



GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY POWER DIVISION, ISLAMABAD



No.15(1)/2024-POLICY

Islamabad, the 18th August , 2025

From

Ruby Nawaz
Section officer (Policy)

To

1- Addl. Director General (Registrar), NEPRA, Islamabad

SUBJECT: REVISION IN ANNUAL REBASING DETERMINATION TIMELINE

The undersigned is directed to refer to the Cabinet Division's Memorandum [No.18/Progress-II/2025](#) dated 19th March, 2025 on the subject cited above and to state the following:-

1. The National Electric Power Regulatory Authority (NEPRA) determines the consumer-end tariff for XWDISCOs and K-Electric in accordance with Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the Act), read with Rule 17 of the NEPRA (Tariff Standards and Procedure) Rules, 1998. The uniform rebased tariff, once determined, is notified by the Federal Government under Section 31(7) of the Act. The latest rebasing was notified on July 1, 2025.

2. In accordance with the NEPRA (Tariff Standards and Procedure) Rules, 1998 read with Part 5 of the NEPRA Determination of Consumer-end Tariff (Methodology & Process) Guidelines, 2015, the Distribution Companies (DISCOs) are required to initiate the tariff determination process by submitting their minimum filing requirements by January 31st of each year. The submission is followed by Authority's internal meetings, public hearing, tariff determination and notification by the Government. Keeping in view the recent annual tariff determinations, the rebasing is notified by the Government in the month of July, each year with effect from 1st July.

3. As an unfortunate coincidence, the consumers face high Fuel Charges Adjustments (FCAs) as well as the annual tariff rebasing, simultaneously in the summer months. This increase in tariff coupled with higher consumption leads to significant hike in the consumer electricity bills of summer months which in turn results in unaffordability, public dissatisfaction and nationwide protests in the country. The issue can be streamlined if the timing of annual rebasing is shifted from summer to winter months where the electricity consumption is lower and any tariff increase can be absorbed in consumer bills. This would result in relatively stable and sustainable electricity prices throughout the year.

4. The National Electricity Plan Strategic Directive 8 also stipulates that the Regulator shall also revisit the "Guidelines for Determination of Consumer End Tariff (Methodology and Process), 2015" to enable alignment of schedule of regulatory proceedings for planning activities and rate case & tariff determinations.

5. Accordingly, the Cabinet has approved that policy guidelines may be issued to NEPRA to revise the annual tariff determination process timelines by amending the relevant legal and regulatory framework in a way that the rebasing is notified with effect from 1st January, each year, after completion of all regulatory proceedings (**Annex-A**). In this regard, it is highlighted that NEPRA has already determined Power Purchase Price (PPP) references up to June 2026. Projections for the remaining six months will be shared subsequently.

6. In light of above and in exercise of powers under Section 31 of the Act, the Federal Government hereby issues the following policy guidelines for implementation by NEPRA:

"NEPRA shall revise the annual tariff determination process timelines by amending the relevant legal and regulatory framework (guidelines, rules and procedures) to ensure that annual rebasing is notified with effect from January 1st of each year, after completion of all regulatory proceedings."



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Copy for information to:-

- 1- Addl Secretary-II, MOEPWD, Islamabad
- 2- Joint Secretary (PF), MOEPWD, Islamabad
- 3- Deputy Secretary (Policy), MOEPWD, Islamabad



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