commercial - A2(a)	0.2kV	388	49.91	43.16	6.76	1.16
Commercial - A2(c)	0.4kV	399	43.34	28.18	15.16	1.54
Commercial - A2(d)	0.4kV	0	23.57	961	(937)	0.02
Industrial - B1(a)	0.4kV	55	32.07	21.96	10.11	1.46
Industrial - B1(b)	0.4kV	336	32.09	30.97	1.12	1.04
Industrial - B2(b)	0.4kV	2,024	34.49	25.61	8.88	1.35
Industrial - B3	11kV	1,750	33.35	28.18	5.17	1.18
Industrial - B4	132kV	741	32.97	25.33	7.65	1.30
Bulk Supply - C1(a)	0.2kV	0	48.06	32.55	15.51	1.48
Bulk Supply - C1(c)	0.4kV	17	41.53	32.65	8.88	1.27
Bulk Supply - C2(b)	11kV	100	41.71	33.90	7.81	1.23
Bulk Supply - C3(a&b)	132kV	70	41.82	37.54	4.28	1.11
Agricultural - D1(a)	0.4kV	7	39.87	31.30	8.57	1.27
Agricultural - D2(a)	0.4kV	0	30.34	42.38	(12.04)	0.72
Agricultural - D2(b)	0.4kV	1,109	28.85	22.61	6.23	1.28
Agricultural - D1(b)	0.4kV	22	134.79	14.02	120.78	9.62
Temporary Supply - E1(i)	0.2kV	1	58.44	25.22	33.22	2.32
Temporary Supply - E1(ii)	0.4kV	24	54.54	30.39	24.16	1.79
Public Lighting - G	0.4kV	17	45.32	22.63	22.70	2.00
Residential Colonies-H	11kV	5	42.66	43.57	(0.91)	0.98
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-
A3 General	0.4kV	238	43.97	33.77	10.20	1.30
Total		**14,432**	**30.95**	**32.69**	**(1.74)**	**0.95**

Revenue, Cost of Service and Subsidies (11 KV and Above)

The revenue cost of service and subsidies for customer categories that fall under 11 KV and above are summarized at **Table 19** below.

Table 19

FY 2025-26											
Customer Category	Voltage Level	Sales GWh	Demand MW	Revenue as per GoP notified Applicable Tariff			Revenue as Per Cost of Service			Difference Cross Subsidy (Rs.Mln)	Cross Subsidy Rs./kWh
				Demand Charge (Rs.Mln)	Energy Charge (Rs.Mln)	Total (Rs.Mln)	Demand Cost (Rs.Mln)	Energy Cost (Rs.Mln)	Total (Rs.Mln)		
Industrial - B3	11kV	1,750	194	6,659	51,691	58,349	29,077	20,229	49,307	9,043	5.17
Industrial - B4	132kV	741	83	2,821	21,622	24,443	10,745	8,030	18,775	5,668	7.65
Bulk Supply - C2(b)	11kV	100	15	395	3,788	4,183	2,240	1,159	3,400	783	7.81
Bulk Supply - C3(a&b)	132kV	70	14	263	2,665	2,927	1,869	758	2,628	300	4.28

Revenue/kWh, Cost of Service/kWh and Subsidies/kWh (BPC only)

With regard to the above analysis, the following points are emphasized:

1. Although the Industrial B-3 and Bulk Supply C2 customers are at 11 KV connection level, however, any of these customers may not fall within the definition of BPC as contained in NEPRA Act, 1997, being less than 1 MW.
2. The customer categories A-2, D-2 and A-3, for purposes of cost of service assessment, have been considered at 0.4 KV level. However, these customers, based on the sanctioned load, connected at 11 KV level, as required.
3. Consumer category for tariff H, i.e. housing colonies attached with industries, despite being connected at 11 kV, cannot be considered as BPC for (i) principally being resale in nature and (ii) being less than 1 MW.
4. Based on the above clarification, the abstract of Revenue (Rs./kWh), the Cost of Service (Rs./kWh) and resultant cross-subsidy (Rs./kWh) is appended at **Table** below. (having those connection with sanction load 1MW or above)

Table 20

FY 2025-26						
Customer Category	Voltage Level	Sales GWh	Revenue as Per GoP Rs./kwh	Revenue as per Cost of Service Rs./kWh	Cross Subsidy Rs./kwh	Revenue to Cost Ratio
Commercial - A2(c)	0.4kV	399	43.34	28.18	15.16	1.54
Industrial - B3	11kV	1,750	33.35	28.18	5.17	1.18
Industrial - B4	132kV	741	32.97	25.33	7.65	1.30
Bulk Supply - C2(b)	11kV	100	41.71	33.90	7.81	1.23
Bulk Supply - C3(a&b)	132kV	70	41.82	37.54	4.28	1.11
Agricultural - D2(b)	0.4kV	1,109	28.85	22.61	6.23	1.28
A3 General	0.4kV	238	43.97	33.77	10.20	1.30

Master Data for Results of FESCO's Cost of Service Study (FY 2025-26)

For interest of the readers to glance through overall master data for result of FESCO's Cost of Service Study (FY 2025-26), following Tables (**Table 21** to **Table 27**) are added separately.

Final Remarks:

- The above Cost of Service Study Report (FY 2025-26) is a sincere human effort to arrive at judicious assessment of functional (generation, transmission, market operator, distribution and customer services) costs for each category of consumers demonstrating the needs and parameters associated with relevant category.
- The results of the study are to be used for the purposes of rate making of Use of System Charges for possible eligible Bulk Power Consumers.
- The Fully Allocated Cost of Service (FACOS) model used for the purpose of this study is, in addition to being duly considered and approved by the Authority, realistically elaborate, professionally structured in line with international practices and reasonably accurate to provide equitable results in terms of costs associated with demonstrated needs of the customers. Human errors and omissions are, however, expected.
- The underlying assumptions made and considerations relied upon in carrying out this Cost of Service Study were adopted with all possible care and have been disclosed in details to the extent possible, without any prejudice.
- Inherent and unforeseen limitations of the FACOS model, assumptions made and consideration relied upon may not be as exhaustive as expected; accordingly, for the purposes of making rate of Use of System Charges, certain out of the model alterations may be necessary.
- While the Cost of Service is (95%) covered by the GOP applicable tariffs, inherent cross subsidization and possibility of stranded costs needs considerate, careful, concerted and continuous attention for proactive mitigation thereof.
- While currently certain classes of consumers are enjoying benefit of inter and intra tariff subsidies, the other categories of consumers are paying huge (02~11%) cross-subsidies. For a robust, vibrant and successful wholesale, and later retail, power market, minimization, if not elimination, of intra and inter tariff subsidies shall remain fundamental requirement.

Table 21

Cost of Service for FY 2025-26

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Cost (Rs. Mln)	Cost Rs./kWh Sold	Cost Rs./kWh Purchased
		Sold	Purchased	at Meter	at CDP	Energy (Rs.Mln)	Demand (Rs.Mln)	Cost (Rs.Mln)	Demand (Rs.Mln)	Cust. Cost (Rs.Mln)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	73,163	142,796	14,205	25,634	8,421	264,219	38.13	34.85
Residential - A1(b)	0.4kV	199	217	24	26	2,096	2,807	279	504	237	5,924	29.84	27.27
Commercial - A2(a)	0.2kV	388	424	80	87	4,096	9,517	947	1,708	471	16,739	43.16	39.44
Commercial - A2(c)	0.4kV	399	436	43	47	4,210	5,120	509	919	475	11,234	28.18	25.75
Commercial - A2(d)	0.4kV	0	0	0	0	1	53	5	9	0	68	961	878
Industrial - B1(a)	0.4kV	55	60	4	4	583	440	44	79	67	1,214	21.96	20.07
Industrial - B1(b)	0.4kV	336	368	42	46	3,552	5,054	503	907	401	10,417	30.97	28.30
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	21,372	21,927	2,181	3,936	2,413	51,830	25.61	23.40
Industrial - B3	11kV	1,750	1,882	194	209	18,155	22,757	2,264	4,057	2,074	49,307	28.18	26.21
Industrial - B4	132/66kV	741	751	83	84	7,248	9,121	907	716	782	18,775	25.33	24.99
Bulk Supply - C1(a)	0.2kV	0	0	0	0	1	2	0	0	0	4	32.55	29.74
Bulk Supply - C1(c)	0.4kV	17	18	2	3	177	275	27	49	20	549	32.65	29.84
Bulk Supply - C2(b)	11kV	100	108	15	16	1,040	1,753	174	313	119	3,400	33.90	31.53
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	684	1,587	158	125	74	2,628	37.54	37.04
Agricultural - D1(a)	0.4kV	7	8	1	1	75	108	11	19	8	221	31.30	28.61
Agricultural - D2(a)	0.4kV	0	0	0	0	0	1	0	0	0	1	42.38	38.73
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	11,714	9,420	937	1,691	1,323	25,086	22.61	20.66
Agricultural - D1(b)	0.4kV	22	24	0	0	232	39	4	7	26	308	14.02	12.81
Temporary Supply - E1(i)	0.2kV	1	1	0	0	13	13	1	2	2	32	25.22	23.04
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	250	345	34	62	29	721	30.39	27.77
Public Lighting - G	0.4kV	17	19	1	1	182	146	15	26	21	390	22.63	20.68
Residential Colonies - H	11kV	5	5	1	1	52	126	13	22	6	219	43.57	40.52
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	2,517	4,104	408	737	284	8,050	33.77	30.86
Total		**14,432**	**15,692**	**2,004**	**2,181**	**151,417**	**237,811**	**23,657**	**41,578**	**17,254**	**471,717**	**32.69**	**30.06**

Table 22

Cost of Service for FY 2025-26 (Per KW or KWh Sold)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kW/ M)	Fixed Cost Rs./kWh Sold	Total Cost Rs./kWh Sold
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kW/M)	Cost (Rs./kW/M)	Demand (Rs./kW/M)	Cust. Cost (Rs./kW/M)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	11	9,945	989	1,785	586	13,306	27.57	38.13
Residential - A1(b)	0.4kV	199	217	24	26	11	9,945	989	1,785	839	13,558	19.28	29.84
Commercial - A2(a)	0.2kV	388	424	80	87	11	9,945	989	1,785	493	13,212	32.60	43.16
Commercial - A2(c)	0.4kV	399	436	43	47	11	9,945	989	1,785	923	13,643	17.62	28.18
Commercial - A2(d)	0.4kV	0	0	0	0	11	9,945	989	1,785	16	12,736	950	961
Industrial - B1(a)	0.4kV	55	60	4	4	11	9,945	989	1,785	1,517	14,237	11.40	21.96
Industrial - B1(b)	0.4kV	336	368	42	46	11	9,945	989	1,785	789	13,509	20.41	30.97
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	11	9,945	989	1,785	1,095	13,814	15.05	25.61
Industrial - B3	11kV	1,750	1,882	194	209	10	9,772	972	1,742	891	13,376	17.80	28.18
Industrial - B4	132/66kV	741	751	83	84	10	9,209	916	723	790	11,638	15.55	25.33
Bulk Supply - C1(a)	0.2kV	0	0	0	0	11	9,945	989	1,785	744	13,464	21.99	32.55
Bulk Supply - C1(c)	0.4kV	17	18	2	3	11	9,945	989	1,785	726	13,445	22.09	32.65
Bulk Supply - C2(b)	11kV	100	108	15	16	10	9,772	972	1,742	662	13,148	23.52	33.90
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	10	9,209	916	723	429	11,277	27.76	37.54
Agricultural - D1(a)	0.4kV	7	8	1	1	11	9,945	989	1,785	776	13,495	20.74	31.30
Agricultural - D2(a)	0.4kV	0	0	0	0	11	9,945	989	1,785	495	13,215	31.82	42.38
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	11	9,945	989	1,785	1,397	14,116	12.05	22.61
Agricultural - D1(b)	0.4kV	22	24	0	0	11	9,945	989	1,785	6,699	19,419	3.46	14.02
Temporary Supply - E1(i)	0.2kV	1	1	0	0	11	9,945	989	1,785	1,150	13,869	14.66	25.22
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	11	5,341	531	959	446	7,278	19.83	30.39
Public Lighting - G	0.4kV	17	19	1	1	11	9,945	989	1,785	1,394	14,114	12.07	22.63
Residential Colonies - H	11kV	5	5	1	1	10	9,772	972	1,742	462	12,948	33.20	43.57
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	11	9,945	989	1,785	689	13,408	23.21	33.77
Total		**14,432**	**15,692**	**2,004**	**2,181**	**10**	**9,891**	**984**	**1,729**	**718**	**13,322**	**22.19**	**32.69**

Table 23

Cost of Service for FY 2025-26 (Per KW or KWh Purchased)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kW/ M)	Fixed Cost Rs./kWh Purchased	Total Cost Rs./kWh Purchased
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kW/M)	Cost (Rs./kW/M)	Demand (Rs./kW/M)	Cust. Cost (Rs./kW/M)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	10	9,088	904	1,631	536	12,159	25.20	34.85
Residential - A1(b)	0.4kV	199	217	24	26	10	9,088	904	1,631	766	12,390	17.62	27.27
Commercial - A2(a)	0.2kV	388	424	80	87	10	9,088	904	1,631	450	12,073	29.79	39.44
Commercial - A2(c)	0.4kV	399	436	43	47	10	9,088	904	1,631	844	12,467	16.10	25.75
Commercial - A2(d)	0.4kV	0	0	0	0	10	9,088	904	1,631	15	11,638	868	878
Industrial - B1(a)	0.4kV	55	60	4	4	10	9,088	904	1,631	1,386	13,010	10.42	20.07
Industrial - B1(b)	0.4kV	336	368	42	46	10	9,088	904	1,631	721	12,345	18.65	28.30
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	10	9,088	904	1,631	1,000	12,624	13.75	23.40
Industrial - B3	11kV	1,750	1,882	194	209	10	9,088	904	1,620	828	12,440	16.56	26.21
Industrial - B4	132/66kV	741	751	83	84	10	9,088	904	713	779	11,484	15.34	24.99
Bulk Supply - C1(a)	0.2kV	0	0	0	0	10	9,088	904	1,631	680	12,303	20.09	29.74
Bulk Supply - C1(c)	0.4kV	17	18	2	3	10	9,088	904	1,631	663	12,287	20.19	29.84
Bulk Supply - C2(b)	11kV	100	108	15	16	10	9,088	904	1,620	616	12,228	21.88	31.53
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	10	9,088	904	713	423	11,128	27.39	37.04
Agricultural - D1(a)	0.4kV	7	8	1	1	10	9,088	904	1,631	709	12,332	18.96	28.61
Agricultural - D2(a)	0.4kV	0	0	0	0	10	9,088	904	1,631	453	12,076	29.08	38.73
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	10	9,088	904	1,631	1,276	12,900	11.01	20.66
Agricultural - D1(b)	0.4kV	22	24	0	0	10	9,088	904	1,631	6,122	17,745	3.16	12.81
Temporary Supply - E1(i)	0.2kV	1	1	0	0	10	9,088	904	1,631	1,051	12,674	13.40	23.04
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	10	4,881	486	876	408	6,650	18.12	27.77
Public Lighting - G	0.4kV	17	19	1	1	10	9,088	904	1,631	1,274	12,898	11.03	20.68
Residential Colonies - H	11kV	5	5	1	1	10	9,088	904	1,620	430	12,042	30.87	40.52
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	10	9,088	904	1,631	629	12,253	21.21	30.86
Total		**14,432**	**15,692**	**2,004**	**2,181**	**10**	**9,088**	**904**	**1,589**	**659**	**12,240**	**20.41**	**30.06**

Table 24

Cost of Service for FY 2025-26 (Per KWh Sold)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kWh)	Fixed Cost Rs./kWh Sold	Total Cost Rs./kWh Sold
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kWh)	Cost (Rs./kWh)	Demand (Rs./kWh)	Cust. Cost (Rs./kWh)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	10.56	20.61	2.05	3.70	1.22	27.57	27.57	38.13
Residential - A1(b)	0.4kV	199	217	24	26	10.56	14.14	1.41	2.54	1.19	19.28	19.28	29.84
Commercial - A2(a)	0.2kV	388	424	80	87	10.56	24.54	2.44	4.40	1.22	32.60	32.60	43.16
Commercial - A2(c)	0.4kV	399	436	43	47	10.56	12.84	1.28	2.31	1.19	17.62	17.62	28.18
Commercial - A2(d)	0.4kV	0	0	0	0	10.56	742	74	133	1.19	950	950	961
Industrial - B1(a)	0.4kV	55	60	4	4	10.56	7.97	0.79	1.43	1.22	11.40	11.40	21.96
Industrial - B1(b)	0.4kV	336	368	42	46	10.56	15.02	1.49	2.70	1.19	20.41	20.41	30.97
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	10.56	10.83	1.08	1.94	1.19	15.05	15.05	25.61
Industrial - B3	11kV	1,750	1,882	194	209	10.38	13.00	1.29	2.32	1.19	17.80	17.80	28.18
Industrial - B4	132/66kV	741	751	83	84	9.78	12.31	1.22	0.97	1.05	15.55	15.55	25.33
Bulk Supply - C1(a)	0.2kV	0	0	0	0	10.56	16.24	1.62	2.92	1.22	21.99	21.99	32.55
Bulk Supply - C1(c)	0.4kV	17	18	2	3	10.56	16.34	1.63	2.93	1.19	22.09	22.09	32.65
Bulk Supply - C2(b)	11kV	100	108	15	16	10.38	17.48	1.74	3.12	1.19	23.52	23.52	33.90
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	9.78	22.67	2.26	1.78	1.05	27.76	27.76	37.54
Agricultural - D1(a)	0.4kV	7	8	1	1	10.56	15.29	1.52	2.74	1.19	20.74	20.74	31.30
Agricultural - D2(a)	0.4kV	0	0	0	0	10.56	23.95	2.38	4.30	1.19	31.82	31.82	42.38
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	10.56	8.49	0.84	1.52	1.19	12.05	12.05	22.61
Agricultural - D1(b)	0.4kV	22	24	0	0	10.56	1.77	0.18	0.32	1.19	3.46	3.46	14.02
Temporary Supply - E1(i)	0.2kV	1	1	0	0	10.56	10.51	1.05	1.89	1.22	14.66	14.66	25.22
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	10.56	14.55	1.45	2.61	1.22	19.83	19.83	30.39
Public Lighting - G	0.4kV	17	19	1	1	10.56	8.50	0.85	1.53	1.19	12.07	12.07	22.63
Residential Colonies - H	11kV	5	5	1	1	10.38	25.05	2.49	4.47	1.19	33.20	33.20	43.57
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	10.56	17.22	1.71	3.09	1.19	23.21	23.21	33.77
Total		**14,432**	**15,692**	**2,004**	**2,181**	**10.49**	**16.48**	**1.64**	**2.88**	**1.20**	**22.19**	**22.19**	**32.69**

Table 25

Cost of Service for FY 2025-26 (Per KWh Purchased)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kWh)	Fixed Cost Rs./kWh Purchased	Total Cost Rs./kWh Purchased
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kWh)	Cost (Rs./kWh)	Demand (Rs./kWh)	Cust. Cost (Rs./kWh)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	9.65	18.83	1.87	3.38	1.11	25.20	25.20	34.85
Residential - A1(b)	0.4kV	199	217	24	26	9.65	12.92	1.29	2.32	1.09	17.62	17.62	27.27
Commercial - A2(a)	0.2kV	388	424	80	87	9.65	22.42	2.23	4.02	1.11	29.79	29.79	39.44
Commercial - A2(c)	0.4kV	399	436	43	47	9.65	11.74	1.17	2.11	1.09	16.10	16.10	25.75
Commercial - A2(d)	0.4kV	0	0	0	0	9.65	678	67	122	1.09	868	868	878
Industrial - B1(a)	0.4kV	55	60	4	4	9.65	7.28	0.72	1.31	1.11	10.42	10.42	20.07
Industrial - B1(b)	0.4kV	336	368	42	46	9.65	13.73	1.37	2.46	1.09	18.65	18.65	28.30
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	9.65	9.90	0.98	1.78	1.09	13.75	13.75	23.40
Industrial - B3	11kV	1,750	1,882	194	209	9.65	12.09	1.20	2.16	1.10	16.56	16.56	26.21
Industrial - B4	132/66kV	741	751	83	84	9.65	12.14	1.21	0.95	1.04	15.34	15.34	24.99
Bulk Supply - C1(a)	0.2kV	0	0	0	0	9.65	14.84	1.48	2.66	1.11	20.09	20.09	29.74
Bulk Supply - C1(c)	0.4kV	17	18	2	3	9.65	14.93	1.49	2.68	1.09	20.19	20.19	29.84
Bulk Supply - C2(b)	11kV	100	108	15	16	9.65	16.26	1.62	2.90	1.10	21.88	21.88	31.53
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	9.65	22.37	2.23	1.76	1.04	27.39	27.39	37.04
Agricultural - D1(a)	0.4kV	7	8	1	1	9.65	13.97	1.39	2.51	1.09	18.96	18.96	28.61
Agricultural - D2(a)	0.4kV	0	0	0	0	9.65	21.88	2.18	3.93	1.09	29.08	29.08	38.73
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	9.65	7.76	0.77	1.39	1.09	11.01	11.01	20.66
Agricultural - D1(b)	0.4kV	22	24	0	0	9.65	1.62	0.16	0.29	1.09	3.16	3.16	12.81
Temporary Supply - E1(i)	0.2kV	1	1	0	0	9.65	9.61	0.96	1.72	1.11	13.40	13.40	23.04
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	9.65	13.30	1.32	2.39	1.11	18.12	18.12	27.77
Public Lighting - G	0.4kV	17	19	1	1	9.65	7.77	0.77	1.40	1.09	11.03	11.03	20.68
Residential Colonies - H	11kV	5	5	1	1	9.65	23.30	2.32	4.15	1.10	30.87	30.87	40.52
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	9.65	15.73	1.57	2.82	1.09	21.21	21.21	30.86
Total		**14,432**	**15,692**	**2,004**	**2,181**	**9.65**	**15.15**	**1.51**	**2.65**	**1.10**	**20.41**	**20.41**	**30.06**

Table 26

FY 2025-26 (Impact of Losses on Per KW or KWh Basis)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kW/ M)	Total Fixed Cost (Rs./kWh)	Total Cost (Rs./kWh)
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kW/M)	Cost (Rs./kW/M)	Demand (Rs./kW/M)	Cust. Cost (Rs./kW/M)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	0.91	857.08	85.26	153.86	50.54	1,146.75	2.38	3.29
Residential - A1(b)	0.4kV	199	217	24	26	0.91	857.08	85.26	153.86	72.27	1,168.47	1.66	2.57
Commercial - A2(a)	0.2kV	388	424	80	87	0.91	857.08	85.26	153.86	42.45	1,138.66	2.81	3.72
Commercial - A2(c)	0.4kV	399	436	43	47	0.91	857.08	85.26	153.86	79.58	1,175.79	1.52	2.43
Commercial - A2(d)	0.4kV	0	0	0	0	0.91	857	85	154	1.38	1,098	82	83
Industrial - B1(a)	0.4kV	55	60	4	4	0.91	857.08	85.26	153.86	130.75	1,226.96	0.98	1.89
Industrial - B1(b)	0.4kV	336	368	42	46	0.91	857.08	85.26	153.86	68.03	1,164.23	1.76	2.67
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	0.91	857.08	85.26	153.86	94.34	1,190.54	1.30	2.21
Industrial - B3	11kV	1,750	1,882	194	209	0.73	683.75	68.02	121.89	62.32	935.97	1.25	1.97
Industrial - B4	132/66kV	741	751	83	84	0.13	121.56	12.09	9.54	10.42	153.62	0.21	0.33
Bulk Supply - C1(a)	0.2kV	0	0	0	0	0.91	857.08	85.26	153.86	64.13	1,160.34	1.89	2.80
Bulk Supply - C1(c)	0.4kV	17	18	2	3	0.91	857.08	85.26	153.86	62.55	1,158.75	1.90	2.81
Bulk Supply - C2(b)	11kV	100	108	15	16	0.73	683.75	68.02	121.89	46.35	920.01	1.65	2.37
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	0.13	121.56	12.09	9.54	5.66	148.85	0.37	0.50
Agricultural - D1(a)	0.4kV	7	8	1	1	0.91	857.08	85.26	153.86	66.86	1,163.06	1.79	2.70
Agricultural - D2(a)	0.4kV	0	0	0	0	0.91	857.08	85.26	153.86	42.68	1,138.88	2.74	3.65
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	0.91	857.08	85.26	153.86	120.36	1,216.56	1.04	1.95
Agricultural - D1(b)	0.4kV	22	24	0	0	0.91	857.08	85.26	153.86	577.33	1,673.54	0.30	1.21
Temporary Supply - E1(i)	0.2kV	1	1	0	0	0.91	857.08	85.26	153.86	99.10	1,195.30	1.26	2.17
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	0.91	460.34	45.79	82.64	38.45	627.21	1.71	2.62
Public Lighting - G	0.4kV	17	19	1	1	0.91	857.08	85.26	153.86	120.17	1,216.38	1.04	1.95
Residential Colonies - H	11kV	5	5	1	1	0.73	683.75	68.02	121.89	32.35	906.01	2.32	3.05
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	0.91	857.08	85.26	153.86	59.36	1,155.56	2.00	2.91
Total		**14,432**	**15,692**	**2,004**	**2,181**	**0.84**	**803.34**	**79.91**	**140.45**	**58.28**	**1,081.99**	**1.78**	**2.62**

Table 27

FY 2025-26 (Impact of Losses on Per KWh Basis)

Customer Categories	Voltage Level	Energy GWh		Demand MW		Generation Cost		Transmission	Distribution		Total Fixed Cost (Rs./kWh)	Total Fixed Cost (Rs./kWh)	Total Cost (Rs./kWh)
		Sold	Purchased	at Meter	at CDP	Energy (Rs./kWh)	Demand (Rs./kWh)	Cost (Rs./kWh)	Demand (Rs./kWh)	Cust. Cost (Rs./kWh)			
Residential - A1(a)	0.2kV	6,929	7,582	1,197	1,309	0.91	1.78	0.18	0.32	0.10	2.38	2.38	3.29
Residential - A1(b)	0.4kV	199	217	24	26	0.91	1.22	0.12	0.22	0.10	1.66	1.66	2.57
Commercial - A2(a)	0.2kV	388	424	80	87	0.91	2.11	0.21	0.38	0.10	2.81	2.81	3.72
Commercial - A2(c)	0.4kV	399	436	43	47	0.91	1.11	0.11	0.20	0.10	1.52	1.52	2.43
Commercial - A2(d)	0.4kV	0	0	0	0	0.91	64	6	11	0.10	82	82	83
Industrial - B1(a)	0.4kV	55	60	4	4	0.91	0.69	0.07	0.12	0.10	0.98	0.98	1.89
Industrial - B1(b)	0.4kV	336	368	42	46	0.91	1.29	0.13	0.23	0.10	1.76	1.76	2.67
Industrial - B2(b)	0.4kV	2,024	2,215	184	201	0.91	0.93	0.09	0.17	0.10	1.30	1.30	2.21
Industrial - B3	11kV	1,750	1,882	194	209	0.73	0.91	0.09	0.16	0.08	1.25	1.25	1.97
Industrial - B4	132/66kV	741	751	83	84	0.13	0.16	0.02	0.01	0.01	0.21	0.21	0.33
Bulk Supply - C1(a)	0.2kV	0	0	0	0	0.91	1.40	0.14	0.25	0.10	1.89	1.89	2.80
Bulk Supply - C1(c)	0.4kV	17	18	2	3	0.91	1.41	0.14	0.25	0.10	1.90	1.90	2.81
Bulk Supply - C2(b)	11kV	100	108	15	16	0.73	1.22	0.12	0.22	0.08	1.65	1.65	2.37
Bulk Supply - C3(a&b)	132/66kV	70	71	14	15	0.13	0.30	0.03	0.02	0.01	0.37	0.37	0.50
Agricultural - D1(a)	0.4kV	7	8	1	1	0.91	1.32	0.13	0.24	0.10	1.79	1.79	2.70
Agricultural - D2(a)	0.4kV	0	0	0	0	0.91	2.06	0.21	0.37	0.10	2.74	2.74	3.65
Agricultural - D2(b)	0.4kV	1,109	1,214	79	86	0.91	0.73	0.07	0.13	0.10	1.04	1.04	1.95
Agricultural - D1(b)	0.4kV	22	24	0	0	0.91	0.15	0.02	0.03	0.10	0.30	0.30	1.21
Temporary Supply - E1(i)	0.2kV	1	1	0	0	0.91	0.91	0.09	0.16	0.10	1.26	1.26	2.17
Temporary Supply - E1(ii)	0.4kV	24	26	5	6	0.91	1.25	0.12	0.23	0.10	1.71	1.71	2.62
Public Lighting - G	0.4kV	17	19	1	1	0.91	0.73	0.07	0.13	0.10	1.04	1.04	1.95
Residential Colonies - H	11kV	5	5	1	1	0.73	1.75	0.17	0.31	0.08	2.32	2.32	3.05
Azad Jammu Kashmir-K1a	11kV	-	-	-	-	-	-	-	-	-	-	-	-
Azad Jammu Kashmir-K1b	11kV	-	-	-	-	-	-	-	-	-	-	-	-
A3 General	0.4kV	238	261	34	38	0.91	1.48	0.15	0.27	0.10	2.00	2.00	2.91
Total		**14,432**	**15,692**	**2,004**	**2,181**	**0.84**	**1.32**	**0.13**	**0.23**	**0.10**	**1.78**	**1.78**	**2.62**

FAISALABAD ELECTRIC SUPPLY COMPANY

OFFICE OF THE CHIEF EXECUTIVE OFFICER FESCO, WEST CANAL ROAD,
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COMPANY SECRETARIAT

No. 5145/Secy/P-2 **Dated: 01.09.2025**

Director General (MIRAD),
FESCO Faisalabad.

Subject: **AUTHORIZATION TO FILE FESCO GRID CHARGE / USE OF SYSTEM CHARGE (UOSC) PETITION FOR FY 2025-26 AND FOR SUBSEQUENT YEARS 2026-28 TO THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)**

1. Under Section 179 of the Companies Act, 2017 and Articles of Association FESCO (Clause-66), a resolution through circulation vide No. 175 dated 30.08.2025, was submitted to the BOD FESCO for approval. The BOD FESCO resolved as under:-

The BOD resolved and authorized the Chief Executive Officer (CEO), FESCO, to submit the Use of System Charges (UoSC) Petition for FY 2025-26, and further permitted for filing of subsequent petitions for FY 2026-28 to NEPRA, in accordance with the applicable regulatory requirements.

2. Please proceed accordingly as per law.

01/9/2025
Company Secretary
FESCO Faisalabad

Copy to:-

1. Chairman BOD & all Members of BOD FESCO, Faisalabad.
2. Master file.