PESHAWAR ELECTRIC SUPPLY COMPANY LIMITED

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OFFICE OF THE
CHIEF EXECUTIVE OFFICER
PESCO PESHAWAR

No: 2140-42 /FD/PESCO/CP&C

Dated: 20/10/2025

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

Subject: **REVISION OF ANNUAL REBASING TIMELINES FOR CONSUMER-END TARIFF.**

It is apprised that the Ministry of Energy (Power Division) vide letter No. TARIFF/XWDISCOS-2022 dated October 16, 2025 *(copy enclosed as **Annex-A**)*, has conveyed that the Federal Government has approved the revision of the annual tariff determination schedule, making it effective from 1st January each year. The Authority has already determined the Power Purchase Price (PPP) references up to June 2026, accordingly, it is submitted that the references for the remaining period up to December 2026 may also be determined, in line with the above-mentioned directives.

It is pertinent to mention here that PESCO has already submitted its Multi-Year Tariff (MYT) Petition for FY 2025-26 to FY 2029-30 for determination and the decision of the Authority is awaited. Meanwhile, an interim tariff for FY 2025-26 (July 1, 2025 to June 30, 2026) has been determined by the Authority in response to PESCO's request submitted vide Letter No. 1858/FD/PESCO/CP&C dated May 29, 2025.

Keeping the foregoing in view, the Authority is hereby requested to determine the consumer-end tariff for the period from July 1, 2026 to December 31, 2026 in accordance with the revised annual rebasing timeline effective January 1, 2026, as per the enclosed Revenue Requirement for the said period *(enclosed as **Annex-B**)*, to ensure a smooth and timely transition to the revised rebasing schedule.

DA/As above.

CHIEF EXECUTIVE OFFICER
PESCO

Forwarded please:
For nec. action / For information
DG (Lic.) / DG (Admn/HR)
SA (M&E) / DG (CAD)
DG (Tech.) / DG (ATC)
ADG (Trf.) / 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)

Cc to:

1. MD PPMC, Islamabad.
2. Section Officer (Tariff), Ministry of Energy (Power Division), Islamabad.

Annex-A

Priority

GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY POWER DIVISION, ISLAMABAD
******

No.TARIFF/XWDISCOS-2022

Islamabad, the 16th October, 2025

From

Moeen Iftikhar
Section Officer (Tariff)

To

1- CEO, FESCO, Faisalabad
2- CEO, gepco, Gujranwala
3- CEO, HESCO, Hyderabad
4- Chief Executive Officer, IESCO, Islamabad
5- Chief Executive Officer (LESCO), LESCO, Lahore
6- CEO MEPCO, MEPCO, Multan
7- Chief Executive Officer, PESCO, Peshawar
8- Chief Executive Officer, QESCO, Quetta
9- CEO, SEPCO, Sukkur
10- Chief Executive Officer, TESCO, Peshawar
11- CEO, Hazara Electric Supply Company HAZECO,

SUBJECT: REVISION OF ANNUAL REBASING TIMELINES FOR CONSUMER-END TARIFF

This is with reference to the timelines for annual rebasing of consumer-end electricity tariffs. Under the NEPRA (Tariff Standards and Procedure) Rules 1998, read with Part 5 of the NEPRA Determination of Consumer-End Tariff (Methodology & Process) Guidelines, 2015, Distribution Companies (DISCOs) were previously required to initiate the tariff determination process by submitting their minimum filing requirements to NEPRA by **January 31st** each year. The process was followed by NEPRA's internal review, public hearings, determination of tariffs, and subsequent notification by the Federal Government. In practice, the annual rebasing has typically been notified in **July**, effective from **1st July** of each year.

To enhance consumer affordability and ensure sectoral sustainability, the timing of annual rebasing has now been shifted from the **summer** to the **winter** months when electricity consumption is relatively lower and any tariff adjustment can be better absorbed by consumers. Accordingly, the **Federal Cabinet** has approved the revision of the annual tariff determination schedule so that the rebasing takes effect from **1st January** each year.

NEPRA is in the process of amending the relevant legal and regulatory framework to align with this revised timeline and ensure timely completion of all regulatory proceedings. The Authority has already determined the **Power Purchase Price (PPP) references** up to **June 2026**, while references for the remaining six months have also been submitted to NEPRA.

In light of the above, all DISCOs are advised to **formally approach NEPRA** today positively with a request to issue their tariff determinations for the **period from July 1, 2026, to December 31, 2026**. This will ensure a seamless transition and facilitate the commencement of annual rebasing with effect from **January 1, 2026**.

CCO/DG MIRAD/F.D.
16/10

Moeen Iftikhar
Section Officer (Tariff)

Copy for information to:-

1- Addl Secretary-II, MOEPWD, Islamabad
2- Joint Secretary (T&S), MOEPWD, Islamabad
3- Deputy Secretary (T&S), MOEPWD, Islamabad

Moeen Iftikhar
Section Officer (Tariff)

Annex - "B"

PESCO Revenue Requirement

(For Rebasing of Electricity Tariff effective from 1st January)

Description	FY 2026-27 (for Jul to Dec 2026)	
	Mln. Rs.	Rs. /Kwh
No. of Units Sold (MkWH)	5,466	
No. of Units Purchased(MkWH)	6,798	
T&D Losses	37.44%	
PPP (Rs. /Kwh)		25.08
Power Purchase Price	**170,472**	**31.19**
O&M Costs:		
Salaries	12,137	2.22
Post Retirement Benefits (Cash)	7,639	1.40
Post Retirement Benefits (Non-Cash)	2,501	0.46
Pay & Allowances	**22,277**	**4.08**
Other Operating and Admin: Exp		
Travelling Expenses	255	0.05
Vehicle Running Expenses	325	0.06
Other Expenses	1,358	0.25
Repair & Maintenance	1,007	0.18
Other Operating and Admin: Exp	**25,221**	**4.61**
Working Capital Cost (WCC)	938	0.17
Recovery Loss	18,800	3.44
Depreciation	3,801	0.70
Return on Rate Base	8,948	1.64
Less: Other Revenues	(3,652)	(0.67)
Distribution Margin (D.M)	**54,058**	**9.89**
Prior Period Adjustments	28,830	5.27
Taxation	2,031	0.37
Total Revenue Requirement	**255,390**	**46.73**

PRIOR YEAR ADJUSTMENT

FY 2025-26

Rs. Mln

Description	PESCO Requested	NEPRA Allowed	Variance
4th Qtr. FY 2022-23 (Oct, Mar-24)			
Allowed Amount	8,647		8,647
Qtr. Rs./kWh	1.661		1.6614
Recovered	7,465		7,465
Under/(Over) Recovery	**1,182**		**1,182**
1st Qtr. FY 2023-24 (Jan, Mar-24)			
Allowed Amount	2,197	2,197	
Qtr. Rs./kWh	0.8359	0.8359	
Recovered	1,911	1,910	
Under/(Over) Recovery	**286**	**287**	**(1)**
2nd Qtr. FY 2023-24 (Apr, Jun-24)			
Allowed Amount	11,877	11,877	
Qtr. Rs./kWh	3.85	3.85	
Recovered	10,598	10593	
Under/(Over) Recovery	**1,279**	**1,284**	**(5)**
3rd Qtr. FY 2023-24 (Jun, Aug-24)			
Allowed Amount	14,095	14,569	(474)
Qtr. Rs./kWh	3.5790	5.5700	(1.9910)
Recovered	10,377	19,953	(9,576)
Under/(Over) Recovery	**3,718**	**(5,384)**	**9,102**
4th Qtr. FY 2023-24 (Sept, Nov-24)			
Allowed Amount	504	504	-
Qtr. Rs./kWh	0.1850	0.1850	-
Recovered	276	440	(164)
Under/(Over) Recovery	**228**	**64**	**164**
1st Qtr. FY 2024-25 (Dec-24)			
Allowed Amount	1,000	1,089	(89)
Qtr. Rs./kWh	1.221	0.400	0.8211
Recovered	672	313	359
Under/(Over) Recovery	**328**	**776**	**(448)**
Distribution Margin FY 2023-24			
Allowed	46,460	46,461	(1)
Rate Rs/kWh	3.77	3.77	-
Recovered	40,907	42,279	(1,372)
Under/(Over) Recovery	**5,553**	**4,182**	**1,371**
PYA 2022			
Allowed	4,476	4,476	
Rate Rs/kWh	0.36	0.36	
Sales till Jul, 11 2024	12,675		
Recovered	3,890	4,042	(152)
Under/(Over) Recovery	**586**	**434**	**152**

PRIOR YEAR ADJUSTMENT

FY 2025-26

Rs. Mln

Description MYT True Ups FY 2023-24	PESCO Requested	NEPRA Allowed	Variance
Provision for Post Retirement Benefits			
Allowed		31,296	(31,296)
Benefits Paid		33,401	(33,401)
Transferred to Account		425	(425)
Excess Payment Allowed		**2,530**	**(2,530)**
Pay & Allowances			
Allowed		59,433	(59,433)
Actual		50,317	(50,317)
Under / (Over) Recovery		**(9,117)**	**9,117**
Depreciation FY 2023-24			
Allowed	4,343	4,343	-
Actual	4,595	4,595	-
Under / (Over) Recovery	**252**	**251**	**1**
RORB FY 2023-24			
Allowed	14,292	14,292	-
Actual	15,996	12,551	3,445
Under / (Over) Recovery	**1,704**	**(1,741)**	**3,445**
Other Income FY 2023-24			
Allowed	(3,590)	(3,590)	-
Actual	(5,967)	(8,719)	2,752
Under / (Over) Recovery	**(2,377)**	**(5,129)**	**2,752**
Sales Mix variace			
FY 2022-23	**5,100**	**17**	5,083
FY 2023-24	**4,706**	**2,635**	2,071
Total	**9,806**	**2,652**	**7,154**
Pending Adjustments			
Impact of positive FCA regarding Lifeline Consumers	**286**	**211**	**75**
FY 2017-18	16		
FY 2018-19	27		
FY 2019-20	43		
FY 2023-24	200		
Total			
Previous PYA Difference	**-**	**3,595**	**(3,595)**
Turnover Tax			
FY 2023-24 (Jan-Jun 24)	3,234	3,234	-
FY 2024-25 (upto Mar-25)	3,277	3,277	1
Total	**6,512**	**6,511**	**1**
Wapda Welfare Fund (WFF)	**747**	**-**	**747**
Quarterly Adj. of Machai HPP	**146**	**-**	**146**
Total Prior Period Adjustment	**30,237**	**1,407**	**28,830**