LAHORE ELECTRIC SUPPLY COMPANY LIMITED

The Life for Progress

REQUEST FOR ANNUAL DISTRIBUTION MARGIN ADJUSTMENT/INDEXATION (DOP & SOP)

For CY 2026-27 (Jan-27 to Dec-27)

Under Multi-Year Tariff Regime FY 2023-24 to FY 2027-28

22/A QUEEN'S ROAD, LAHORE

TABLE OF CONTENTS

1. Petition Summary ... 3
2. Total Revenue Requirement CY 2027 ... 4
3. Proposed Distribution Margin CY 2027 (Jan-27 to Dec-27) ... 5
4. Operation & Maintenance Cost ... 5
5. Depreciation Expense ... 6
6. Return on Rate Base (RORB) ... 6
7. Other Income ... 7
8. Prior Year Adjustments ... 7
9. True Up Under MYT Regime: ... 9
10. Transport Policy for Staff/Officer Vehicles ... 11
11. Write-Off of Irrecoverable Electricity Dues ... 12
12. Final Prayer/Request ... 14

1. Petition Summary

1.1. Details of the Petitioner

Name and Address:

Lahore Electric Supply Company Limited ("LESCO" or the "Company") is a public company limited by shares incorporated under section 32 of the repealed Companies ordinance, 1984, (Now Companies Act, 2017) with Registered office, 22-A Queens Road, Lahore.

License Details:

Lahore Electric Supply Company Limited (LESCO) is an XWAPDA DISCO owned by the Government of Pakistan. As a result of structural reforms introduced by the Government in the Power Sector, LESCO was incorporated as a Public Limited Company through Registration No. L-09415 of 1997-98 (old) 0038810 (new), Certificate of Incorporation No. JRL-6278 dated February 18, 1998, under Companies Ordinance 1984. Accordingly, LESCO has been granted a Distribution License bearing No. 03/DL/2002 by the National Electric Power Regulatory Authority (NEPRA) on April 01, 2002, the Distribution and Supply function were separated due to advent of CTBCM as a part of structural reforms. Therefore, the Authority granted Distribution license on 9th May 2023 till 8th May 2043. On 27th December 2023, NEPRA granted Electric Power Supplier License till 27th April 2043 as Supplier of Last Resort (SOLR). LESCO has been providing a public utility service of distribution and supply of electricity within the territories as defined in its License.

Back Ground:

LESCO filed Tariff Petition on May 16, 2023 for the Determination of its Both Distribution & Supply Business under Multiyear Tariff regime for a period of five years i.e. FY 2023-24 to FY 2027-28.

The Authority has determined Consumer End Tariff of Both Distribution & Supply Business of LESCO through its decisions dated Mar 14, 2024.

LESCO in line with NEPRA adjustment mechanism provided in MYT Determination filed the request for Adjustment Indexation of Tariff for the FY 2024-25 and FY 2025-26 the Authority determined Annual Adjustment/indexation of Tariff for the FY 2024-25 & FY 2025-26 under MYT Regime vide its decision dated 14.06.2024 & 23.06.2025 respectively.

The MoE (PD) submitted that the Cabinet has approved the 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.

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 Jan 1st of each year, after completion of all regulatory proceedings."*

Aul

Accordingly, LESCO vide letter dated 17.10.2025, while referring to the MoE (PD) letter dated 16.10.2025, submitted that all DISCOs have been advised to approach NEPRA for issuance of tariff determinations in accordance with the revised annual rebasing timelines for consumer end electricity tariffs.

Consequently, Authority has issued determination of the matter of request Filed by Lahore Electric Supply Company (LESCO) for Determination of tariff in light of revised annual Rebasing timelines for consumer end tariff (Jan-2026 to Dec-2026) dated Jan, 07, 2026.

Further the Authority vide Para 45 directed LESCO to submit its request for DM adjustment/Indexation by end of July each year, so that adjustment/Indexation for the next year is determined in a timely manner.

NEPRA has conducted an interactive session for understanding of tariff determination methodology and minimum data requirement for rebasing of Tariff for CY 2027 on 30.07.2026 at NEPRA Office, Islamabad.

In compliance to Authority's direction, as well as, in accordance with adjustment mechanism provided in MYT Determination and NEPRA Determination date 07.01.20226 notified vide SRO 46(1)/2026 on January 13th, LESCO hereby submits following Adjustments/indexations of Tariff for FY 2027 (January 2027 to December 2027) along with all supporting documents for consideration of the Authority.

- **Total Revenue Requirement CY 2027**
- **Indexation of Distribution Margin (DM) for the CY 2027 (Jan-27 to Dec-27)**
- **Prior Year Adjustment (PYA)**

2. Total Revenue Requirement CY 2027

The Total Revenue Requirement has been calculated in accordance with the mechanism prescribed in the MYT Determination. The Power Purchase Price has been projected based on estimated sales of 23,928 GWh for CY 2027, against reference sales of 23,440 GWh for CY 2026. The projected sales for CY 2027 have been estimated by taking into consideration the actual sales achieved during FY 2025-26 and applying the projected growth rate stipulated in the Energy & Demand Forecast for FY 2024-25 to FY 2034-35.

Based on the projected sales and Revenue Requirement, the Net Distribution Margin (DM) is estimated at Rs. 3.31/kWh, while the Prior Year Adjustment (PYA) amounts to Rs. 1.37/kWh. Accordingly, the projected Average Sale Rate works out to Rs. 31.71/kWh. The revenue requirement for Calendar Year 2027 is tabulated as under:

Sr.No.	Description (Rs. Mln)	Dist:	Supply	Total
A:	**Power Purchase Price**			
	UOSC+MOF		33,654	33,654
	Capacity Charges		373,003	373,003
	Energy charges		239,972	239,972
	Total		**646,629**	**646,629**
B:	**Dist. Margin**			
	O&M cost	62,828	6,116	68,944
	RORB	14,952	-	14,952
	Depreciation	6,947	676	7,624
	Total	**84,727**	**6,792**	**91,519**
C:	**Less: Other Income**	**(11,164)**	**(1,087)**	**(12,251)**

D:	**Net Dist. Margin**	**73,563**	**5,705**	**79,269**
E:	**Prior Year Adjustment**		**32,783**	**32,783**
	Total (A to E)	**73,563**	**685,118**	**758,681**

Projected Units Sold	**GWh**	**23,928**
Average Sale Rate	**Rs./KWh**	**31.71**

3. Proposed Distribution Margin CY 2027 (Jan-27 to Dec-27)

Summary of proposed DM for the CY 2027 with breakup into Distribution and Supply of Electric Power functions is given below for consideration of the Authority;

Description (Rs.mln)	Determined CY 2026			Adjustment/Indexation CY 2027		
	DOP	SOP	Total	DOP	SOP	Total
O&M Cost	56,659	5,515	62,174	62,828	6,116	68,944
RORB	10,752		10,752	14,952	-	14,952
Depreciation Expense	6,728		6,728	7,624	-	7,624
Other Income	(11,730)	(870)	(12,600)	(11,164)	(1,087)	(12,251)
Distribution Margin	**62,410**	**4,644**	**67,054**	**74,239**	**5,029**	**79,269**

4. Operation & Maintenance Cost

In line with Adjustment Mechanism given in MYT, the adjusted O&M Cost i.e. Salaries & wages, Post Retirement Benefit and other O&M Cost for the FY 2026-27 for Distribution and Supply Business are elaborated below:

Description (Rs.Mln)	Determined CY 2026			Adjustment/Indexation CY 2027		
	DOP	SOP	Total	DOP	SOP	Total
Pay & Allowances	27,949	2,721	30,670	30,678	2,986	33,664
Post Retirement Benefits	20,163	1,963	22,126	22,715	2,211	24,926
Repair & Maintenance	2,734	266	3,000	2,946	287	3,232
Travelling Expenses	704	68	772	758	74	832
Vehicle maintenance	1,977	192	2,169	2,333	227	2,560
Other Expenses	3,132	305	3,437	3,399	331	3,730
Total O&M Cost	**56,659**	**5,515**	**62,174**	**62,828**	**6,116**	**68,944**

Assumptions for Indexation:

Pay & Allowances for CY 2026-27 have been projected as:

- Adhoc. Relief Allowance @ 10% of Basic Pay projected for Jul-27 to Dec-27.
- Annual Increment @ 5% of Basic Pay for 7 Months.
- Impact of CPI on Employee Benefits i.e. Medical Expense, utility allowance etc.
- Post Retirement Benefit as per Actuarial Report FY 2025-26 (Projection for FY 2026-27).
- For Other O&M expenses NCPI for Jun-2026 i.e. 11.07% is used over determined expense for FY 2026.

4.1. Post Retirement Benefits

As per Authority instructions LESCO fully complied and deposited the amounts allowed for post-retirement benefits to separate fund, the year wise movement of fund is as under:

Period	NEPRA allowed amount	Amount transferred to Fund	Accumulated Fund Balance (Incl: Profit)	Profit Earned
		PKR-MILLION		
2015-16	9,002	2,983	-	-
2016-17	9,002	3,742	-	-
2017-18	9,002	4,683	153	-
2018-19	9,002	21,723	14,493	476
2019-20	17,420	15,793	26,792	2,420
2020-21	17,420	12,993	35,363	1,732
2021-22	15,678	18,584	47,945	2,048
2022-23	15,678	18,694	62,684	6,055
2023-24	20,427	21,262	78,996	4,870
2024-25	20,427	20,372	102,008	18,497
2025-26	24,291	23,322	**122,101**	12,913
Total	**167,349**	**164,150**		**49,009**

The Accumulated Fund balance as on Jun-2026 is Rs. 122.1 billion **(Annex P-1)**. LESCO hereby request to allow Rs. 24,926 million being the average of FY 2024-25, FY 2025-26 & projected expense given by actuaries for FY 2026-27 **(Annex-P-2)** in actuaries report for FY 2025-26.

5. Depreciation Expense.

In line with Adjustment Mechanism given in MYT, Depreciation Expense has been assessed in accordance with following formula/Mechanism.

DEP(Rev) =DEP(Ref) X GFAIO(Rev) / GFAIO(Rev)
Where:
DEP(Rev) = Revised Depreciation Expense for the Current Year
DEP(Ref) = Reference Depreciation Expense for the Reference Year
GFAIO(Rev) = Revised Gross Fixed Assets in Operation for the Current Year
GFAIO(Ref) = Reference Gross Fixed Assets in Operation for the Reference Year

The request for depreciation charges for CY 2027 (Jan-27 to Dec-27) is as follows:

Description (Rs. Mln)	Adjustment/Indexation
	CY 2026-27
Gross Fixed Assets Opening Balance	209,795
Additions in Fixed Assets	20,578
Gross Fixed Assets Closing Balance	230,373
Depreciation Expense	**7,624**

6. Return on Rate Base (RORB)

In line with Adjustment Mechanism given in MYT, calculation of Return on Rate base based on Weighted Average Cost of Capital (WACC) is given below:

Description (Rs. million)	2025-26	2026-27	2027-28
	Prov.	Projected	Projected
Gross Fixed Assets in Operation - Opening Bal	191,299	209,795	230,373
Addition in Fixed Assets	18,496	20,578	20,361
Gross Fixed Assets in Operation - Closing Bal	209,795	230,373	250,734

Less: Accumulated Depreciation	72,139	79,401	87,387
Net Fixed Assets in Operation	137,656	150,972	163,347
Add: Capital Work In Progress - Closing Bal	18,924	19,870	22,050
Investment in Fixed Assets	156,580	170,843	185,397
Less: Deferred Credits	58,651	63,377	68,102
Regulatory Assets Base	97,928	107,466	117,295
Average Regulatory Assets Base	94,968	102,697	112,381
Rate of Return	13.44%	6.77%	7.11%
Return on Rate Base	**12,764**	**6,957**	**7,994**
CY 2027			**14,952**

7. Other Income

In line with Adjustment Mechanism given in MYT, Other Income has been assessed in accordance with following Formula/Mechanism.

OI(Rev) =0I(I) + {OI(I) — OI(o)}
01 (Rev) = Revised Other Income for the Current Year.
01(1) = Actual Other Income as per latest Financial Statement.
01(0) = Actual/Assessed Other Income used in the previous year.

The projected Other Income for FY 2027 is as under:

Description (Rs. Mln)	Distribution	Supply	Total
Meter / Service rent	-	672	672
Reconnection fees	-	59	59
Income from non-utility operations	2,709		2,709
Miscellaneous	590	-	590
Profit on bank deposits (Exc. Pension Fund)	5,201		5,201
Amortization of deferred credit	3,020	-	3,020
Total	**11,519**	**732**	**12,251**

8. Prior Year Adjustments

i. Rule 53 of NEPRA Tariff Guidelines provides that under-recovery or over-recovery of the cost-of-service incurred during the previous year shall be accounted for going forward during the current year under the head of prior period adjustment.

ii. The prior year's adjustments pertaining to previous years and any unrecovered/Over-recovered cost prior to the said years are summarized below:

Sr. No.	Description (Rs. Mln)	NEPRA Allowed	LESCO Requested	PYA	Annex
1	Minimum/Turnover Tax			20,136	A
2	DM-2026 (under Recovered)			3,699	B
3	**MYT True Up**				
	RORB 2024	10,040	13,333	3,293	C

Aud Jul

	RORB 2025	9,874	14,767	4,893	D
	Pay and Allowances 2025			258	E
	Other Income 2025			(1,005)	F
	Sub total			**7,438**	
4	Impact of Negative & Positive FCA (Lifeline + EVCS + Incremental Sales) Oct 2025 to Jun 2026			20	G
5	**Quarterly Tariff Adjustments**				
	Q4- 2024-25			(44)	
	Q1- 2025-26			474	H
	Q2- 2025-26			545	
	Total			**976**	
6	PYA-2025 (Over Recovery)			(827)	I
7	PYA-2022 (Net Under Recovery, Net off ISP Incremental Sales)			418	J
8	DM-2023 (Net Under Recovery, Net off ISP Incremental Sales)			744	K
9	Assistance Package Payment 2024-25 & 2025-26			178	L
	Grand Total			**32,783**	

8.1. Minimum tax payments:

i) It is apprised that DISCO's were not required to pay Advance Tax u/s 147 of the Income Tax Ordinance till TY 2016 as the provisions of section 113 (Minimum Tax on Turnover) of ITO 2001 were not applicable due to presence of Gross Loss proviso which were omitted by Finance Act 2016.

ii) Subsequently, LHC has decided the matter of Subsidy (TDS) that it shall be included in Turnover of the DISCO which is upheld by Supreme Court of Pakistan, hence all DISCOs are bound to calculate Minimum Tax Liability u/s 113 of ITO 2001 by adding the Subsidy amount in its Turnover. Due to this fact, the liability of DISCO has increased substantially for the years up to 2016 as it turns the Gross Loss into Gross Profit for the purposes of taxation.

iii) In the light of LHC and SC judgements, for years 2016 onwards, Tax Liability will be increased to the extent of value of Subsidy (TDS) as part of turnover. Moreover, all the pending litigations are now being dealt before Alternate Dispute Resolution Committee (ADRC) wherein ADRC has decided to add some components of Other Income as Turnover i.e. Meter / Service Rent, Reconnection Fee, Sale of Scrap and PTV License Collection Charges.

iv) The amounts were paid including the WHT taxes deducted at source adjustable against the tax liability calculated as Minimum Tax u/s 113 during the FY-2018, FY-2019, FY-2020, FY-2021 FY-2022, FY 2023 & FY-2025 as per ADRC Orders. LESCO has made further payments to FBR related to prior years up to FY-2011 in line with LHC & SC orders judgements. The Authority is requested to allow Rs. 20,136 million as prior year adjustment being the actual amount paid as minimum tax payments.

Description	Turnover Chargeable for Sec-113	Rate of tax	Minimum/Turnover Tax (u/s 113)	Tax Liability U/S 113	Actual Payment (Rs. Mln.)				Allowed by Authority	Difference claimable from Authority
					Advance Tax (U/S 147)	Withholding Tax Deducted at Source	Demanded Tax	Total		
Historical Minimum/ Turnover Tax Payments Requested & Allowed by Authority										
FY 2016	157,864	1%	1,579	1,579	-	38	1,541	1,579	-	1,579
FY 2017	175,201	1%	1,752	1,752	1,405	137	209	1,752	-	1,752
FY 2018	214,584	1.25%	2,682	583	100	256	228	583	-	583
FY 2019	312,038	1.25%	3,900	2,783	952	320	1,510	2,783	-	2,783
FY 2020	332,270	1.50%	4,984	4,987	3,502	636	849	4,987	448	4,539
FY 2021	332,203	1.50%	4,983	4,983	3,573	565	845	4,983	-	4,983
FY 2022	529,862	1.25%	6,623	6,627	4,875	686	1,065	6,627	-	6,627
FY 2023	572,382	1.25%	7,155	7,155	6,000	1,047	108	7,155	18,640	(11,485)
FY 2024	687,534	1.25%	8,598	8,598	6,606	1,456	330	8,393	6,000	2,393
FY 2025 (Jul-24-Dec-24)	313,600	1.25%	3,920	3,920	3,920	-	-	3,920	3,920	-
Total	**3,627,537**		**46,177**	**42,966**	**30,934**	**5,143**	**6,685**	**42,761**	**29,008**	**13,753**
Jan-2026									**13,753**	**-**
CY 2026	**3,627,537**		**46,177**	**42,966**	**30,934**	**5,143**	**6,685**	**42,761**	**42,761**	**-**
Requested from Authority for CY 2027										
FY 2025 (Jan-25-Jun-25)	271,703	1.25%	3,401	3,405	3,396	947	7,443	11,786	13,753	11,786
FY 2026 (Jul-25 to Jun-26)	667,954	1.25%	8,349	8,350	7,326	1,024	-	8,350	-	8,350
Sub Total	**939,657**		**11,750**	**11,755**	**10,722**	**1,971**	**7,443**	**20,136**	**-**	**20,136**

Note: The final liability for FY 2026 is yet to be determined by FBR, however the actual payments made against turnover tax required to be paid at each quarter end. The detail of CPR's attached as per **Annex-A.**

8.2. Distribution Margin Adjustment:

As the Financial year of FY 2025-26 lapsed, the DM adjustment on allowed losses for FY 2025-26 is also required to be adjusted. The DM adjustment for FY 2025-26 is amounting to Rs. 3,699 million under recovered **Annex-B.**

9. True Up Under MYT Regime:

i) **Salaries & Wages,**
The Authority has determined Rs. 24,730 million as pay & allowances for FY 2024-25. However as per Audited Accounts also submitted with Authority the actual pay and allowances is Rs. 24,988 million. Therefore, Authority is requested to Allow Rs. 258 million as true up adjustment under pay and allowances **Annex-C.**

ii) **Other Income:** As per MYT redetermination the other income will be adjusted based on actual results. The excess of actual income over determined value for FY 2024-25 is need to be adjusted amounting to Rs.1,005 million as prior year adjustment **Annex-D.**

iii) **RORB 2024:** The Authority has determined RORB for FY 2024 amounting to Rs. 10,040 million whereas as per LESCO calculations based on audited accounts the RORB should be Rs. 13,333 million **Annex-E**. Therefore, LESCO is requested to Authority to reconsider calculations based on Audited accounts and allow Rs. 3,293 million as part of PYA.

iv) **RORB 2025:** The Authority has determined RORB for FY 2025 amounting to Rs. 9,874 million whereas as per LESCO calculations based on audited accounts the RORB should be Rs. 14,767 million **Annex-F**. Therefore, LESCO is requested to Authority to reconsider calculations based on Audited accounts and allow Rs. 4,893 million as part of PYA.

9.1. Net FCA Impact on Life Line, EVCS & Incremental Support Package Sales

As the monthly FCA's adjustments not passed on to Life Line consumers, Electronic Vehicle charging station connection and negative FCA on Incremental sales package so the net Financial Impact on above mentioned categories required to be adjusted in PYA amounting to Rs. 20 million **Annex-G.**

9.2. Quarterly Tariff Adjustments Under/(Over) Recovery

The net under / over recovery against the quarterly adjustment for 4th Quarter of FY 2025, 1st and 2nd quarter 2026 has been calculated after incorporating the financial impact on sales to Lifeline & ISP-incremental sales is given as per **Annex-H**.

9.3. Prior Year Adjustment 2025

The Authority has assessed PYA-2025 recovery on the basis of determined sales for the period of Jul-2025 to Dec-2025, whereas as per actual sales (on allowed losses) the net recovery is amounting to Rs. 8,375 million. Therefore, an amount of Rs. 827 million is over recovered needs to be adjusted in current indexation **Annex-I.**

9.4. Prior Year Adjustment 2022

The Authority determined a Prior Year Adjustment (PYA) amounting to Rs. 5,434 million for FY 2022, which was notified through SRO No. 1169 dated 25.07.2022, applicable for the period from 25.07.2022 to 30.06.2023.

Based on the actual recovery under the allowed T&D loss basis, the net recoverable amount works out to Rs. 4,355 million, excluding the impact of the ISP Incremental Support Package. Accordingly, the resultant under-recovery amounts to Rs. 1,079 million.

However, while determining the MYT for LESCO, the Authority assessed an under-recovered amount of only Rs. 661 million against the aforesaid PYA. Consequently, a differential amount of Rs. 418 million remains unrecovered.

In view of the above, it is respectfully requested that the Authority may kindly reconsider the PYA calculation for FY 2022 and allow the differential amount of Rs. 418 million as part of the PYA, so as to ensure recovery of the amount actually incurred/under-recovered by LESCO in accordance with the applicable tariff mechanism. The sales under ISP package can be verified from the subsidy claims duly verified and submitted in GoP subsidy cell attached as **Annex-J.**

9.5. Distribution Margin 2023

The Authority determined the Distribution Margin (DM) amounting to Rs. 45,498 million for FY 2023, which was notified through SRO No. 1169 dated 25.07.2022, applicable for the period from 25.07.2022 to 30.06.2023.

Based on the actual recovery under the allowed T&D loss basis, the net recovery against the determined Distribution Margin works out to Rs. 39,215 million, excluding the sales pertaining to the ISP Incremental Support Package. Accordingly, the resultant under-recovery amounts to Rs. 6,283 million.

The sales pertaining to the ISP Incremental Support Package, excluded from the above calculation, may kindly be verified/reconciled from the Subsidy Statements duly prepared, verified and submitted by LESCO to the Government of Pakistan (GoP) Subsidy Cell for the relevant period.

However, in the MYT determination for LESCO, the Authority assessed an under-recovered amount of only Rs. 5,539 million against the Distribution Margin for FY 2023, resulting in a differential unrecovered amount of Rs. 744 million **Annex-K.**

In view of the above, it is respectfully requested that the Authority may kindly reconsider the Distribution Margin calculation for FY 2023 and allow the differential amount of Rs. 744 million as part of the PYA, after due verification/reconciliation of the ISP-related sales from the Subsidy Statements submitted to the GoP Subsidy Cell.

9.6. Prime Minister Assistance Package

i) The Establishment Division's office memorandum No. 8/ 10 / 2013-E-(PT) dated 03.08.2016 regarding Assistance Package for Families of Employees Who Die in Service, was adopted by PEPCO Board of Directors.
ii) BoD LESCO has adopted the same Establishment Division's office memorandum dated 03.08.2016 regarding Assistance Package for Families of Employees Who Die in Service.
iii) LESCO has made payments of Rs. 98.7 million for FY 2025 & Rs. 79 million in FY 2026 (Detail of payments as per NEPRA Prescribed format attached as **Annex-L**. The Authority has already principally agreed that actual payments welfare assistance package would be allowed. Therefore, it requested to allow the actual amount against prior year adjustment amounting to Rs. 178 million.

10. Transport Policy for Staff/Officer Vehicles

LESCO submits that the Authority, in its recent Decisions in the matter of Distribution Investment Plan (DIP) and Losses Assessment of other XWDISCOs, has consistently directed that the cost of officer/staff vehicles provided under a Board-approved Vehicle/Transport Policy be recognized as an O&M item, subject to prior approval of the Authority, rather than being included as part of the DIP capital investment. The relevant directions are summarized below:

GEPCO: In its Decision in the matter of DIP and Losses Assessment of Gujranwala Electric Power Company Limited (GEPCO) for the Control Period FY 2025-26 to FY 2029-30, dated April 15, 2026, the Authority noted that GEPCO's Transport Policy, originally introduced in FY 2015-16, aims to reduce transport-related expenditure, ensure efficiency and eliminate misuse of official vehicles, and incorporates a 60:40 cost-sharing mechanism whereby 60% of the vehicle cost is borne by the employee. While certain aspects, such as driver cost and the vehicle buy-back/replacement period, were identified for further review, the Authority decided that vehicles required under the Board-approved Vehicle Policy, for both operational and personal use of officers, would not be allowed as part of the DIP; GEPCO was permitted to continue with its Board-approved Vehicle Policy, with the resultant cost to be claimed under O&M for the Authority's consideration and approval (Paras 201 to 203 of the ibid Decision refer).

SEPCO: In its Decision in the matter of DIP and Losses Assessment of Sukkur Electric Power Company Limited (SEPCO) for the Control Period FY 2025-26 to FY 2029-30, dated August 07, 2026, the Authority observed that vehicles such as the proposed Yaris cars and double-cabin vehicles are intended for administrative rather than operational use, and directed that if SEPCO intends to procure officer vehicles, it may review the officer vehicle policy followed by GEPCO and K-Electric, subject to prior approval of the Authority, with the cost to be claimed under the O&M head (Para 173 of the ibid Decision refers).

MEPCO: In its Decision in the matter of DIP and Losses Assessment of Multan Electric Power Company Limited (MEPCO) for the Control Period FY 2025-26 to FY 2029-30, dated April 30, 2026, the Authority similarly directed that, with respect to the procurement of officer vehicles, MEPCO may review the officer vehicle policy followed by GEPCO and K-Electric, subject to prior approval of the Authority, with the cost to be claimed under the O&M head (Para 211 of the ibid Decision refers).

In line with the consistent regulatory treatment extended to GEPCO and other DISCOs requests the Authority to allow LESCO to proposed Vehicle/Transport Policy for its officers on similar lines, and to allow the resultant transport cost to be recognized and recovered as part of LESCO's O&M cost/Revenue Requirement, subject to the Authority's prior approval and applicable review/rationalization, in the interest of parity and uniform regulatory treatment across XWDISCOs.

In compliance with NEPRA directions as already decided on the matter of other DISCOs, below changes have been incorporated:

i. ***The buy-back period has been revised from Five to Six years.***
ii. ***The cost of driver's salary has been reduced by 10% on account of austerity.***
iii. ***The maintenance cost has been reduced by 10% on account of austerity.***
iv. ***The 60:40 ratio, with 60% cost to be recovered from employee, will be applied in line with GEPCO approved policy.***
v. ***In first phase an amount of Rs. 700 million proposed for purchase of vehicle under transport policy in current year.***

PRAYER

i. ***The Authority may kindly allow LESCO to approve the proposed Vehicle/Transport Policy (Annex-M) for its officers based on favorable cost benefit analysis, in line with the treatment extended to GEPCO, and to allow Rs. 700 million under O&M for purchase of vehicles.***

11. Write-Off of Irrecoverable Electricity Dues

LESCO's Board of Directors, in its 312th meeting held on February 27, 2026, approved the LESCO Write-Off Policy-2025 for irrecoverable electricity dues and authorized the CEO and CFO, jointly and severally, to present the same to the Authority for approval.

Pursuant thereto, LESCO has submitted a formal request to NEPRA vide letter No. 725-26/1 dated May 06, 2026, requesting approval of the Write-Off Policy in line with Clause 5.3.2 of the National Electricity Policy, 2021 and Paras 26 & 31 of the National Electricity Plan 2023-27, which recognize timely and prudent recovery of bad debt through structured write-off mechanisms as a facilitative provision to be incorporated in the regulatory framework.

Statutory & Regulatory Framework

As per NE Policy 2021 (*Section 5.3.2*), *"So as to ensure and put in place efficient tariff structures for sufficient liquidity in the power market, **the target for losses and collections shall be revisited by the Regulator, in order to align the same with the current market realities**. These targets shall be reflected in the determinations of the Regulator."*

As per NE Plan 2023-27 (*SD 31*), *" DISCOs shall initiate the process to reduce the bad debt on account of permanently disconnected consumers through mobilization of recovery initiatives, comprising of representatives from respective local & provincial governments / entities and law enforcement agencies. Accordingly, following procedure shall be adopted for claiming of write-off:*
a) the claim shall be applicable for the default amount of a permanently disconnected consumer that may not be recovered through all efforts possible;
b) the age of such non-recovery is over three (3) years.
Provided further, in case the recoveries of bad debt from the respective defaulters may not be retrieved, the DISCOs shall claim for write-offs from the Regulator within six (6) months from the declaration of receivables as bad debt ".

It is further submitted that the Authority has already, in principle, recognized write-off of receivables against permanently disconnected private defaulters in its ***earlier Re-determination dated September 18, 2017 in the matter of LESCO's consumer-end tariff for FY 2015-16 to FY 2019-20***, wherein an amount of Rs. 2,848 million was allowed on a provisional basis, against LESCO's request of Rs. 5,291 million, subject to fulfillment of specified criteria and certain terms & conditions (Paras 14.21 to 14.24 of the ibid Re-determination refer).

Building on this regulatory precedent and the current policy framework, LESCO's Write-Off Policy-2025 institutionalizes a transparent, multi-tier mechanism for write-off of irrecoverable electricity dues, comprising: a minimum eligibility age of three years for outstanding arrears; three-tiered Write-Off Committees constituted on the basis of the quantum of arrears (up to Rs. 50,000, Rs. 50,001 to Rs. 500,000, and above Rs. 500,000); mandatory verification by an auditor from the SBP A-Category panel; a defined checklist of supporting evidence including disconnection notices/logs, aging of trade debts and confirmation of non-traceability; and final approval by LESCO's Board of Directors prior to submission to the Authority.

A tariff-slab wise and age-wise summary of LESCO's permanently disconnected defaulters, as per record ending August 2026, along with the quantum eligible for write-off (i.e., arrears aged more than three years), in line with the eligibility criteria prescribed under the Write-Off Policy-2025 and mapped against the three Write-Off Committees, is given below:

Tariff Slab (Committee)	Total No. of Consumers	Total Amount (Rs. Million)	No. of Consumers (>3 Yrs)	Amount Eligible for Write-Off (Rs. Mln)
Committee-1: Upto Rs. 50,000	335,679	5,726.01	262,337	4,413.73
Committee-2: Rs. 50,001 to Rs. 500,000	147,507	19,494.38	73,112	7,708.88
Committee-3: Above Rs. 500,000	7,046	22,007.51	1,727	5,070.64
Grand Total	**490,232**	**47,227.90**	**337,176**	**17,193.25**

The amount eligible for write-off pertains to arrears aged more than three (3) years, i.e. the aggregate of the 3-5 Year, 5-10 Year and Above 10-Year age brackets, and remains subject to committee-wise scrutiny, auditor verification and Board approval as prescribed under the Write-Off Policy-2025.

LESCO, therefore, requests the Authority to consider and approve LESCO's Write-Off Policy-2025, as conveyed vide LESCO's letter dated May 06, 2026, and to allow incorporation of the write-off mechanism as part of LESCO's future MYT true-up/Prior Year Adjustments, consistent with the Authority's own precedent and the applicable policy framework.

PRAYER

> i. ***The Authority may kindly consider and approve BoDs endorsed LESCO's Write-Off Policy-2025 for irrecoverable electricity dues, in accordance with NE Plan 2023-27, as submitted to NEPRA vide LESCO's letter No. 725-26/1 dated May 06, 2026, and allow recovery/adjustment of the dues written-off as part of MYT Regime at the time of true up/annual adjustments subject to fulfillment of criteria as specified in the proposed Policy (Annex-N).***

12. Final Prayer/Request

PRAYERS

> i. ***The Authority is submitted to allow the requested adjustment / indexation of Distribution & Supply Margin for CY 2027 and Prior Year Adjustments (PYA)***
>
> ii. ***The negative working capital adjustments may not be incorporated in consumer end tariff as efficiency factor is already incorporated in revenue requirement and funds are retained as per determined Distribution Margin.***
>
> iii. ***The Authority may kindly allow LESCO to approve the proposed Vehicle/Transport Policy for its officers based on favorable cost benefit analysis, in line with the treatment extended to GEPCO, and to allow Rs. 700 million under O&M for purchase of vehicles.***
>
> iv. ***The Authority is further requested to consider and approve BoDs endorsed LESCO's Write-Off Policy-2025 for irrecoverable electricity dues, in accordance with NE Plan 2023-27, as submitted to NEPRA vide LESCO's letter No. 725-26/1 dated May 06, 2026, and allow recovery/adjustment of the dues written-off as part of MYT Regime at the time of true up/annual adjustments subject to fulfillment of criteria as specified in the proposed Policy***
>
> v. ***Any other relief as deemed appropriate by the Authority may also be passed***

PETITIONER
Lahore Electric Supply Company Ltd.

LAHORE ELECTRIC SUPPLY COMPANY LIMITED
OFFICE OF THE CHIEF EXECUTIVE OFFICER
LESCO Head Office, 22A, Queens Road, Lahore.
Phone # 99204801 Fax # 99204803
E-MAIL : ceo@lesco.gov.pk

No. 917 /CEO/LESCO/ Sep 14, 2026.

The Registrar NEPRA,
NEPRA Tower, Ataturk (East)
G-5/1, Islamabad.

Subject: **ADDITIONAL INFORMATION FOR ANNUAL DISTRIBUTION MARGIN ADJUSTMENTS/INDEXATION REQUEST OF LESCO FOR DOP & SOP FOR THE CY 2027.**

Ref: 1. This Office Letter NO. 475-78/LESCO Dated: 11.02.2026.
2. This Office Letter No. 763/CEO/LESCO Dated: 11.09.2026.

It is submitted that NEPRA, vide its Consumer End Tariff Determination No. NEPRA/R/ADG(Trf)/TRF-603 & TRF-604/237-44 dated 07.01.2026, decided to defer the upfront allowance of the cost pertaining to PPMC at that stage and directed that the same may be considered as part of the PYA, subject to the Petitioner furnishing complete details along with proper justification and supporting documentary evidence, and fulfillment of the process prescribed under S.R.O. No. 1358(I)/2025.

2. In this regard, LESCO, vide letter referred to at Sr. No. 1 above, forwarded the response of PPMC regarding the services being provided by PPMC to LESCO/DISCOs for consideration of the Authority.

3. It is further submitted that PPMC has now issued a Debit Note amounting to Rs. 93.946 million against PPMC fee pertaining to FY 2023-24 to FY 2025-26. A copy of the Debit Notes is enclosed herewith as supporting documentary evidence **Annex-A**.

4. In view of the above, the Authority is kindly requested to allow an amount of Rs. 93.946 million as an additional O&M cost in the Annual Distribution Margin/Indexation Request of LESCO for CY 2027, over and above the O&M cost already claimed. Accordingly, the updated Revenue Requirement for CY 2027, incorporating the aforesaid PPMC cost, is attached herewith as **Annex-B** for consideration and approval of the Authority, in accordance with its earlier decision and the applicable regulatory provisions.

DA/As Above

(ENGR. MUHAMMAD RAMZAN BUTT)
CHIEF EXECUTIVE OFFICER,
LESCO.

LAHORE ELECTRIC SUPPLY COMPANY LIMITED
Office of the Chief Executive Officer
LESCO HQ 22-A Queens Road Lahore.
Phone # 99204801 Fax #99204803
E-Mail: ceo@lesco.gov.pk

No. 475-78/CFO/LESCO/CONSD: Dated: February, 11 ,2026.

The Registrar NEPRA
NEPRA Tower Ataturk Avenue,
G-5/1, Islamabad.

Sub: **REQUEST FOR REVIEW - INCORPORATION OF PPMC (FORMERLY PEPCO) FEE IN O&M EXPENSES.**

1. NEPRA has determined consumer end tariff vide No. NEPRA/R/ADG(Trf)/TRF-603 & TRF-604/237-44 dated 07-01-2026 wherein the Authority has decided to pend upfront allowing such cost on account of PPMC at this stage and to consider the same as part of the PYA, subject to the Petitioner furnishing the details with proper justification and supporting documentary evidence, along with fulfillment of the process prescribed in the SRO No. 1358(1)/2025.

2. In this regard, it is submitted that after approval of the National Electricity Policy-2021 (NE Policy) by the Council of Common Interests (CCI) and National Electricity Plan (2023-2027) (NE Plan), PPMC was entrusted the role of the Designated Entity by Ministry of Energy (Power Division) under Sections 5.3.5 and 6.2 of the NE Policy and Clause 3.1(c)(iii) of NE Plan, made pursuant to Section 14A of the NEPRA Act.

3. The Federal Cabinet through its decision dated 27-10-2021 also directed that PPMC may continue to charge a fee from DISCOs for the services rendered as may be approved by the Board of Directors of the company. In accordance with Clause 3.1(c)(iii) of Part B of the National Electricity Plan, the Designated Entity is entitled to charge a regulatory fee for the performance of its functions, which shall be allowed by the Authority.

4. Accordingly, in compliance with the Cabinet Decision read with NE Policy and NE Plan, Ministry of Energy issued SRO No 1358(1)/2025 dated July 29, 2025, instructing all stakeholders including XW-DISCOs and CPPA-G regarding the designated role of PPMC and collection of the subject fee.

5. Previously, in the absence of appropriate structure, the Authority had not included the same in O&M Expenses of DISCOs. However, SRO # 1358(1)/2025 dated 29-07-25 and Clause 3.1(c)(iii) of the NE Plan read with Section 14 A (5) of the NEPRA Act has now provided appropriate framework for the Authority to include the said fee as part of the O&M Expenditure.

6. Keeping the foregoing in view, the Authority is respectfully requested to reconsider and allow the PPMC Management Fee as part of O&M Expenses in rebasing of Revenue Requirement for FY 2025-26 at an average amount of Rs. 25 million (subject to adjustment based on the actual fee charged by PPMC). Furthermore, the accumulated amount of Rs. 73.56 million pertaining to the period from July 2022 to June 2025 may kindly be allowed as Prior Year Adjustment (PYA) in respect of FY 2025-26 to LESCO.

DA/As Above

Chief Executive Officer
LESCO

CC:

1. The Joint Secretary (CAD), Ministry of Energy (Power Division), Islamabad.
2. The Managing Director, PPMC, Evacuee Trust Complex, Blue Area, Islamabad.
3. Company Secretary, LESCO.

TO BE PUBLISHED IN THE OFFICIAL GAZETTE
GOVERNMENT OF PAKISTAN

Government of Pakistan
Ministry of Energy
(Power Division)

Islamabad, the, July 29, 2025

NOTIFICATION

S.R.O: 1358-i (2025). National Electricity Policy, 2021 (the "Policy"), as approved by Council of Common Interests (CCI), mandates that the Federal Government may designate an entity to perform the tasks assigned in Sections 5.3.5 and 6.2 of the Policy. Such functions, inter alia, include the monitoring of implementation of the Policy and the National Electricity Plan, as formulated from time to time, and formulation, implementation and monitoring of strategic roadmap for state-owned distribution companies.

2. In pursuance thereof as well as the National Electricity Plan (2023-27) (the "Plan"), the Federal Government, inter alia, designated Power Planning and Monitoring Company (Pvt.) Limited (the "Company") as a designated entity for the implementation of Priority Areas of the Plan.

3. Federal Cabinet, through its decision dated 27-10-2021, also approved the functions to be performed by the Company. Such functions, inter alia, also include management, planning, monitoring in respect of various functions, and business of power sector entities as well as to act as support for the Ministry of Energy in monitoring, coordination and policy formulations in respect of DISCOs, GENCOs and NTDC.

4. Federal Cabinet also directed that the Company may continue to charge a fee from DISCOS, for the services rendered as may be approved by the Board of Directors of the Company, from time to time.

5. The purpose of these SOPs is to ensure an efficient and transparent structure for the allocation of the fee between DISCOs, as decided by the Board of Directors of the Company, from time to time, in the following manner:

(a) Board of Directors of the Company may, on annual basis, approve the annual budget and allocation of fees to DISCOs.

(b) The allocated amount for DISCOs shall be distributed and met as per approved ratio based on Distribution Margin of the respective DISCO.

(c) The invoice by the Company for the payment of the allocated amount for each respective DISCO shall be made to DISCOs through CPPA-G.

(d) Upon receipt of such invoice, the amount shall be paid by CPPA-G, on behalf of the respective DISCO, to the Company directly by making adjustment in relevant account of the concerned DISCO. Such payment shall be, accordingly, reflected by the respective DISCO in its accounts.

(e) Invoice(s) shall be issued by the Company on quarterly basis, in advance, and payment shall be made accordingly.

(f) A reconciliation exercise shall be conducted on quarterly basis, between the Company, CPPA-G and the respective DISCO for settlement of any excess / under-payment of the fee amount.

(Umer Vaqar)
Section Officer (Corporate Affairs)

REGISTERED No. M - 302 / L.-7646

The Gazette of Pakistan

EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, MAY 2, 2018

PART I

Acts, Ordinances, President's Orders and Regulations

GOVERNMENT OF PAKISTAN

NATIONAL ASSEMBLY SECRETARIAT

Islamabad, the 30th April, 2018

No. F. 22(23)/2017-Legis.—The following Act of *Majlis-e-Shoora* (Parliament) received the assent of the President on the 27th April, 2018 is hereby published for general information:—

ACT NO. XII OF 2018

An Act further to amend the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997

WHEREAS it is expedient further to amend the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997) for the purposes hereinafter appearing;

Price: Rs. 30.50

[5821(2018)/Ex. Gaz.].

(2) The Appellate Tribunal may call for and examine any record, information or documents from any person in relation to the matter under appeal before it for the purposes of enabling it to come to a decision.

12J. **Panel of experts.**—The Appellate Tribunal may maintain a panel of national and international experts in power sector to assist it in performance of its functions under this Act as and when deemed fit by the Appellate Tribunal.

12K. **Budget.**—The Appellate Tribunal shall have an independent budget which shall comprise—

(a) an initial grant from the Federal Government; and

(b) fees and costs associated with appellate procedures as may be prescribed.".

15. **Amendment of section 13, Act XL of 1997.**—In the said Act, in section 13, in sub-section (1), in clause (b), the words "by it as prescribed from time to time" shall be omitted.

16. **Insertion of Chapters IIB and IIC, Act XL of 1997.**—In the said Act, after section 14, the following shall be inserted, namely:—

"CHAPTER IIB

NATIONAL ELECTRICITY POLICY AND PLAN

14A. **National electricity policy and plan.**—(1) The Federal Government shall, from time to time, with approval of the Council of Common Interests, prepare and prescribe a national electricity policy for development of power markets:

Provided that in development of policies under this section, the Federal Government may seek such input and assistance from the Authority as may be required.

(2) The policies referred to in sub-section (1) shall provide for, *inter alia*,—

(a) development of systems based on optimal utilization of resources such as coal, natural gas, nuclear substances or materials, hydro and renewable sources of energy;

(b) the location of the generation facility; and

(c) the expected life of the generation facility.

(3) The Authority may, after such enquiry as it may deem appropriate and subject to the conditions specified in this Act and as it may impose, grant a licence authorizing the licensee to construct, own or operate a connected generation facility.

(4) In the case of a generation facility connecting directly or indirectly to the transmission facilities of the national grid company, the licensee shall make the generation facility available to the national grid company for the safe, reliable, non-discriminatory, economic dispatch and operation of the national transmission grid and connected facilities, subject to the compensation fixed by the Authority for voltage support and uneconomic dispatch directed by the national grid company.

(5) The Federal Government may, after consultation with the Authority and by notification in the official Gazette, provide a mechanism for gradual cessation of the generation licences for various classes of generation licence holders, which shall not extend beyond a period of five years from the coming into effect of the Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act, 2018 and thereafter, any generation company may establish, operate and maintain a generation facility without obtaining a licence under this Act if it complies with the technical standards relating to connectivity with the grid as may be specified:

Provided that a generation company intending to set up a generating facility shall prepare and submit a detailed scheme covering all financial, geological, hydrological, technical, safety and environmental aspects to the Authority for its concurrence:

Provided further that, while considering the scheme submitted by a generation company intending to set up a hydro-generating facility, the Authority shall consider whether or not in its opinion the proposed river work will prejudice the prospects for the best ultimate development of the river or its tributaries for power generation and are consistent with the requirements of drinking water, irrigation, flood control and other public purposes and shall satisfy itself that necessary approvals have been sought from the concerned authorities of the Federal Government and Provincial Governments.

14C. **Captive generation.**—(1) Notwithstanding anything contained in this Act, a person may construct, maintain or operate a captive generating plant and dedicated transmission lines:

3. Monitoring, Evaluation & Reporting

3.1. Monitoring & Evaluation

a) Monitoring & Evaluation mechanism of NE-Plan pivots around gauging the compliance of each strategic directive provided in the respective priority areas. All such strategic directives, based on their specific characteristics, may be classified into one of the following three (3) categories:

   i) **Timebound Strategic Directives** provide for timebound actions and associated entity(ies) responsible for the completion of the said actions. Accordingly, all such strategic directives have been accompanied by specific "Key Performance Indicators (KPI)", for the purpose of performance measurement of respective entity.
   For example, Strategic Directive 067 and its associated KPI provide for roadmap with specific timebound milestones to enable disbursement of subsidies for protected category of domestic consumers by FY-2026.

   ii) **Perpetual Strategic Directives** have been provided to bring discipline in specific areas / processes. Such directives shall be monitored over the entire control period of this NE-Plan.
   For example, Strategic Directive 005 provides for necessary stipulations to be followed during the development of IGCEP each year.

   iii) **Triggering Strategic Directives** provide for overarching principles / mechanisms to be applicable based on specific triggering events.
   For example, proposal for qualification of strategic project shall be evaluated pursuant to the stipulations of Strategic Directive 010.

b) For effective Monitoring & Evaluation of NE-Plan, a dedicated web-based Monitoring & Evaluation System (M&ES) has been developed and deployed. Moreover, all the strategic directives, as provided in this NE-Plan, have been mapped in the M&ES. Accordingly:

   i) focal designations from all the Responsible Entities have been solicited and the same shall be utilized for future coordination;

   ii) dedicated user interface has been created for each Responsible Entity. Provided further, each Responsible Entity shall provide its compliance status of all the assigned strategic directives in M&ES;

   iii) initial training shall be conducted with all relevant stakeholders prior to enactment of this NE-Plan. Moreover, subsequent support shall be provided by the Designated Entity on a need basis.

c) Roles & responsibilities of different entities in the NE-Plan are provided below:

   i) **Responsible Entity**

      1) devise strategies and ensure compliance with the respective strategic directives;
      2) coordinate with Supporting Entities;
      3) periodically update compliance status on M&ES;
      4) provide focal nomination to the Monitoring & Coordinating Entity.

Annex-A

LESCO

PPMC Fee Detail

Date	Debit Memo No.	PPMC Fee
		Amount in PKR
07.04.2026	PPA-129/LESCO-11	38,286,375
28.10.2024	PPA-50/LESCO-6	13,800,000
04.04.2024	PPA-264/LESCO-31	20,930,000
19.12.2023	PPA-158/LESCO-19	20,930,000
Total		**93,946,375**

S/1

CPPA

Central Power Purchasing Agency (Guarantee) Limited
A Company of Government of Pakistan

OFFICE OF THE
CHIEF FINANCIAL OFFICER CPPA-G
SHAHEEN PLAZA, BLUE AREA, FAZAL-E-HAQ ROAD, ISLAMABAD

No. 9957/6717/CFO/Chief (PC&RA)/B&R/Rec Dated: 07-04-2026

Chief Financial Officer LESCO,
LAHORE.

SUBJECT: DEBIT MEMO FOR MAR-2026

Please find enclosed herewith Debit note details as below pertains to your company for necessary and early adjustment at your end.

SR.NO	DEBIT MEMO NO.	MONTH	AMOUNT	ENCLOSUERS
1.	PPA-129/LESCO-11	MAR-2026	38,286,375	

Bilal Mohs-AA

Mh 07/04/26

MANAGER FINANCE (BILLING & RECOVERY)

CHIEF FINANCIAL OFFICER
LESCO
15 APR 2026
7735

MPCS
AM261

15/4/26

CPPA

Central Power Purchasing Agency (Guarantee) Limited
A Company of Government of Pakistan

OFFICE OF THE
CHIEF FINANCIAL OFFICER CPPA-G
SHAHEEN PLAZA, BLUE AREA, FAZAL-E-HAQ ROAD, ISLAMABAD

No. 12938 /CFO/GMF(CA&T)/B&R/Rec   Dated: 29-10-2024

Chief Financial Officer LESCO,
Lahore.

SUBJECT: DEBIT MEMO FOR SEP-2024

Please find enclosed herewith Debit note details as below pertains to your company for necessary and early adjustment at your end.

SR.NO	DEBIT MEMO NO.	MONTH	AMOUNT	ENCLOSUERS
1.	PPA-50/LESCO-6	SEP-2024	13,800,000	

MANAGER FINANCE (BILLING & RECOVERY)
CPPA-G

CHIEF FINANCIAL OFFICER
LESCO
01 NOV 2024
3914

CPPA

Central Power Purchasing Agency (Guarantee) Limited

A Company of Government of Pakistan

OFFICE OF THE
CHIEF FINANCIAL OFFICER CPPA-G
SHAHEEN PLAZA, BLUE AREA, FAZAL-E-HAQ ROAD, ISLAMABAD

No. 3914 /CFO/GMF(CA&T)/B&R/Rec   Dated: 4-4-2024

FINANCE DIRECTOR,
LESCO, LAHORE.

SUBJECT: DEBIT MEMO FOR MAR-2024

Please find enclosed herewith Debit note details as below pertains to your company for necessary and early adjustment at your end.

SR.NO	DEBIT MEMO NO.	MONTH	AMOUNT	ENCLOSUERS
1.	PPA-264/LESCO-31	MAR-2024	20,930,000	3

Manager CPC / AM Consolidation
18/4

DY: MANAGER (RECOVERY)
CPPA-G

CHIEF FINANCIAL OFFICER
LESCO
Diary No: 1141

CPPA

Central Power Purchasing Agency (Guarantee) Limited
A Company of Government of Pakistan

OFFICE OF THE
CHIEF FINANCIAL OFFICER CPPA-G
SHAHEEN PLAZA, BLUE AREA, FAZAL-E-HAQ ROAD, ISLAMABAD

No. 19809 /CFO/GMF(CA&T)/B&R/Rec

Dated: 20-12-2023

FINANCE DIRECTOR,
LESCO, LAHORE.

SUBJECT: DEBIT MEMO FOR DEC-2023

Please find enclosed herewith Debit note details as below pertains to your company for necessary and early adjustment at your end.

SR.NO	DEBIT MEMO NO.	MONTH	AMOUNT	ENCLOSUERS
1.	PPA-158/LESCO-19	DEC-2023	20,930,000	

DY: MANAGER (RECOVERY)
CPPA-G

AF (CPC)
27/12/23

AM (Taxes)

20/12

A-M (Consolidation)

28/12/23

CFO, LESCO
No 4015
Date 27-12-23

CHIEF FINANCIAL OFFICER
Diary No: 6209
Date: 26 DEC 2023

ANNEX-B

Lahore Electric Supply Company Limited
Revenue Requirement-Updated
CY 2027

Rs. Mln.

Sr.No.	Description	Dist:	Supply	Total
A:	**Power Purchase Price**			
	UOSC+MOF		33,654	33,654
	Capacity Charges		373,003	373,003
	Energy charges		239,972	239,972
	Total		**646,629**	**646,629**
B:	**Dist. Margin**			
	O&M cost	62,828	6,116	68,944
	RORB	14,952		14,952
	Depreciation	6,947	676	7,624
	Total	**84,727**	**6,792**	**91,519**
C:	Less: Other Income	(11,164)	(1,087)	(12,251)
D:	**Net Dist. Margin**	**73,563**	**5,705**	**79,269**
E:	**Transport Policy**	**700**		**700**
F:	**Prior Year Adjustment**		**32,876**	**32,876**
	Total (A to F)	**74,263**	**685,211**	**759,474**

Projected Units Sold	GWh	**23,928**
Average Sale Rate	Rs./kWh	**31.74**