National Electric Power Regulatory Authority

Islamic Rebublic of Pakistan

Registrar

2nd Floor, OPF Building, G-5/2, Islamabad
Ph: 051-9206500, 9207200, Fax: 9210215
E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-205/LESCO-2012/2054-2056
February 28, 2013

Subject: **Determination of the Authority in the matter of Petition filed by Lahore Electric Supply Company Ltd. for Determination of its Consumer end Tariff Pertaining to the FY 2012 – 13 [Case # NEPRA/TRF-205/LESCO-2012 -** Intimation of Determination of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)

Dear Sir,

Please find enclosed herewith the subject Determination of the Authority along with Annexure-I, II, III, IV, V & VI (56 pages) in Case No. NEPRA/TRF-205/LESCO-2012.

2. The Determination is being intimated to the Federal Government for the purpose of notification of the approved tariff in the official gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998.

3. Please note that only the Order of the Authority at para 20 of the Determination along with Annexure-I (Fuel Price Adjustment Mechanism), Annex-III (Schedule of Electricity Tariffs), Annex-IV (Fuel Cost Component, Variable O&M, CpGenCap & USCF) and Annex-V (Terms and Conditions) needs to be notified in the official Gazette

Enclosure: As above

(Syed Safeer Hussain)

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Secretary
Ministry of Water & Power
'A' Block, Pak Secretariat
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.

National Electric Power Regulatory Authority
(NEPRA)

PETITION NO: NEPRA/TRF-205/LESCO-2012

DETERMINATION
IN THE MATTER OF TARIFF PETITION FILED BY
LAHORE ELECTRIC SUPPLY COMPANY
(LESCO)
FOR TO THE
DETERMINATION OF THE CONSUMER-END TARIFF
PERTAINING TO THE FY 2012-13

Islamabad

February 28, 2013

Abbreviations

CpGenCap	The summation of the capacity cost in respect of all CpGencos for a billing period minus the amount of liquidated damages received during the months
CPPA	Central Power Purchasing Agency
DISCO	Distribution Company
DM	Distribution Margin
FY	Financial Year
GOP	Government of Pakistan
GWh	Giga Watt Hours
KV	Kilo Volt
kW	Kilo Watt
kWh	Kilo Watt Hour
MW	Mega Watt
NEPRA	National Electric Power Regulatory Authority
O&M	Operation and Maintenance
PPP	Power Purchase Price
PYA	Prior Year Adjustment
RAB	Regulatory Asset Base
RORB	Return on Rate Base
SRO	Statutory Regulatory Order
T&D	Transmission and Distribution
TOU	Time of Use
USCF	The fixed charge part of the Use of System Charges in Rs./kW/Month

CASE NO. NEPRA/TRF-205/LESCO-2012

PETITIONER

Lahore Electric Supply Company (LESCO), 22 A Queens Road, Lahore

INTERVENER

Nil.

COMMENTATOR

Lahore Chamber of Commerce & Industry.

The Institution Of Engineers, Pakistan.

REPRESENTATION

1. Chief Executive Officer, LESCO
2. Technical Director, LESCO
3. Customer Services Director, LESCO
4. Human Resource & Admin Director, LESCO
5. Finance Director, LESCO
6. Legal Director/Company Secretary, LESCO

The Authority, in exercise of the powers conferred on it under Section 7(3) (a) read with Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, Tariff Standards and Procedure Rules, 1998 and all other powers enabling it in this behalf, and after taking into consideration all the submissions made by the parties, issues raised, evidence/record produced during hearings, and all other relevant material, hereby issues this determination.

13.02.2013

(Khawaja Muhammed Naeem)
Member

(Shaukat Ali Kundi)
Member

14/2

(Major (R) Haroon Rashid)
Vice Chairman

25/2/2013

(Habibullah Khilji)
Chairman

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28-2-2013

1. Background and Brief History

1.1 Lahore Electric Supply Company Limited (LESCO), hereinafter called "the Petitioner", being a Distribution Licensee of NEPRA filed a petition for the determination of its Distribution Margin and consumer-end tariff for the FY 2012-13.

1.2 In its petition, the Petitioner pleaded that the inability of existing tariff to fulfill its current liquidity and financial viability requirements, has formed the grounds and basis for this petition. The Petitioner has sought for the following relief ;

- Proposed tariff be allowed and made applicable immediately upon admission of this petition subject to an order for refund for the protection of consumers during the pendency of this petition in terms of Sub-Rule 7 of Rule 4 of NEPRA (Tariff Standards and Procedure) Rules, 1998;
- Distribution Margin amounting to Rs.18,927 million be determined and allowed;
- Investment plan of Rs. 14,906 million including capital contribution of Rs.3,101 million be approved;
- Prior year adjustment of Rs.29,997 million for FY 2011-12 including Annual, Quarterly & Monthly adjustments and impact of delayed notification, be determined and allowed.
- T & D losses target be considered @ 12% provisionally for FY 2012-13 subject to its final fixation after considering the study by independent expert under the directions of the Authority given through its determination dated 9th December, 2010;
- Redefining the baseline for determination of target of T&D losses by taking a realistic approach in view of the study to be submitted by the Petitioner.
- Fixing of the target of T&D losses according to the re-defined baseline.
- Allow financing cost amounting to Rs.618 million for FY 2012-13, on the loan obtained by Power Sector for meeting the obligations towards the generation companies and oil companies.
- Allow the new hiring cost of Rs.779 million over & above the Salaries, Wages & Benefits requested above.
- Allow the cost for creation of new Circles, Divisions, Sub-divisions and Customer Services as mentioned above.
- Allow Rs.300 million for the meter installation on feeders having abnormal losses, correction of feeder coding and monitoring of losses at micro level over & above the investment plan.
- Allow Rs.150 million for TOU meters for FY 2012-13 over & above the investment plan.
- To resolve the issue of Post Retirement Benefits pertaining to employees retired before June 30, 1998.
- Financial viability of the petitioner for the reliable supply of electricity to its 3.2 million consumers be ensured;

1.3 In terms of rule 4 of the Tariff Standards and Procedure Rules 1998 (hereinafter referred to as "Rules"), the Petition was admitted by the Authority on 28th June, 2012. In compliance of the provisions of rules 5 of the Rules, notices of admission and hearing were sent to the parties which were considered to be affected or interested (list attached as Annex VI) and

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advertisement by publication of the title and brief description of the petition was also affected on 4th July, 2012. Comments/replies and filing of intervention request; if any, was desired from the interested person within 7 days of the publication.

2 Filing of reply/intervention request/comments

2.1 In response to the notice of admission and hearing no one opted to file intervention on the said petition. However, comments from Lahore Chambers of Commerce & Industry and The Institute Of Engineers , Pakistan were received, which the Authority decided to address in the said petition.

Lahore Chamber Of Commerce & Industry

2.2 Lahore Chamber of Commerce & Industry vide letter # PS(SVP)/2012 dated 21st June , 2012 , submitted the following comments that;

- LCCI has been approached by a delegation of Cottage Industry that in the scenario of shortage of energy it has become difficult to run their industry and earn the bread and butter for their children. A high tariff of electricity allocated for the cottage industry is a big barrier which sweeps back their earnings and leaves them hand to mouth.
- Cottage industry was of the view that a relief in the tariff like large industry may please be allotted to them. In fact the cottage industry is a back bone of the large industry which provides basic equipment and necessary tools to the large industry as vendors. It is a genuine reason we therefore believe that they may please be considered for a relief in the tariff.

The Institute Of Engineers, Pakistan

2.3 The Institute of Engineers, Pakistan gave the following comments on the Petition:-

- o Cost stated to be adjusted with assumed T&D losses of 12%. What are the actual loses. If these are more, then the company must be recovering it through some other head e.g O&M etc. In this case, burden should not be transferred to paying consumers.
- o Company should fix the pay & allowances of their employees as per their financial health and "Election Year" should be no consideration.
- o The recruitment for 2579 jobs should be linked only with additional work. The existing staff is already performing for the existing work.
- o Establishment of more divisions should also be linked with additional work.
- o Advertisement expenditure should be reduced considerably.

2.2 The Authority decided to conduct a hearing on the said Petition on 19th July, 2012 at Lahore Chamber of Commerce & Industry, in order to arrive at just and informed decision. The date of hearing was communicated and published along with the notice of admission to the interested stakeholders and general public.

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3. Hearing/Framing of Issues

3.1 The Authority framed the following issues to be considered during the hearing and for presenting written as well as oral evidence and arguments:-

i) Whether the comments raised by the Commentators are justified ?

ii) Whether the Petitioner has complied with the directions of the Authority regarding installation of TOU meters by 30th June, 2012 and to conduct special sessions to educate consumers about TOU metering benefit?

iii) Whether the Petitioner's projected purchase of 18,405 GWhs and sale of 16,197 GWhs units for the FY 2012-13, is reasonable?

iv) Whether the Petitioner's proposed transmission and distribution losses of 12% for the FY 2012-13 are justified?

v) Whether the Petitioner's proposed investment plan of Rs. 14,906 million for the FY 2012-13, is justified, keeping in view the prospective benefits and the recommendations of the Independent expert incorporated in the plan. Further, whether Petitioner's request to allow expenses over and above the investment plan for the establishment of new circles, effective monitoring of feeders with abnormal losses and the replacement of TOU meters respectively, is justified?

vi) Whether the Petitioner's projected Power Purchase cost of Rs. 167,162 million (Rs. 9.08/kWh) for the FY 2012-13, is justified?

vii) Whether the Petitioner's projected O&M cost of Rs. 15,460 million for the FY 2012-13 based on the provisional actual cost for FY 2012-13 after accounting for inflation / increments, is justified? Whether the Petitioner has complied with the direction of the Authority to create a separate fund for the post retirement benefits before 30th June, 2012?& Whether the Petitioner's request to settle the issue of retirement benefit liabilities of WAPDA employees is justified?

viii) Whether the Petitioner's proposed depreciation charges of Rs. 2,412 million for the FY 2012-13 after accounting for projected additions to fixed assets, is justified?

ix) Whether the Petitioner's projected Return on Regulatory Asset base of Rs. 5,650 million for the FY 2012-13 based on the determined Asset base for FY 2011-12 after accounting for projected addition, is justified?

x) Whether the Petitioner's projected Other Income of Rs. 4,594 million for the FY 2012-13 based on the determined income for FY 2011-12, is reasonable?

xi) Whether the request of Petitioner to allow financing cost amounting to Rs. 618 million on the debt allocated to the petitioner by Power Holding (Pvt.) Ltd. For onward payment to CPPA, is justified?

xii) Whether prior year adjustment calculated by the Petitioner is justified?

xiii) Whether the proposed revenue requirement of Rs. 186,094 million at an average sale rate of Rs. 11.49/kWh for the FY 2012-13, is justified?

xiv) What are the major changes in the amount of receivables depicted in the financial statements of the Petitioner?

xvi) Issue of Steel Melter's Association's contention on current fuel price adjustment regime is justified?

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3.2 In addition to above, the Authority had also framed another issue with respect to the future tariff methodology in respect of Annual determinations, Quarterly and monthly adjustments.

3.3 On the basis of pleadings, evidence/record produced and arguments raised during the hearing, issue-wise discussion and recommendations is given hereunder:

4. <u>Issue #1. Future Tariff Methodology with respect to the Annual determinations, Quarterly and Monthly adjustments pertaining to the FY 2012-13.</u>

Rational for Annual Assessment under Annual determination regime;

4.1 DISCOs current operational and financial cycle emanates over a complete year, whereby;

- lesser revenue generated in winter is compensated by higher revenue generated in the summer of the same financial year;
- changes in generation mix resulting in lower PPP in wet seasons (with greater hydel generation) compensating high PPP in winter (with greater generation reliance on RFO);
- Variation in T&D Losses due seasonal fluctuation.

2.2 As per the guidelines under Rule 16 of the Tariff Standards and Procedure Rule 1998 the tariff should be predictable. In order to minimize the volatility in the consumer-end tariff due to aforementioned reasons, the Authority determines revenue requirement annually. However, certain adjustments like impact of losses, variation in capacity transfer price and UoSC, impact of extra or lesser purchases of units are made on quarterly basis. The same rationale and methodology has been adopted while assessing the average sale rate of DISCOs for the FY 2012-13. Thus, following components of tariff are subject to annual assessment;

- Assessment of T&D losses target.
- Assessment of Sales target.
- Impact of Consumer mix variance.
- Month wise assessment of reference values with respect to PPP (including energy, capacity & transmission charges) for the whole control period.
- Assessment of Distribution Margin, and ;
- Assessment of prior period assessment, if any.

Quarterly Adjustments

2.3 On the basis of annual assessment, the Consumer-end tariff for the FY 2012-13 would be worked out subject to the quarterly adjustments. Thus, the scope of quarterly adjustments would be limited to;

1. The adjustments pertaining to the capacity and transmission charges would be done quarterly.

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2. The impact of T&D losses on the components of PPP will be accounted quarterly.
3. Impact of extra or lesser purchases of units on account of PPP.
4. Adjustment of Variable O&M as per actual.

Monthly Fuel Adjustments.

2.4 The existing practice with respect to the adjustments on account of variation in fuel cost component of PPP on monthly basis would continue. This adjustment reflects in the consumers' monthly bill as Fuel Adjustment Charge. In case, the Authority observes abnormal variation in fuel prices having substantial impact on PPP; then the Authority may review these references along with any quarterly adjustment. Further, this is clarified that PPP is pass through for all the DISCOs (variable cost) and its monthly references would continue to exist irrespective of the financial year, unless the new SOT is revised and notified by the GOP. The recovery of fixed cost (DM & PYA) would also be done on the notified regulatory targets.

3. Issue #2 .Whether the comments raised by the Commentator are justified?

3.1 The Authority considers that comment of LCCI with respect to the cottage industries are general in nature. While acknowledging the overall power shortage in the country the relief sought of the cottage industry in terms of allowing them the same relief in the tariff like large industry, is not specific. While determining consumer class wise tariff, the Authority keeps in view the cost of serving of particular class of consumers. Since the cottage industry is supplied electricity at low voltage; therefore the cost of serving cottage industry is higher as compared to the industries, which are supplied electricity at higher voltage. This is because of the reason that the losses on high voltage level are less. The Authority considers that lowering tariff of one class of consumers would result in higher tariff for the other consumer category. This would create distortions in the tariff of consumer category, which will be not consistent with the Rule 17, sub-rule (ix) of Tariff Standards and Procedure Rules 1998.

3.2 The comments raised by The Institution of Engineers Pakistan, are clarified as hereunder;

- The consumer-end tariff is not calculated on actual T&D losses of the Petitioner, but on regulated target of T&D losses set by the Authority. During the FY 2011-12, the actual T&D losses of the Petitioner remained around 13.51%. The difference of target and actual is not made part of the consumer end tariff and the Petitioner cannot recover it from any other head.
- Point 2, 3 & 4 are addressed under the relevant heads .
- The concern regarding the excessive advertisement is not justified as these are done primarily on account of consumer awareness and not their product promotion, (as it is done in a purely commercial environment) . Further, in most incidences the Authority itself has directed the Petitioner to enhance consumer awareness e.g. with respect to TOU metering etc.

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4. **Issue # 3. Whether the Petitioner has complied with the directions of the Authority regarding installation of TOU meters by 30th June, 2012 and to conduct special sessions to educate consumers about TOU metering benefit?**

4.1 The Authority, while determining the consumer – End Tariff of the Petitioner for the FY 2008-09, gave directions to convert all consumer categories, including residential consumers having load requirement of 5 kW and above to TOU metering. The rationale of the decision was to chop system peak demand, discourage inefficient use of electricity and avoid operation of inefficient plants to reduce generation cost. All new consumers having load exceeding 5 kW were required to be provided TOU metering arrangement with effect from 1st January 2009. During the 2nd quarter of the FY 2009-10, it was stated on behalf of the Petitioner that it might not be possible for it to arrange TOU metering for all consumers having load requirement of 5 kW and above by June 30, 2010 and requested to extend that date to June 30, 2012. The Authority decided not to extend target date of June 30, 2010 and directed the Petitioner to make serious efforts to complete the task by the target date i.e. June 30, 2010.

4.2 During the process of determining the consumer-end tariff pertaining to the 1st quarter of the FY 2010-11, the Petitioner pleaded that it failed to meet the deadline set by the Authority due to the practical problems faced by it. The Petitioner attributed the delay in the installation for TOU mainly to the financial constraint and the availability issue of these meters, as there is limited number of manufacturers with limited production capacity. In view of the aforementioned argument, the Authority decided to extend the deadline for the installation of TOU meters by June, 2011.

4.3 During the hearing, pertaining to the FY 2011-12, the Petitioner submitted that it has completed the overall installation of TOU meters to the extent of 41% whereby 98,075 meters were installed and 115,289 meters were yet to be installed. The Petitioner at the same time appraised the Authority that it had 23,000 meters in stock , 22000 meters were in pipeline and further purchase orders were issued as a result thereof it will have 85,000 meters by the end of August, 2011. The Petitioner requested to extend its deadline for installation of TOU meters up to 31st December, 2011. Considering the aforementioned facts, the Authority, while determining the consumer-end tariff pertaining to the FY 2011-12, extended the deadline for the installation of TOU meters till 30th June 2012.

4.4 In addition to above, the Authority directed the Petitioner to initiate the following measures;

- A wide spread print and electronic campaign needs to be launched in order to create awareness and educate the consumers regarding the benefits of TOU meters.
- Special briefing sessions on TOU metering benefits should be held by the Consumer Services Directorate of the Petitioner with Commercial & Industrial consumer's Associations or their Trade Unions as the case may be.
- All the concerned staff, meter readers and their supervisors are required to be thoroughly trained in order to ensure that accurate Peak/ Off-Peak meter readings are made.

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4.5 In view thereof, the Authority directed the Petitioner to give a separate presentation on the subject on 25th September, 2012. The following updated status of TOU meters was presented.

Tariff Category	Total Connections Qualified for Installation of TOU meters	Total Nos. of TOU meters installed up till 30th June, 2012	% Installed	No. of TOU meters not yet installed
Residential	108,753	65,882	60.6	42,871
Commercial	29,116	25,453	87.4	3,663
Industrial	40,955	34,776	84.9	6,179
Agricultural	32,480	32,480	100	-
Others	2,060	367	17.8	1,693
Total	**213,364**	**158,958**	**74.5**	**54,439**

4.6 The said presentation also elaborated on the efforts on training of Petitioner's concerned staff and the campaign on the consumer awareness of TOU billing.

4.7 The Authority has seriously noted that the Petitioner has again failed to achieve Authority's set deadline with respect to the installation of TOU meters. The Authority while setting the deadline of 30th June,2012 decided not to give any further extension in this regard. However, considering the Petitioner's performance during the FY 2011-12 only, whereby it has managed to install more than 60,000 TOU meters and fact that it has done a whole hearted campaign pertaining to the consumer awareness and training of the concerned staff has been carried out by the Petitioner, the Authority has decided to further extend the deadline for the installation of TOU meters till 31st March, 2013. In addition, the Authority again directs the Petitioner to carry out the training sessions of its concerned staff from the manufacturing companies of TOU meters and the consumer awareness campaign must be continued on the back on the each consumer bill.

5. **Issue # 4. Whether the Petitioner's projected purchase of 18,405 GWhs and sales of 16,197 GWhs units for the FY 2012-13, is reasonable?**

5.1 In its petition, the Petitioner projected to procure 18,405 GWh during FY 2012-13, for sale to its consumers. The Petitioner based its estimation of purchase of power during the FY 2012-13 on the basis of provisional purchase of power for the FY 2011-12 as well as the

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actual purchases during the last three years. The Petitioner's provisional purchases for the FY 2011-12 are calculated on the basis of actual data up to Feb, 2012 and estimation for the remaining four months. According to the comparison provided by the Petitioner growth in purchases remained -4.34%, 5.42%, 6.19% during FY 2008-09, FY 2009-10 and FY 2010-11 respectively, whereas in the FY 2011-12, 3.56% growth is expected. The petitioner has projected 6.10% growth for FY 2012-13. The Petitioner has submitted a comparison of actual purchases for the three years, provisional for the FY 2011-12 and the projection for the FY 2012-13 , as per the following table;

Description	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual			Prov./Est.	Proj.
Sales (GWh)	13,168	13,881	14,741	15,266	16,197
Growth (%)	-4.34	5.42	6.19	3.56	6.10
Purchases (GWh)	15,184	16,100	16,986	17,546	18,405
T & D Losses (%)	13.28	13.78	13.22	13.00	12.00

5.2 The actual purchases during the FY 2011-12, as per actual available record, remained around 16,728 GWhs, showing a negative growth of 1.5% in terms of purchases.

5.3 Although, there is an inbuilt mechanism for adjusting actual variation in sales against the estimated sales, yet in order to avoid unnecessary fluctuations in the consumer-end tariff it is appropriate to make realistic assessment of the purchases and sales. Moreover, it is also important for the assessment of monthly reference fuel cost for making monthly fuel cost adjustment pursuant to Section 31(4) of Regulation of Generation, Transmission and Distribution Act (XL 1997). In view thereof, the Authority has carried out a detailed exercise for estimating station wise generation pertaining to the FY 2012-13. On the basis of 3 year's actual trend of purchase of power and prevailing circular debt issue, it is estimated that in the FY 2012-13 the overall system generation will be about 91,293 GWh. After adjusting for the permissible transmission losses of 2.5% about 89,011 GWh are expected to be delivered to the distribution companies; the estimated share for the petitioner from the pool for FY 2012-13, is accordingly assessed as 17,076 GWh as against 18,405 GWh projected by it. After incorporating the T&D losses target for the FY 2012-13 (discussed below) the sales target for the same period worked out as 15,027 GWhs.

6. <u>Issue #5. Whether the Petitioner's proposed transmission and distribution losses of 12% for the FY 2012-13 are justified?</u>

6.1 The Petitioner in the petition has assumed 12% losses for the FY 2012-13. The petitioner has been agitating in the previous petitions for allowing higher T&D losses on the ground that its transmission losses at 132 kV were not correctly reflected. According to the petitioner the main reason for this was that the losses at 132kV were calculated as 100% meters were not installed at Common Delivery Points (CDPs). In order to ensure correct reading the petitioner was directed to complete 100% installation of meters at CDPs. The petitioner was further directed to carry out a study of its losses through an independent consultant. During the hearing, the Petitioner informed that the task for independent study

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has been given to Power Planners International (PPI) on 21st July, 2011 after the approval of Terms of Reference for the study by the Authority on 13th May, 2011. Accordingly the study shall be submitted by January, 2012. The said study could not be completed in the stipulated time period. The petitioner in its tariff petition for FY 2011-12 assumed T & D Losses @ 12% on the plea that the same would be adjusted on the basis of study on Transmission Losses to be carried out by an independent Consultant. According to the petitioner, it has also assumed 12% T & D Losses for this petition, on the clear understanding that the same shall be adjusted according to the determination of the Authority after considering the said report in accordance with the TORs approved by the Authority. The consultant's report in the matter of 132 kV losses has been submitted by the petitioner. The report indicates 2.172 % of 132 kV losses.

6.2 Having gone through the record placed before the Authority, it was noted that there were 29 sub-divisions where T&D losses were in the range of 20% to 29.5%. It was also observed that some of the feeders indicated more than 90% losses, whereas 12 feeders indicated negative losses. The Authority at paragraph 7.4 of its determination for the FY 2011-12 has highlighted this fact. During the hearing for the FY 2010-11, CEO LESCO acknowledged that all the consumers were previously issued excessive bills on the basis of 35 days instead of 30 days and this practice has now been discontinued; thus resulting in higher losses. The Authority taking notice of the CEO's statement in the hearing decided to conduct LESCO's IT system Audit of End-to-End Billing Process for the FY 2010-11 by the team of NEPRA professionals. The NEPRA team accordingly conducted the System Audit of Billing Processes of LESCO. The findings of the NEPRA team are as under;

- Billing is done manually and has high risk of manipulation because of inadequacies in controls and accuracy of readings;
- Incorrect reporting and monitoring of feeder wise losses;
- Time lag between actual meter reading dates and scheduled dates of area-wise batches resulting in excessive billing;
- Actual meter readings are ignored for billing purpose which means monthly billing is done on estimations rather than actual;
- Inadequate supervisory controls;
- Inadequate field staff;
- CP21C preprinted meter reading list provided to RO offices, which contain previous consumption data, which may lead to fudging;
- Exception report identifying errors of 500 and more units leaves a chance of errors less than 500 units unidentified by the billing system;
- CP-22A report showing billed units more than units received in some feeders; thus showing incorrect position of feeder wise line losses;
- Disconnect between corporate financial accounts and source billing system;

6.3 Although the petitioner's CEO gave statement before the Authority that the overbilling previously being done had been corrected but the letter of the Chairman Board of Directors of LESCO dated 14th July, 2012 indicates the facts otherwise In the said letter

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Chairman BOD has shown grave concern regarding overbilling citing an example of Kasur circle, where Rs. 679 million (from June, 2009 to December, 2011) overbilling was detected. Further, preliminary reports also indicate that in the Okara circle's excessive billing for the period from July,2011 to March 2012 is in the range of Rs. 240 million. From the aforesaid it is quite clear that the information provided by the petitioner does not reflect true state of affairs and the petitioner is not making any efforts to improve its system. Based on the findings of NEPRA team an advisory for improving the system has been issued to the petitioner.

6.4 While setting the T&D losses target of 12% , the Authority observed that the petitioner has not only substantially higher industrial consumer base but it has been also making continuously adequate investments for up-gradation and improvement of its existing system. It may also noted that although the Authority in its determination for the FY 2011-12 indicated high losses subdivisions and feeders but the petitioner did not come up with any plan to improve the high losses subdivisions.

6.5 In the light of discussion in the preceding paragraphs it is quite clear that over the last three years the performance of the petitioner instead of improving has deteriorated further. The petitioner is continuously trying to justify its higher losses. In view thereof, the petitioner's request for fixing of T&D losses according to redefined baseline in the light of findings of report of independent expert, which only deals with the 132 KV losses and does not cover losses pertaining to 11 KV and below (where the most of the over billing and theft (if any) is taking place) is not justified. Here it is pertinent to mention that the Authority has been setting overall T&D losses target including both transmission and distribution losses. While setting the T&D losses target for the FY 2012-13, the Authority, cannot simply ignore the reported overbilling situation.

6.6 In view of aforementioned, the Authority consider that the Petitioner's target of T&D for the FY 2012-13, may be set lower than last year's target. However, considering the fact that the available evidence in this regard does not portray an overall situation of T&D losses in this regard, thus the Authority has decided to maintain the target of T&D losses for the FY 2012-13 to 12 % (.i.e.the previous year's level) and directs the Petitioner to expand its study of T&D losses to 11 KV and below and submit the completion timelines by 31st March, 2013. The Authority is aware of the fact that the study of losses on LT lines is a huge task and would require greater amount of time, but a study on a reasonable sample of LT lines would clarify the situation in this regard. Para. 8 of the referred letter dated 14th July 2012, directs Internal Audit Department to carry out audits of all the Circles at LESCO on the same lines as the audit of Kasur. The Authority further directs the petitioner to submit that audit report to Authority by 31st March, 2013. However, the Authority has decided to incorporate the Consultant's recommendation with respect to the investments as discussed under relevant head.

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7. **Issue # 6. Whether the Petitioner's proposed investment plan of Rs. 14,906 million for the FY 2012-13, is justified. Further, whether Petitioner's request to allow expenses over and above the investment plan for the establishment of new circles, effective monitoring of feeders with abnormal losses and the replacement of TOU meters respectively, is justified?**

7.1 The Petitioner intends to execute its development / investment plan for FY 2012-13 in the areas of development of power (DOP), energy loss-reduction (ELR), secondary transmission and grid (STG), TOU/Smart Meters and others, the amounts provided are as under:

(Million Rs)

#	Description	2009-10	2010-11	2011-12	2012-13
		Actual		Prov.	Proj.
1	**Development Of Power: (DOP)**				
	-Own Resources	354	325	214	650
	-Consumer Financing	2258	2519	3086	2926
2	**Energy Loss Reduction: (ELR)**				
A	-Own Resources	455	264	402	950
B	-World Bank loan /ADB	0	0	740	0
3	**STG:**				
A	-Own Resources	1,743	1,203	2,988	4,244
B	-World Bank loan	230	364	644	2,868
C	-Asian Dev. Bank loan	152	1160	646	1,963
4	**TOU Meters**	0	421	283	0
5	**Smart Metering**	0	0	0	450
6	**Others**	329	170	233	855
	Total	**5,521**	**6,426**	**9,237**	**14,906**

7.2 As per the Petitioner, Commercial / Administrative Energy Loss Reduction, at present, ELR program is part of Capital Budget and meant for rehabilitation / up-gradation of system only. On the other hand to curtail the Commercial / Administrative Losses no major investment is being carried out In the FY 2012-13, it has planned to bring all the feeders having abnormal losses under this program and accordingly the following activities will to be executed.

- Installation of meters
- Correction of feeder coding
- Monitoring of losses at micro level

7.3 For the above mentioned activities, the approval of Rs.300 million is sought over & above the investment plan for the purpose of effective monitoring and to bring feeder losses at permissible limit as directed by the Authority.

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7.4 The Petitioner, vide letter 19019/CE (O&M)T&G / dated 25th June, 2012 submitted that in the light of implementation strategy and phasing of project submitted by the Consultant M/S Power Planner International (the independent study of transmission losses) the Consultant has recommended that the phase-I of the project will be completed within minimum 15 months and the total cost of the project will be Rs.102 millions. The second phase of the project will be completed within minimum period of 5-years and the total cost of the project will be 480.9 millions. In the light of recommendations of Consultants the petitioner has chalked out following plan to implant proposed action plan.

FY 2012-13	Rs. 102.0 million
FY 2013-14	Rs. 120.9 million
FY 2014-15	Rs. 120.0 million
FY 2015-16	Rs. 120.0 million
FY 2016-17	Rs. 120.0 million

7.5 In addition to aforementioned, the Petitioner has requested to create new GSO circle, City circle in order to improve the operational efficiency of Transmission, Grids & Dispatch of Electricity, better load management and would also improve the overall working of the company. The Petitioner has also requested to bifurcate the operation subdivisions as a large number of Operation Sub Division in the Petitioner's distribution area are overburdened due to expansion / exceeding of number of consumers from yardstick. This is not only adversely affecting the overall performance / profitability of the company, even it is hampering the routine operational activities like redressal of consumer complaints, continuity of power supply, revenue collection, control on the theft of energy, maintenance work, electrification etc. The petition elaborates on the criteria for the creation of the same. In order to accomplish the aforementioned, the Petitioner has requested an overall amount of Rs. 557 million.

7.5 Summarizing the Petitioner's plans to fund the aforementioned investments (other than Rs. 102 million as recommended by Consultant, Rs.300 million mentioned in para 7.2 and Rs. 557 million for creation of new circles) is as follows;

Loans	Rs. 5,106 million
Own Resources	Rs. 6,699 million
Capital Contributions/Deposit Works	Rs. 3,101 million
Total	**Rs.14,906 million**

7.6 While going through the record pertaining to the Authority has observed an overlapping in Petitioner's request mentioned in para. 7.3 and 7.4, whereby the scope of work is same. Hence, for the purpose of clarity the Authority is considering the letter dated 25th June, 2012, wherein the required investment has been scattered over a number of years into phases.

7.7 Although Petitioner's petition includes some details on the subject of investments (other than the Consultant's recommendation) yet it has failed to quantify the perceived benefits of aforementioned investments e.g. correlation between ELR and reduction/maintenance of losses, augmentation and maintenance of transmission lines with STG, DOP with better customer services etc. It appears as if the objective of FORM 27 (B) was not clear to the

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Petitioner. Despite the aforementioned reasons, the Authority cannot ignore the requirement of investments in order to improve the system and to meet the T&D losses target of 12.00% set by the Authority for the FY 2012-13. It is to be noted that the purpose of the required information is to monitor the effectiveness of these investments.

7.8 The information provided by the Petitioner revealed that it carried out capital expenditure of Rs. 5,521 million, Rs. 6,426 million and Rs. 6,233 during the FY 2009-10, FY 2010-11 and FY 2011-12 respectively. (during the FY 2011-12, the net actual investments remained around Rs. 6,177 million). The aforementioned amounts include the impact of consumer contribution to the extent of Rs. 2,566 million, Rs. 2,676 million and Rs. 2,385 million respectively. Thus , net capital investments carried out through loans and own resources, works out as Rs. 2,391 million, Rs. 3,750 million 3,847 million during the FY 2009-10, FY 2010-11 and FY 2011-12 respectively.

7.9 Based on the available record, arguments, evidence and the fact that these allowed investments indirectly affect the annual Return on Rate Base (RORB) for a DISCO, hence while allowing investments for any control period the Authority has to keep in view the past trend of investment made by the Petitioner along with its funding arrangements and its previous trend of closing CWIP and transferring of useful assets from CWIP to operating assets. Based thereon, it is expected that the Petitioner would be able to undertake the investment of Rs. 7,853 million during the FY 2012-13 (including the impact of consumer contributions of Rs. 3,101 million, Rs. 102 million as recommended by Consultant and 150 million for TOU meters). Here it is pertinent to mention that the existing mechanism of determining RORB is self adjusting with respect to the benefits of investments. thus any investments beyond Authority's assessment, carried out by the Petitioner during the FY 2012-13(which is desirable), would be catered for in next year's returns.

7.10 As far as the creation of new circles is concerned, the Authority is of the view that the Petitioner's request in this regard is not clear as it has requested Rs. 48 million and Rs. 38 million per annum in the matter of GSO Circle and City Circle respectively for the procurement of office equipment / furniture /vehicles whereby the details are not provided. Again in the matter of bifurcating subdivisions the requested amount of Rs. 470 million per million is not substantiated with any detailed working .The Annex – III of the Petition simply shows the annual implications of the proposal yet it fails to categorize it into recurring and non recurring expenses. It was only under the head of Salaries, Wages and Other expenses , where the Petitioner tries to classify as Rs.525 million as annual expenses of recurring nature and Rs.101 million for expenditure of capital nature. Yet again the figure of recurring expenses does not reconcile with the one at Annex – III of the Petition. The submitted evidence only emphasizes on the need for creating these circles and bifurcation of subdivisions yet their financial implications are mere requests without quantifications of perceived benefits and details of requested amounts. In view thereof, the Petitioner may resubmit its case for the creation of new circles and bifurcation of operation subdivisions, with proper break up, detailed working and inline with the concerns raised by The Institute of Engineers, whereby the Petitioner would quantify the perceived incremental benefits in this regard.

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8. Issue # 7. Whether the Prior Period Adjustment calculated by the Petitioner is justified ?

8.1 The Petitioner in its petition, has requested an overall Prior Period Adjustment of Rs. 29,997 million. The summary of which is given as under;

	Rs.Million
Delayed Notification	35,349
Power Purchase Adjustments	-8,363
Sales Mix Variance (up to Feb, 2012)	3,011
Total	**29,997**

8.2 The Authority after going through the record has observed that the Petitioner's working with respect to Prior Period Adjustment is up to the month of February 2012. Further, the calculated impact of delayed notification has totally ignored the fact that PPP is pass through item for the Petitioner.

8.3 The Authority after careful consideration has assessed the following Prior Period Adjustment;

		Rs. Million
	Notified reference PPP during the FY 2011-12.	130,820
	Assessed Distribution Margin for the FY 2011-12	10,799
	Assessed PYA for the FY 2011-12	424
Add ;	1st Qrt's PPP adjustment pertaining to the FY 2011-12	4,532
Add;	2nd Qrt's PPP adjustment pertaining to the FY 2011-12	5,427
Add;	3rd Qrt 's PPP adjustment pertaining to the FY 2011-12	1,449
Add;	4th Qrt's PPP adjustment pertaining to the FY 2011-12	822
Less :	Regulated PPP recovery on notified rates during the FY 2011-12	131,373
Less:	Regulated DM recovery on notified rates during FY 2011-12	10,484
Less;	Regulated PYA recovery on notified rates during FY 2011-12	(1,947)
Add;	Net impact of assessed & actual Other Income for the FY 2011-12	388
Add;	Impact of Consumer – Mix Variance for the FY 2011-12	2,850
Total Uncovered Costs for the FY 2011-12		**17,600**

8.4 Here it is pertinent to mention that a number of petitions filed against monthly fuel adjustments were filed and are still pending adjudication before Lahore High Court. During the course of hearing on 22nd December, 2011, a statement was made by the learned Counsel of Government of Pakistan, Khawaja Tariq Rahim that the respondents will not debit the fuel adjustment charges on domestic consumer's up to the extent of 350 units. Now there are two ways for a Distribution company to recover this legitimate cost, one is that the FPA adjustment of these 300 units may be recovered from other consumer categories while setting Schedule – I. This option if pursued would further distort the consumer –end tariff as it would increase cross subsidies and moreover it is also against the ~~natural~~ natural principle of justice. Here it is relevant to mention that the quantum of this cost is far more than the cost impact of life line consumer. Like in the matter of Petitioner this

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cost if calculated on regulated targets and with only last slab benefit to residential consumers, this cost works out around Rs. 7,600 million. (excluding lifeline) . The last option would be in the form of subsidy. Keeping in view, the statement of the Counsel of Government of Pakistan on the matter, this option appears to be more acceptable to the Owner of the Distribution companies. Logically speaking, the Distribution Companies are owned by the Federal Government and if the owner does not wish to collect a certain amount from a particular category of consumers, then the difference in recovery should be borne by the Owner itself.

8.5 In view of aforementioned, the difference of 300 units (as 50 units life line consumer is already not affected by the monthly FPA) is not incorporated in the calculation of PYA and must be claimed by the Petitioner ,separately from the GOP in the form of subsidy.

9. Issue # 8 .Whether the Petitioner's projected O&M cost of Rs. 15,460 million for the FY 2012-13 after accounting for inflation / increments, is justified?

9.1 The Petitioner requested an updated amount of Rs. 15,460 million on account of O&M cost during the hearing. It has been stated that the Petitioner's O&M expenses include salary and other benefits, repair and maintenance, traveling allowance, vehicle maintenance allowance and other operating costs related to its distribution and supply business. A history of O&M expenses of the Petitioner is provided as here under:

Rs. Million

Description	2008 Audited	2009 Audited	2010 Audited	2011 Audited	2012 Draft	2013 Requested
Salaries & Other Benefits	5,585	6,868	7,547	8,733	11,118	11,114
Maintenance Expenses	799	923	1,220	1,109	964	1,707
Traveling Expenses	122	134	133	178	171	231
Vehicle Running Expenses	166	249	256	288	315	457
Other Expenses	597	589	783	824	793	1,951
Total	**7,270**	**8,763**	**9,939**	**11,132**	**13,361**	**15,460**

9.2 **Salaries Wages & Other Benefits**

9.2.1 The Petitioner in its petition, submitted that being public sector company, its employees salaries are protected under pay scale, hence any increase in salary and long term benefits as approved in finance bill have to be adopted by the Petitioner under the terms of employment i.e. on the basis of protected national pay scales. During the hearing, the Petitioner explained that for the purpose of this petition it has assumed increase in basic pay @20% of running basic pay, along with the effect of annual increments which is 5%

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from December, 2012 onwards. On these assumptions the working of salary & employee benefits comes out to be Rs.6,374 million. An estimated increase in house acquisition to the tune of 5% was also assumed on account of persons expected to be further entitled to the house acquisition due to their transfer from area where this is not allowed. Thus, other than post retirement benefits, the overall requested increase under the head of Salaries & wages is Rs. 749 million. Besides the aforementioned, the Petitioner also presented the impact of increase in Pension and other post retirement benefits, expected to be announced by GOP to the tune of Rs. 351 million for the FY 2012-13. Therefore, the overall increase is Rs 1,100 million from the provisional figures of the FY 2011-12.

9.2.2 In addition, it was apprised that to cope up with the shortage of man power in different functional areas, the Petitioner has planned to initiate the hiring against the vacant seats with reference to sanctioned strength based on best utility practices. In this phase, the Petitioner has advertised the jobs against 2579 vacant posts in different categories of functional areas. The annual financial impact of these advertised jobs would be Rs.779 million approximately. A post of Project Director is also sought for the effective implementation of AMR program. Further, for smooth operations and facilitation of the consumers, the Petitioner has planned to establish one (1) new Grid System Operations Circle and one (1) Operation Circle comprising of three (3) Operation Divisions, three (3) Customer Services and eighteen (18) Sub-Divisions. The total estimated cost for the establishment of these offices is Rs.626 million consisting of Rs.525 million as annual expenses of recurring nature and Rs.101 million for expenditure of capital nature. As, the motive behind these structural changes is the consumer facilitation, sustainable supply and improved maintenance of system. The Issue of retired WAPDA employees before 1998 was also highlighted.

9.2.3 Considering the overall liquidity position in the power sector and in order to ensure that the Petitioner fulfils its legal liability with respect to the post retirement benefits, the Authority in its determination pertaining to the FY 2011-12, directed the Petitioner to create a separate fund in this regard before 30th June 2012, which is allowed by IAS - 19. Creation of funds would ensure that the Petitioner records it liability more prudently as the funds would be transferred to a separate legal entity. In addition to that these independent funds would generate their own profits, if kept separate from the company's routine operations. During the hearing the Petitioner was asked about the compliance of the said direction. In response it assured that they have already undertaken the process and soon a separate independent fund would be created. But till today no intimation has been received on the issue of compliance. In view of aforementioned, the Authority has decided to take actual payments for the FY 2011-12, as reference for requested increase pertaining to the FY 2012-13, instead of provision for post retirement benefits. For future assessments, the amount transferred into the fund would be allowed by the Authority on actual basis until the fund is created and directs the Petitioner to expedite the matter.

9.2.4 Although petition contains information and financial implications of additional recruitments yet again the request is not substantiated with any comprehensive recruitment plan contrary to the Authority's direction passed in tariff determination pertaining to the FY 2010-11 & FY 2011-12. The Authority has been disallowing new recruitments and asked the Petitioner to justify the need of these posts as most of the new recruits were non-

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professionals. Irrespective of aforementioned, the Authority is cognizant of the fact that the Petitioner's work force is retiring each year and if their replacements are not made, Petitioner would not be able to work efficiently and effectively In view thereof the Authority has decided to allow only replacement hiring, whereby a employee is hired in lieu of a retiring employee. In this particular scenario no additional / incremental cost could be incurred by the Petitioner. The Petitioner intimated the Authority that as on 30th June, 2012, the financial impact of additional recruitments carried out during FY 2009-10 and onwards is Rs. 599 million. The Authority directs the Petitioner to get the reported figure verified by its Auditor and if it plans to carryout replacement hiring, a certificate from the Auditor of the Petitioner certifying that the recruitment is done as replacement hiring with no additional/incremental cost impact. Here it is pertinent to mention that specifically speaking about AMR project, the Authority strongly encourage DISCOs to implement AMR considering its benefits for the consumers, hence the post of Project Director in this regard is allowed by the Authority. Any other additional recruitment may be linked with the comprehensive recruitment plan which would link the additional work, quantified benefits and would base on best utility practices. The same concern is raised by The Institution of Engineers, Pakistan.

9.2.5 The issue of new Circles and bifurcation of operational subdivisions is already addressed at para 7.10 above. As far as the issue of retired WAPDA employees before 1998 is concerned, the Authority in its determination dated Jan 10, 2012, decided to hold separate meeting on the subject whereby the arguments of the Petitioner and WAPDA could be heard in light of available evidences. Pursuant to which a presentation on the subject was given by the Petitioner on 30th May, 2012 and WAPDA's point of view was also heard separately. Subsequently, a final meeting on the subject was held on 22nd January, 2013. The following concluding and implementations points were emerged out of a long brain storming session;

- The matter not only pertains to the Petitioner but also to all the XWDISCOs, and GENCOs.
- In the light of Business Transfer Agreement (BTA) and subsequent Supplementary Business Agreement (SBTA), Pension SOPs 2002 and subsequent changes thereafter, the issue solely pertains between WAPDA , XWDISCOs and GENCOS.
- The issue has two components, one is the accumulated effect till 30th June, 2012 and the other is the subsequent ownership of these retired employees as the SBTA is not clear on it.
- Since aforementioned agreements were signed mutually between WAPDA and Others hence the Authority directs the WAPDA and Other (including Petitioner) to come up clearly on the settlement modality of accumulated costs in this regard till 30th June 2012 and a way forward for the future payments of these retired employees not later than 30th June, 2013.

9.2.6 As per the information provided by the Petitioner, it could be observed that during the FY 2011-12 the actual salaries, wages and Other benefits(excluding post retirement benefits) increased by Rs. 964 million; indicating an overall increase of about 18% from the audited figure of the FY 2010-11. This increase is substantial when compared with other DISCOs. The Authority is cognizant of the fact that one of the reasons for this was the increase in

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the salaries of Govt. employees announced by GOP. While assessing the Salaries, wages & other benefits (including post retirement benefits as discussed in para 9.2.3 above), the GOP's recent announcement of 20% increase as adhoc allowance, increase in post retirement benefits on actual payments, increase in conveyance allowance , 5% annual increment along with its effect on other benefits has been accounted for. Here it is pertinent to mention that the base expense taken excludes the impact of additional recruitments of Rs. 599 million as reported by the Petitioner. The GOP's recent increase with respect to the post retirement benefits has been taken on actual payments, in this regard, during the FY 2011-12.

9.2.8 Based on the discussion made in the preceding paragraphs, incorporating GOPs recent increases and annual assessments of salaries & wages for the FY 2012-13 of other DISCOs, the Authority has assessed Rs. 7,917 million on account of salaries, wages and other benefits (including actual payments of post retirement benefits) for the FY 2012-13.

9.3 Maintenance Expenses

9.3.1 The Petitioner requested Rs. 1,707 million on account of repair and maintenance @ 3.5% of the net fixed assets. The actual cost on this account as per the draft accounts for the FY2011-12 is Rs. 964 million. This turned out to be 13% lower than the audited figure of the FY 2010-11. Apart from the aforementioned, no further rationale or evidences has been provided by the Petitioner in order to substantiate its claim.

9.3.2 The Petitioner's request has not been duly supported with the verifiable documentary evidence without which the authenticity of the claim cannot be substantiated. It is however fact that the repair & maintenance cost is not only affected by the inflation but also with the variation in the gross assets in operation due to addition of new consumers in the system and new investments.

9.3.3 If the Petitioner's request is examined on the basis of its past trend, the requested amount of Rs. 1,707 million appears to be on higher side therefore needs to be rationalized. Keeping in view, past trend and comparison with other DISCOs, the repair and maintenance cost of Rs. 1,060 million has been assessed for the FY 2012-13 in the instant case.

9.4 Traveling Expenses

9.4.1 The Petitioner requested an amount of Rs 231 million on account of travelling expenses for the FY 2012-13. The actual cost on this account as per the draft accounts for the FY2011-12, is Rs. 171 million against the Authority's assessed cost of Rs. 168 million for the same period.

9.4.2 This is a matter of record that the GOP enhanced the daily rates both (special & normal) for the employees from grade 1-16, by an average of 90% , with effect from 1st July 2010. No increase was granted for the employees from grade 17 and above. Again the same has been raised on 17th August , 2012. This time it has also been increased for all the employees, starting from Grade 1 – 22, whereby the major rate increase is with respect to Grade 17 and above.

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9.4.3 The Petitioner while requesting the Rs. 231 million for the FY 2012-13 , has not substantiated its request with any evidence or details of the actual TA claims designation wise, pertaining to the last year to justify its requested increase under this head.

9.4.4 Based on the above discussion, comparison with other DISCOs and Petitioner's actual results after the GOP's increase the Authority has decided to allow this cost to the tune of Rs. 212 million for the FY 2012-13.

9.5 **Vehicle Running Expenses**

9.5.1 The Petitioner requested Rs. 457 million under the head of Vehicle maintenance for the FY 2012-13. The actual cost on this account as per the draft accounts for the FY2011-12 is Rs. 315 million, which turns out to be 10% higher than the audited figures of the FY 2010-11. Apart from aforementioned, no further rationale or evidences has been provided by the Petitioner in order to substantiate its requested increase.

9.5.2 The matter of the fact is that the Vehicle maintenance cost is not only affected by the fuel prices but also with the variation in the number of vehicles of the Petitioner, which in turn is dependant on the distribution area of the Petitioner.

9.5.3 In view of the aforementioned arguments, available evidence/information, past trend, increasing fuel prices and comparison with other DISCOs ,the Authority has decided to allow this cost to the tune of Rs. 334 million under the head of vehicle running cost.

9.6 Other Expenses

9.6.1 The Petitioner requested Rs. 1,951 million for the FY 2012-13, pertaining to the expenses like rent, rates & taxes, power, light and water, bills collection charges, postage, telephone, office supplies, insurance expense, overhead expenses, Auditor's remuneration, NEPRA fee and charges, advertisement & publicity, provision of obsolete stores, miscellaneous expenses etc. The Petitioner has requested this amount more or less based on the average of the annual increase in the audited figures of last three financial years. Apart from aforementioned, no further rationale or evidences has been provided by the Petitioner in order to substantiate its claim. The actual Other expenses as per the draft FY 2011-12 remained as Rs. 793 million.

9.6.2 The Petitioner under the same head submitted that it has signed loan agreement with World Bank which includes Technical Assistance Component (TA) of US$ 2.64 million for Business Process Re-engineering, Foreign Training & Certification and Customized Comprehensive Training Program from LUMS. The Authority is requested to please allow said expenses for aforementioned activities during FY 2012-13.

9.6.3 The Petitioner's request with respect to World Bank Loan is neither clear nor it has substantiated it with any evidence which would enable the Authority to form its view in this regard. Further, it is also vague that while referring to USD 2.64 million the Petitioner has filed to state whether it is an expense for the year or is it going to continue over a period of time. Thus, may consider resubmitting its case in this regard.

9.6.4 In view thereof, considering the past trend and comparison with the other DISCOs, it could be observed that the request of the Petitioner on this account is not justified and needs to be rationalized. Hence, the Authority has decided to assess the cost of Rs. 863

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million on the account of Other expenses.

10. <u>Issue # 9. Whether the Other Income projected in the Tariff Petition is justified?</u>

10.1 The Petitioner has projected Rs. 4,594 million as other income for the FY 2012-13. The other income as per the draft accounts for the FY 2011-12 remained as Rs. 4,208 million. According to the information provided, the other income includes amortization of deferred credit, meter and rental income, late payment surcharge profit on bank deposit, sale of scrap, income from non-utility operations and commission on PTV fees and miscellaneous.

10.2 Here it is pertinent to mention that CPPA on various fora agitated that the Authority has been disallowing markup on delayed payments to IPPs, at CPPA level, yet on the other hand late payment surcharge recovered from the consumers is adjusted against the Distribution Margin. PEPCO requested to off-set the two markups against each other. The Authority declined the request on the grounds that each company is different legal entity and in the absence of any sale/purchase agreements between CPPA and the DISCO, passing on such cost is legally not sustainable. The Authority further directed CPPA to enter into relevant bilateral agreements no later than 15th March 2011. Subsequently, the Petitioner was again directed to sign the contract not later than 30th June, 2012. But till today no progress has been made so far in this regard.

10.3 The Authority has been deducting Other Income from the Distribution Margin of the Petitioner considering it a non – regulated Income for a DISCO. Since CPPA has not entered into sale/purchase agreement with the DISCOs therefore in the absence of such agreements the Authority is constrained to continue with previous practice. In view thereof, the Authority has decided to assess Rs. 4,594 million as Other Income which also includes late payment surcharge.

10.4 Here it is pertinent to mention that the Authority vide letter NEPRA /TRF-100/401-08 dated 15th January, 2013 , has sought comments of all the stakeholders on a draft Power Sale Agreement submitted by GEPCO . The Petitioner is directed to submit its comments on the said draft at it earliest and directs the Petitioner to sign the PSA by 31st March, 2013.

11. <u>Issue #10. Whether the request of Petitioner to allow financing cost amounting to Rs. 618 million on the debt allocated to the Petitioner by Power Holding (Pvt.) Ltd. For onward payment to CPPA, is justified?</u>

11.1 The Petitioner in its petition and during the hearing submitted that in order to cope up with the circular debt of power sector, Ministry of Finance has arranged a loan of Rs.160 billion, out of which Rs.136 billion has been disbursed by the lending institutions to Power Holding (Pvt.) Ltd. (PHL) for onward payment to CPPA to pay off the obligations towards generation companies and oil companies. Out of this disbursed amount, Rs.9.3 billion have been allocated to the Petitioner. Thus, for the FY 2012-13, the Petitioner had to pay Rs.618 million as the financing cost of its share in total loan which is calculated on its share by applying current KIBOR rate. This amount is subject to change due to fluctuation in KIBOR rates.

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11.2 The Authority has observed that almost all the XWDISCOs have requested to include financing cost in the revenue requirement for the FY 2012-13. As per XWDISCOs, the financing cost pertains to the loan procured on the direction of Federal Government to settle the liabilities towards the CPPA on account of the PPP outstanding payments. Some of the DISCOs while justifying the interest pleaded that it is due to the late determination of FPA by NEPRA. The overall loan amount to Rs. 160 billion, out of which 136 billion has been disbursed by the lending institution to the Power Holding (Pvt) Limited for onward payment to CPPA to pay off the obligations towards generation companies and oil companies.

11.3 Upon the scrutiny of the lending documents, it was revealed that the said loan was allocated to DISCOs on the basis of outstanding CPPA receivables, as on 31st December, 2011.

11.4 The supporting documents and evidences in this regard does not substantiate Petitioner's claim as if the said loan was purely procured with respect to delayed FPA payments , then they could have gone for short – term financing rather than for a period of 7 years . Further, the pertinent question in this regard is, why XWDISCOs were not pushed enough by the Owner of the Company i.e. GOP, to improve their recoveries and regulatory targets? And last but not the least, it is not clear that whether the amount of loan includes any costs which the Authority has been disallowing in the past ? The very arrangement of the loan is also debatable, whereby centrally a loan is procured and then allocated to individual DISCO. Had this been done by individually by each DISCO , the situation should have been much convincing .

11.5 Having said that, this issue highlights DISCO's genuine need for working capital (short – term financing e.g. running finance, local L/Cs etc). The Petitioner, while requesting RORB has included Rs.26,962 million as working capital requirement based on average two months cost. This amount is included as a part of RAB. The Authority after careful consideration, has come to a conclusion that the requested figure does not quantifies, its exact working capital needs on which the Authority can adjudicate and the Petitioner itself has not substantiated it with any detailed working or rationale.

11.6 Based on the discussion above, the Authority has decided to decline Petitioner's request on the present arrangement of loan but at the same time directs all the XWDISCOs (including Petitioner) to file their genuine working capital requirement needs , which may be considered in future.

12. <u>Issue # 11. Whether the claim of the Petitioner for revenue requirement is justified?</u>

12.1 Annual Revenue Requirement comprises of the following:

1. Power Purchase Price
2. Impact of T&D Losses
3. Distribution Margin
   i) O&M Expenses
   ii) Depreciation, RORB and Other Income

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4. Prior Year Adjustment

12.2 For the assessment of annual revenue requirement the each components of average tariff is discussed in detail in the succeeding paragraphs.

12.3 Power Purchase Price (PPP)

12.3.1 The Petitioner contended that the cost of electricity purchased is a "pass through item," to be recovered from the consumers through the tariff on the basis of units sold, without affecting its Distribution Margin. The petitioner has stated that its average power purchase cost (Provisional) without adjustment for losses for FY 2011-12 is expected to be Rs.9.363/kWh. The Petitioner projected as Rs.9.08/kWh for the FY 2012-13 and in order to justify it submitted a comparison of actual power purchase cost for the last three years i.e. FY 2008-09 to FY 2010-11, provisional for the FY 2011-12. The following comparison was submitted by the Petitioner ;

Description	2008-09	2009-10	2010-11	2011-12	2012-13
	Actual			Prov./Est.	Proj.
Power Purchase Cost (Mln Rs.)	82,197	113,478	125,219	164,280	167,162
Power Purchase Cost (Rs./kWh)	5.41	7.05	7.372	9.363	9.08
Power Purchase Cost (Rs./kWh) (Adjusted)	6.24	8.18	8.495	10.761	10.32

12.3.2 Here it is pertinent to mention that as per Central Power Purchasing Agency (CPPA) record, its actual unadjusted PPP for the FY 2011-12 remained around Rs. 10.04 / KWh.

12.3.3 All the power generated from different sources is procured by the Central Power Purchasing Agency (CPPA) on behalf of DISCOs at the rates as per the Power Purchase Agreements (PPAs). The overall power purchase cost constitutes a pool price which is transferred to the DISCOs according to a mechanism prescribed by the Authority and notified by the Federal Government in its Official Gazette. The Power Purchase Price for FY 2012-13 has been projected, which in turn formulates the reference values for the monthly fuel adjustments & quarterly adjustments with respect to Capacity and Transmission Charges.

12.3.4 From all the available sources i.e. hydel, thermal-gas, thermal-oil, nuclear, coal and imports, a total of , 91,293 GWh power is expected to be generated during the FY 2012-13. The estimated/projected source-wise generation and cost of electricity is given in the following table:

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Description	Generation		Energy Charges	
	GWh	Share	Rs. Million	Share
Hydel	28,047	30.72%	1,768	0.24%
Coal	66	0.07%	246	0.03%
HSD	1,854	2.03%	39,090	5.40%
Thermal - RFO	31,869	34.91%	533,815	73.80%
Thermal - Gas	23,931	26.21%	134,480	18.59%
Nuclear	4,675	5.12%	5,338	0.74%
Mixed	585	0.64%	6,139	0.85%
Import from Iran	259	0.28%	2,462	0.34%
Wind	8	0.01%	0.0306	0.00%
Total	91,293	100%	**723,340**	100%
Capacity Charge			**194,233**	
Total Generation Cost			**917,573**	

12.3.5 Here it is pertinent to mention that the aforementioned Energy charge includes variable O&M charges. But as per the revised tariff methodology, variable O&M charges would not be made part of monthly fuel adjustment and would be adjusted as part of quarterly adjustment. From the above table it is clear that 35% of total generation is expected on Residual Fuel oil (RFO) but its share in overall energy cost is to be 75%, which means that variation in generation mix and oil prices will have great impact on the cost of generation and will ultimately affect the consumer-end tariff. The RFO prices over the last year have shown an increasing trend. During the FY 2011-12, the average RFO price was projected within a range of Rs. 66,723 per metric ton to Rs. 63,000 per metric ton [excluding Sales Tax], whereby the RFO prices during the CY 2012 have touched a peak of Rs. 78,000 to 79,000 [excluding Sales Tax] per metric ton. The RFO prices in Pakistan are not only affected by the international market but also by the Pak Rupee devaluation. For the FY 2012-13, RFO prices have been assumed on an average of Rs. 74,167 per metric ton [excluding Sales Tax] after incorporating the possible determinants of RFO prices. Following the previous generation trend, approximately 2.00% generation is expected to be generated on HSD due to the ongoing shortage of gas supply. The aforementioned generation is assumed in the light of ECC decision in the matter of Sapphire, Halmore, Orient and Saif whereby one turbine of these plants would run on HSD throughout the year. For the FY 2011-12, the HSD prices are being assumed on an average of Rs. 99.23 per liter [excluding Sales Tax]. The gas prices are also revised as per the latest OGRA's notification with a cushion of expected increase.

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12.3.6 The generation cost is transferred to the DISCOs according to the Transfer Price Mechanism (TPM) as prescribed by the Authority in its decision dated 9th May, 2012 and its subsequent notification by GOP through SRO .903(I)/2011 , dated 30th September, 2011:

12.3.7 NTDC shall charge the DISCOs formed consequent to the unbundling of WAPDA (termed as XWDISCOs) and KESC, a transfer charge for procuring power from approved generating companies (termed as CPGENCOs) and its delivery to DISCOs for a billing period as under:

XTC = XCTC + XETC

Where:

XTC = Transfer charge to XWDISCOs & KESC

XCTC = Capacity Transfer Charge to XWDISCOs & KESC

XETC = Energy Transfer Charge to XWDISCOs & KESC

$$XCTC = \frac{CpGenCap + USCF}{XWD}$$

Where:

(i) CPGenCap = the summation of the capacity cost in respect of all CPGencos in Rs for a billing period minus the amount of liquidated damages received during the month.

(ii) XWD = the sum of the maximum demand of the XWDISCOs & KESC in kW recorded during a billing period at all the delivery metering points at which power is received by the XWDISCOs & KESC.

(iii) USCF = the fixed charge part of the use of system charges in Rs per kW per month.

$$XETC = \frac{CpGenE\ (Rs)}{XWUs\ (kWh)}$$

Where:

(i) CPGenE = the summation of the variable charge rate (Rs per kWh) approved for each of the CPGenCOs times the energy in kWh procured from the respective CPGENCO during the billing period.

(ii) XWUs = the summation of the energy units (kWh) recorded at the delivery metering point of all the XWDISCOs & KESC during a billing period.

Energy transfer charge shall be calculated on the basis of units delivered after adjusting target transmission losses of 2.5%. NTDC shall, for the purpose of clarity intimate to all

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DISCOs the generation part of the Transfer Charge during a billing period by deducting from the Transfer Charge the Transmission Charge or Use of System Charges.

13.3.8 According to the above mechanism Rs. 39,616 million and Rs. 3,760 million is the share of the Petitioner on account of CpGenCap and USCF respectively for the FY 2012-13. The overall fixed charges comprising of CpGenCap and USCF in the instant case work out as Rs. 43,377 million, which translate into Rs. 1,034.15/kW/month or Rs.2.540/kWh.

13.3.9 The annual PPP for the FY 2012-13 in the instant case works out as Rs. 182,198 million. With the projected purchase of 17,076 GWh for the same period the average PPP turns out to be as Rs. 10.67/ kWh (Annex – IV). On the basis of 12.00 % T&D losses, the PPP per kWh is assessed as Rs. 12.12 /kWh.

13.3.10 Considering the timing of the determination the Authority has decided to include quarterly adjustment pertaining to the first two quarters of the FY 2012-13. In the matter of Petitioner the 1st and 2nd quarters PPP adjustment works out as Rs. 1,107 million and Rs. (366) million respectively.

14. Distribution Margin (DM)

14.1 The Petitioner has requested to allow a Distribution Margin of Rs. 18,927 million for the FY 2012-13 which is inclusive of O&M Cost, Depreciation, RORB and Other income. The assessment of O&M Cost and Other Income has been done in the preceding paragraphs. The remaining two items depreciation and RORB are being discussed in the following paragraphs;

15. Depreciation

15.1 The Petitioner in its petition requested a depreciation charge of Rs. 2,412 million for the FY 2012-13 In order to make fair assessment the Authority keeps in view the investment approved by the Authority. After taking into account new investments, the Gross Fixed Assets in Operation for the FY 2012-13 will be Rs. 62,331 million. Accordingly the depreciation charge for the FY 2012-13 would be Rs. 2,015 million.

15.2 After carefully examining the relevant details and information pertaining to the deferred credit and amortization as per the accounts for the FY 2010-11 & FY2011-12, the Authority has decided to assess amortization of deferred credit to the tune of Rs. 846 million for the FY 2012-13, thus passing on the benefit to this extent to the consumers. Accordingly, the consumers would bear net depreciation of Rs. 1,169 million .

16. Return on Rate Base (RORB)

16.1 As per the Petitioner it has incorporated the Average Two Months Cost as its Working Capital Requirement in the Rate Base inline with the best financial management practices. The Petitioner has submitted the following calculation of Rate Base ;

RORB = Rate Base x WACC

Where:

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Rate Base	=	Regulatory Asset Base + Average Two Months Cost as Working Capital Requirement
Regulatory Asset Base	=	Net Fixed Assets in Operations + Additions during the year - Deferred Credits (assets not financed by LESCO)
And		
WACC	=	Weighted Average Cost of Capital has been taken as determined by NEPRA in its determination dated 10-01-2012 i.e. 11.57% (post tax).

16.2 As far the issue of working capital is concerned, it has been discussed above under Issue # 10. According to Rule 17(3)(iii) of the Tariff Standards and Procedure Rules 1998, tariffs should allow licensee a rate of return which promotes continued reasonable investment in equipment and facilities for improved and efficient service. For reliable supply of electricity the company has to be made viable for which the company should be allowed comparable return of similar business. In the earlier determination the Rate of Return allowed to the investor was the Weighted Average Cost of Capital (WACC) comprising of two components (i) cost of debt & (ii) cost of equity.

16.3 The Authority in its decision dated 10th January, 2012 decided to use post tax rate of return on which would guarantee interest payments and return on the assumed optimum capital structure of 80:20 (Debt ; Equity). For the FY 2012-13, after considering the available record, latest 10 year PIB Bond auction, and current interest rates fluctuations, decided to use the same WACC rate of 11.57% as it used last year. Here it is pertinent to mention that the Authority would reconsider WACC of the Petitioner , once it is felt that the recent KIBOR changes has attained a stabilized position or at least entered into a consolidation phase.

16.4 In the Authority's opinion the Rate of Return should be reasonable enough, sufficient to assure the confidence in the financial soundness of the utility company, and should be adequate to maintain and support its credit and enable it to raise money necessary for the proper discharge of its public service. The Authority considers that from the investor's or the company's point of view it is important that there be enough revenue not only for operating expenses but also for the capital cost of the business including the service of its debt. The Authority further considers that return to the equity owner should commensurate with the return on investment of other enterprises having comparable risks. Thus, using Post tax rate of return , the Authority has assessed Rs.2,071 million as return on rate base as per the following calculations:

Description	Rupees in Million	
	FY 2011-12 Actual	FY 2012-13 Projected
Opening fixed assets in operation	49,385	55,387
Assets Transferred during the year	6,002	6,943

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Closing Fixed Assets in Operation	**55,387**	**62,331**
Less: Accumulated Depreciation	16,604	18,619
Net Fixed Assets in operation	**38,783**	**43,712**
+ Capital Work in Progress (Closing)	3,540	4,449
Total Fixed Assets	42,323	48,161
Less: Deferred Credit	26,209	28,465
Total	**16,114**	**19,697**
Average Regulatory Assets Base		17,905
Return on Rate Base @ 11.57%		2,072

16.9 If the Petitioner is obligated to pay any tax during the FY 2012-13, this would be considered as Pass through and would be allowed on the basis of actual payments made during FY 2012-13 duly supported with verifiable documentary evidence.

16.10 Based on the assessments made in the preceding paragraphs the Revenue Requirement for the FY 2012-13 is assessed as per the following details:

1.	Power Purchase Price		Rs. 182,198 Million
	CpGenE	Rs.138,821 Million	
	CpGenCap	Rs. 39,616 Million	
	USCF	Rs. 3,760 Million	
2.	Distribution Margin		Rs. 9,878 Million
	O&M Cost	Rs. 10,385Million	
	Depreciation	Rs. 2,015Million	
	RORB	Rs. 2,072Million	
	Gross DM	Rs. 14,472Million	
	Less: Other Income	Rs. 4,594Million	
	Net DM	**Rs. 9,878Million**	
	1st Qrt PPP Adjustment	Rs. 1,107Million	
	2nd Qrt PPP Adjustment	Rs. (366)Million	
	Total PPP Adjustment		Rs. 741 Million
	Prior Year Adjustment		Rs. 17,600 Million
	Total Assessed Revenue Requirement		**Rs.210,416Million**

16.9 Based on the targeted sales of 15,027 GWh for the FY 2012-13, the Petitioner's average sale rate works out Rs. 14.0025/kWh, consisting of Rs.12.12/kWh of adjusted PPP, Rs. 0.66 /kWh of DM , PPP Adjustments for two qrts of FY 2012-13 Rs. 0.05 / kWh and Rs.1.17/Kwh of Prior Year Adjustment.

16.10 This revenue would be recovered from the consumers during the FY2012-13, through the projected units of 15,027 GWh, as per Annex – II.

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17. **Issue # 12. What are major changes in the amount of receivables depicted by projected financial statements of the Petitioner?**

17.1 Although the Authority determines Petitioner 's tariff on 100 % recovery basis but since the DISCOs receivables are directly linked to the on going issue of circular debt , the Authority has decided to discuss it in order to highlight the area of potential improvement for the Petitioner and for the sector.

17.2 The Petitioner' audited accounts for the FY 2011-12, presents Rs. 31,297 million as an overall figure of trade debtor as on 30th June, 2012. Out of these receivables Rs. 6,137 million worth of receivables are considered doubtful. During the FY 2011-12, a relatively substantial provision of Rs.2,785 million is charged. Note 5.4 of the aforementioned describe the policy for charging provision for doubtful debts according to which it is made in full against all permanently disconnected consumers and deferred /set aside balances. It further states that for active consumers, outstanding for 3-6 months , 6- 1 year 25% and 50% is charged respectively and full provision is charged against the outstanding balances for the whole year . As per PEPCO figures, as on 30th June, 2012 amount under the head of permanently disconnected consumers pertaining to the Petitioner, stands at Rs. 3,902 million. Interestingly, the Chairman LESCO, at para 8 of its letter dated 14th July, 2012 indicated the fact that in an incidence when over billing is restored and bills are revised the amount continue to appear as trade debtor. If this statement is true then the treatment of recording debtors is misrepresenting the overall debtors figure. In view thereof the Authority directs the Petitioner to get a certificate from its Auditor on the reported debtors of the company no later than 30th June, 2013.

17.3 In view of the fact the Petitioner is operating in a monopolized environment and fact that the risk of credit sales is transferred to the third party, i.e., Owner of the premises or purchaser of the property, one fails to understand the reasons of doubtful receivables. The Authority is compelled to construe that the most of the receivables appearing on the company's books are not real but are the result of manipulation to keep the level of reported losses on the lower side.

17.4 Considering the amount of Rs. 6,137 million, the Authority has decided to direct the Petitioner to come up with a concrete plan on the issue of recoveries. The Petitioner may think of outsourcing collection of these receivable to a debt colleting agency, which must be paid on only, if they collect something. But in any case, the Petitioner should submit this plan no later than 30th June 2013.

17.5 Another significant amount of Rs. 14,849 million, lies under the head of Due from associated undertakings, as subsidy receivable from GOP. The Petitioner is directed to take up the issue with GOP for the recovery of this amount and report back to the Authority before 30th June, 2013.

18. **Issue # 13. Steel Melter's Association's contention on current fuel price adjustment regime is justified?**

18.1 Steel Melters Association approached NEPRA on the subject issue. They contented that they sell their goods in a particular month and accordingly pay their electricity bills in the respective months. Once they do that they consider their transaction close for the particular

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month. The current FPA regime bounds them to pay for a month retrospectively for which their goods were already sold.

18.2 The Authority after hearing the arguments of SMA considers that the issue of retrospective recovery of FPA is highly debatable as the normal electricity bills are also paid retrospectively whereby consumers pay their bills of electricity consumption after a month. Here it is pertinent to mention that the FPA charge is made on the particular month's consumption for that particular connection. Any other option of advance billing, as was discussed in the hearing, may result in overbilling of that particular consumer and Authority cannot support a mechanism which eventually ends up a tool of harassment for consumers. . The only judicious way to recover a cost over and above monthly fuel references, is through its retrospective implementation on the particular month's consumption only. However, as per the tariff methodology in vouge, the Authority may review the monthly reference of fuel price adjustment considering any abnormal changes in fuel prices or generation mix. In view thereof, the Authority has decided to revise the references as discussed under Issue #11.

19. Summary of Directions

19.1 The summary of all the directions passed in this determination are reproduced hereunder;

- To complete installations of TOU metering by 31st March, 2013 and continue with the consumer awareness campaign in this regard.
- To expand its study of T&D losses to 11 KV and below & ~~...~~ submit the completion timelines by 31st March, 2013.
- To submit Auditor's Report with respect to excessive billing by 31st March, 2013.
- To complete the creation of Independent Post retirement benefits funds at the earliest.
- To get the reported figure of additional recruitments verified by its Auditor and if it plans to carryout replacement hiring, a certificate from the Auditor of the Petitioner certifying that the recruitment is done as replacement hiring with no additional/incremental cost impact.
- WAPDA and Others (including Petitioner) to come up clearly on the settlement modality of accumulated costs in this regard till 30th June 2012 and a way forward for the future payments of these retired employees not later than 30th June, 2013.
- To submit its comments on draft PSA at its earliest and sign the PSA not later than 31st March, 2013.
- To submit their genuine working capital requirement needs.
- To submit concrete recovery plan and issue of subsidy with GOP, no later than 30th June, 2013.
- To submit comments on TOU metering for cellular companies (issue raised by IESCO) not later than 31st March , 2013.
- To submit comments on changing terms and conditions of life line consumers, (as proposed by IESCO) not later than 31st March, 2013.

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20. ORDER

I. Lahore Electric Supply Company (LESCO) is allowed to charge its consumers' such tariff as set out in the schedule of tariff for LESCO as per Annex-III.

II. The actual variation in fuel cost component of power purchase price against the reference fuel cost component shall be adjusted on monthly basis without taking into account the T&D losses. The monthly fuel price adjustment shall be based on the actual information submitted by CPPA The adjustment shall be determined. Adjustment on account of T&D losses, variation in capacity and transmission charges will be considered quarterly.

III. The terms and conditions related to the schedule of tariff shall be those as attached to this determination as Annex-V.

IV. LESCO is allowed to charge Bulk Power Consumers through second tier authorization, if any, a use of system charge (UOSC) equal to:

i) Where only 132 kV system is involved

$$UOSC = DM \times \frac{(1-L)}{(1-0.01)} \quad Paisa/kWh$$

ii) Where only 11 kV distribution systems is involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.05)} \quad Paisa/kWh$$

iii) Where both 132 kV and 11 kV distribution systems are involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.06)} \quad Paisa/kWh$$

Distribution Margin for FY 2012-13 is set at Rs 0.6573 /kWh. 'L' will be the overall percentage loss assessment for the year set at 12.00% for the FY 2012-13.

V. The residential consumers will be given the benefit of only one previous slab.

VIII. Annex-I, III, IV &V annexed with determination is intimated to the Federal Government for notification in the official gazette under Section 31(4) of the NEPRA Act.

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Annex-I

FUEL PRICE ADJUSTMENT MECHANISM

Actual variation in fuel cost component against the reference fuel cost component for the corresponding months will be determined according to the following formula

Fuel Price variation = Actual Fuel Cost Component - Reference Fuel Cost Component

Where:

Fuel Cost Component would include Energy Charge without Variable O&M.

Fuel Price variation is the difference between actual and reference fuel cost component

Actual fuel cost component is the fuel cost component in the pool price on which the DISCOs will be charged by CPPA in a particular month; and

Reference fuel cost component is the fuel cost component for the corresponding month projected for the purpose of tariff determination as per Annex-IV of the determination;

The fuel price adjustment determined by the Authority shall be shown separately in the bill of the consumer and the billing impact shall be worked out on the basis of consumption by the consumer in the respective month.

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Annex-II

Lahore Electric Supply Company (LESCO)
Estimated Sales Revenue on the Basis of New Tariff

Description	Sales	Sales Mix	New Tariff (NEPRA)		Revenue (as per NEPRA)		
	GWh		Fixed Charge Rs./kW/Month	Variable Charge Rs./kWh	Fixed Charge Rs.Million	Variable Charge Rs.Million	Total
Residential							
Up to 50 Units	225	1.50%		4.00		900	900
For peak load requirement less than 5 kW							
01-100 Units	1914	12.74%		11.09	-	21,233	21,233
101-300 Units	2255	15.01%		14.00	-	31,571	31,571
301-700Units	910	6.05%		17.00	-	15,463	15,463
Above 700 Units	369	2.45%		18.00	-	6,637	6,637
For peak load requirement 5 kW & above	0				-	-	-
Time of Use (TOU) - Peak	34	0.23%		18.00	-	615	615
Time of Use (TOU) - Off-Peak	169	1.12%		12.50	-	2,107	2,107
Total Residential	**5,875**	**39.10%**			-	**78,526**	**78,526**
Commercial - A2							
For peak load requirement less than 5 kW	488	3.25%		18.00		8,791	8,791
For peak load requirement 5 kW & above							
Regular	209	1.39%	400.00	16.00	358	3,344	3,702
Time of Use (TOU) - Peak	89	0.59%		18.00	-	1,596	1,596
Time of Use (TOU) - Off-Peak	402	2.67%	400.00	12.50	839	5,020	5,859
Total Commercial	**1,188**	**7.90%**			**1,197**	**18,751**	**19,948**
Industrial							
B1	122	0.81%		14.50		1,768	1,768
B1 - TOU (Peak)	52	0.35%	-	18.00	-	942	942
B1 TOU (Off-peak)	262	1.75%		12.50		3,280	3,280
B2	459	3.06%	400.00	14.00	670	6,433	7,102
B2 - TOU (Peak)	162	1.08%		18.00	-	2,910	2,910
B2 - TOU (Off-peak)	874	5.82%	400.00	12.30	1,577.05	10,755	12,332
B3 - TOU (Peak)	396	2.63%		18.00		7,124	7,124
B3 - TOU (Off-peak)	3348	22.28%	380.00	12.20	3,419	40,851	44,270
B4 - TOU (Peak)	96	0.64%		18.00		1,732	1,732
B4 - TOU (Off-peak)	595	3.96%	360.00	12.10	509	7,197	7,705
Total Industrial	**6,368**	**42.37%**			**6,175**	**82,994**	**89,168**
Single Point Supply for further distribution							
C1(a) Supply at 400 Volts - less than 5 kW	1	0.01%		15.00		15	15
C1(b) Supply at 400 Volts - 5 kW and upto 500 KW	33	0.22%	400.00	14.50	26	480	507
Time of Use (TOU) - Peak	2	0.01%		18.00		33	33
Time of Use (TOU) - Off-Peak	8	0.06%	400.00	12.50	8	105	114
C2 Supply at 11, 33 kV upto & including 5000 KW	269	1.79%	380.00	14.30	215	3,847	4,063
Time of Use (TOU) - Peak	14	0.09%		18.00		245	245
Time of Use (TOU) - Off-Peak	61	0.41%	380.00	12.30	60	754	814
C3 Supply at 66 KV & above and sanctioned load above 5000 KW	55	0.37%	360.00	14.20	34	779	813
Time of Use (TOU) - Peak	0	0.00%		18.00		-	-
Time of Use (TOU) - Off-Peak	0	0.00%	360.00	12.20	-		-
Total Single Point Supply	**443**	**2.95%**			**344**	**6,259**	**6,603**
Agricultural Tube-wells - Tariff D							
Scarp	171	1.14%		14.50	-	2,486	2,486
Agricultual Tube-wells	74	0.49%	200.00	14.00	47	1,033	1,080
Time of Day (TOD) - Peak	123	0.82%		18.00		2,219	2,219
Time of Day (TOD) - Off-Peak	678	4.51%	200.00	12.20	514	8,275	8,789
Total Agricultural	**1,047**	**6.97%**			**561**	**14,014**	**14,575**
Public Lighting G	102	0.68%		15.00	-	1,523	1,523
Residential Colonies H	4	0.03%		15.00	-	65	65
Traction I	1	0.00%		15.00		8	8
Total	**15,027**	**100.000%**			**8,277**	**202,139**	**210,416**

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SCHEDULE OF ELECTRICITY TARIFFS FOR LAHORE ELECTRIC SUPPLY COMPANY (LESCO)

A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW			
i	Up to 50 Units	-	4.00	
	For Consumption exceeding 50 Units			
ii	001 - 100 Units	-	11.09	
iii	101 - 300 Units	-	14.00	
iv	301 - 700 Units	-	17.00	
v	Above 700 Units		18.00	
b)	For Sanctioned load 5 kW & above			
			Peak	Off-Peak
	Time Of Use	-	18.00	12.50

As per the Authority's decision residential consumers will be given the benefits of only one previous slab

Under tariff A-1, there shall be minimum monthly customer charge at the following rates even if no energy is consumed.

a) Single Phase Connections: Rs. 75/- per consumer per month

b) Three Phase Connections: Rs. 150/- per consumer per month

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW		18.00	
b)	For Sanctioned load 5 kW & above	400.00	16.00	
			Peak	Off-Peak
c)	Time Of Use	400.00	18.00	12.50

Under tariff A-2, there shall be minimum monthly charges at the following rates even if no energy is consumed.

a) Single Phase Connections; Rs. 175/- per consumer per month

b) Three Phase Connections: Rs. 350/- per consumer per month

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SCHEDULE OF ELECTRICITY TARIFFS
FOR LAHORE ELECTRIC SUPPLY COMPANY (LESCO)
B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
B1 (a	Up to 25 kW (at 400/230 Volts)	-		14.50
B2(a)	exceeding 25-500 kW (at 400 Volts)	400.00		14.00
	Time Of Use		Peak	Off-Peak
B1 (b)	Up to 25 KW	-	18.00	12.50
B2(b)	exceeding 25-500 kW (at 400 Volts)	400.00	18.00	12.30
B3	For All Loads up to 5000 kW (at 11,33 kV)	380.00	18.00	12.20
B4	For All Loads (at 66,132 kV & above)	360.00	18.00	12.10

For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.
For B2 consumers there shall be a fixed minimum charge of Rs. 2,000 per month.
For B3 consumers there shall be a fixed minimum charge of Rs. 50,000 per month.
For B4 consumers there shall be a fixed minimum charge of Rs. 500,000 per month.

C - SINGLE-POINT SUPPLY FOR PURCHASE IN BULK BY A [illegible]
AND MIXED LOAD CONSUMERS NOT FALLING IN [illegible]

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
C -1	For supply at 400/230 Volts			
a)	Sanctioned load less than 5 kW	-		15.00
b)	Sanctioned load 5 kW & up to 500 kW	400.00		14.50
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00		14.30
C -3(a)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00		14.20
	Time Of Use		Peak	Off-Peak
C -1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	18.00	12.50
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	18.00	12.30
C -3(b)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00	18.00	12.20

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SCHEDULE OF ELECTRICITY TARIFFS FOR LAHORE ELECTRIC SUPPLY COMPANY (LESCO)

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
D-1(a)	SCARP less than 5 kW	-		14.50
D-2	Agricultural Tube Wells	200.00		14.00
			Peak	Off-Peak
D-1(b)	SCARP and Agricultural 5 kW & above	200.00	18.00	12.20

Under this tariff, there shall be minimum monthly charges Rs.350/- per consumer per month, even if no energy is consumed.

Note:- The consumers having sanctioned load less than 5 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh
E-1(i)	Residential Supply	-	18.00
E-1(ii)	Commercial Supply	-	18.00
E-2	Industrial Supply	-	14.50

For the categories of E-1(i&ii) above, the minimum bill of the consumers shall be Rs. 50/- per day subject to a minimum of Rs.500/- for the entire period of supply, even if no energy is consumed.

F - SEASONAL INDUSTRIAL SUPPLY [illegible]

125% of relevant industrial tariff

Note:

Tariff-F consumers will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of a new connection or at the beginning of the season. Once exercised , the option remains in force for at least one year.

[illegible]

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh
	Street Lighting	-	15.00

Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

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Annex-III

SCHEDULE OF ELECTRICITY TARIFFS
FOR LAHORE ELECTRIC SUPPLY COMPANY (LESCO)
H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh
	Residential Colonies attached to industrial premises	-	15.00

I - RAILWAY TRACTION

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh
	Railway Traction	-	15.00

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LESCO Power Purchase Price

Name	July	August	September	October	November	December	January	February	March	April	May	June	Total
Units Purchased by DISCOs (GWh)	1,670	1,673	1,646	1,501	1,297	1,174	1,114	1,193	1,287	1,347	1,579	1,596	17,076

kWh

Fuel Cost Component	7.0622	7.0755	6.2493	7.4924	6.9656	7.8690	9.5849	7.8430	9.9213	9.9751	8.3697	7.5103	**7.8982**
Variable O&M	0.2185	0.2069	0.2024	0.2316	0.2240	0.2461	0.2621	0.2466	0.2512	0.2553	0.2361	0.2208	**0.2313**
CpGenCap	2.0064	1.8827	2.1229	2.3753	2.6398	3.1089	3.3812	2.7248	2.4086	2.2329	1.9863	1.7064	**2.3200**
USCF	0.1878	0.1696	0.2254	0.2191	0.2502	0.2688	0.2786	0.2574	0.2357	0.2226	0.2005	0.1792	**0.2202**
Total PPP in Rs./kWh	**9.4749**	**9.3348**	**8.8000**	**10.3184**	**10.0797**	**11.4928**	**13.5068**	**11.0718**	**12.8168**	**12.6860**	**10.7926**	**9.6167**	**10.6697**

Rs. in Million

Fuel Cost Component	11,796	11,835	10,285	11,243	9,033	9,235	10,677	9,357	12,768	13,433	13,217	11,990	**134,872**
Variable O&M	365	346	333	348	290	289	292	294	323	344	373	353	**3,950**
CpGenCap	3,351	3,149	3,494	3,565	3,423	3,649	3,767	3,251	3,100	3,007	3,137	2,724	**39,616**
USCF	314	284	371	329	324	315	310	307	303	300	317	286	**3,760**
PPP	**15,826**	**15,615**	**14,483**	**15,484**	**13,072**	**13,488**	**15,046**	**13,210**	**16,494**	**17,084**	**17,044**	**15,353**	**182,198**

It is clarified that PPP is pass through for all the DISCOs and its monthly references would continue to exist irrespective of the financial year, unless the new SOT is revised and notified by the GOP

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Annex-V

TERMS AND CONDITIONS OF TARIFF (FOR SUPPLY OF ELECTRIC POWER TO CONSUMERS BY DISTRIBUTION LICENSEES)

PART-I

GENERAL DEFINITIONS

The Company, for the purposes of these terms and conditions means Lahore Electric Supply Company (LESCO) engaged in the business of distribution of electricity within the territory mentioned in the licence granted to it for this purpose.

1. "Month or Billing Period", unless otherwise defined for any particular tariff category, means a billing month of 30 days or less reckoned from the date of last meter reading.
2. "Minimum Charge", means a charge to recover the costs for providing customer service to consumers even if no energy is consumed during the month.
3. "Fixed Charge" means the part of sale rate in a two-part tariff to be recovered on the basis of "Billing Demand" in kilowatt on monthly basis.
4. "Billing Demand" means the highest of maximum demand recorded in a month except in the case of agriculture tariff D2 where "Billing Demand" shall mean the sanctioned load.
5. "Variable Charge" means the sale rate per kilowatt-hour (kWh) as a single rate or part of a two-part tariff applicable to the actual kWh consumed by the consumer during a billing period.
6. "Maximum Demand" where applicable , means the maximum of the demand obtained in any month measured over successive periods each of 30 minutes duration except in the case of consumption related to Arc Furnaces, where "Maximum Demand" shall mean the maximum of the demand obtained in any month measured over successive periods each of 15 minutes duration.
7. "Sanctioned Load" where applicable means the load in kilowatt as applied for by the consumer and allowed/authorized by the Company for usage by the consumer.
8. "Power Factor" means the ratio of kWh to KVAh recorded during the month or the ratio of kWh to the square root of sum of square of kWh and kVARh,.
9. Point of supply means metering point where electricity is delivered to the consumer.
10. Peak and Off Peak hours for the application of Time Of Use (TOU) Tariff shall be the following time periods in a day:

	* PEAK TIMING	OFF-PEAK TIMING
Dec to Feb (inclusive)	5 PM to 9 PM	Remaining 20 hours of the day
Mar to May (inclusive)	6 PM to 10 PM	-do-
June to Aug (inclusive)	7 PM to 11 PM	-do-
Sept to Nov (inclusive)	6 PM to 10 PM	-do-

* To be duly adjusted in case of day light time saving

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11. "Supply", means the supply for single-phase/three-phase appliances inclusive of both general and motive loads subject to the conditions that in case of connected or sanctioned load exceeding 4 kW supply shall be given at three-phase.

12. "Consumer" means a person of his successor-in-interest as defined under Section 2(iv) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

13. "Charitable Institution" means an institution, which works for the general welfare of the public on no profit basis and is registered with the Federal or Provincial Government as such and has been issued tax exemption certificate by Federal Board of Revenue (FBR).

14. NTDC means the National Transmission and Dispatch Company.

15. CPPA means Central Power Purchasing Agency (CPPA).

16. The "Authority" means "The National Electric Power Regulatory Authority (NEPRA)" constituted under the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

GENERAL CONDITIONS

1. "The Company shall render bills to the consumers on a monthly basis or less on the specific request of a consumer for payment by the due date.
2. The Company shall ensure that bills are delivered to consumers at least seven days before the due date. If any bill is not paid by the consumer in full within the due date, a Late Payment Surcharge of 10% (ten percent) shall be levied on the amount billed excluding Govt. tax and duties etc. In case bill is not served at least seven days before the due date then late payment surcharge will be levied after 7^{th} day from the date of delivery of bill.
3. The supply provided to the consumers shall not be available for resale.
4. In the case of two-part tariff average Power Factor of a consumer at the point of supply shall not be less than 90%. In the event of the said Power factor falling below 90%, the consumer shall pay a penalty of two percent increase in the fixed charges determined with reference to maximum demand during the month corresponding to one percent decrease in the power factor below 90%.

PART-II

(Definitions and Conditions for supply of power specific to each consumer category)

A-1 RESIDENTIAL AND GENERAL SERVICES

1. This Tariff is applicable for supply to;

i) Residences,
ii) Places of worship,
iii) Approved religious and charitable institutions,
iv) Government and Semi-Government Offices and institutions,
v) Government Hospitals and Dispensaries,
vi) Educational institutions.

2. Consumers having sanctioned load less than 5 kW shall be billed on single-part kWh rate i.e. A-1 (a) tariff.

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3. All new consumers having sanctioned load 5 kW and above shall be provided T.O.U metering arrangement and shall be billed on the basis of tariff A-I(b) as set out in the Schedule of Tariff.
4. All existing consumers having sanctioned load 5 kW and above shall be provided T.O.U metering arrangement and converted to A- 1(b) Tariff by the Company no later than 31st March, 2013.

A-2 COMMERCIAL

1. This tariff is applicable for supply to commercial offices and commercial establishments such as:

    i) Shops,
    ii) Hotels and Restaurants,
    iii) Petrol Pumps and Service Stations,
    iv) Compressed Natural Gas filling stations,
    v) Private Hospitals/Clinics/Dispensaries,
    vi) Places of Entertainment, Cinemas, Theaters, Clubs;
    vii) Guest Houses/Rest Houses,
    viii) Office of Lawyers, Solicitors, Law Associates and Consultants etc.

2. Consumers under tariff A-2 having sanctioned load of less than 5 kW shall be billed under a Single-Part kWh rate A-2(a)
3. All existing consumers under tariff A-2 having sanctioned load 5 kW and above shall be billed on A-2(b) tariff till such time that they are provided T.O.U metering arrangement; thereafter such consumers shall be billed on T.O.U tariff A-2(c).
4. The existing and prospective consumers having load of 5 kW and above can opt for T.O.U metering arrangement and A-2(c) tariff.
5. All existing consumers under tariff A-2 shall be provided T.O.U metering arrangement by the Company-and converted to-A-2 (c) Tariff no later than 31st March 2013.
6. All new connections having load requirement 5 kW and above shall be provided T.O.U meters and shall be billed under tariff A-2(c).

B INDUSTRIAL SUPPLY

Definitions

1. "Industrial Supply" means the supply for bona fide industrial purposes in factories including the supply required for the offices and for normal working of the industry and also for water pumps and tube-wells operating on three phase 400 volts, other than those meant for the irrigation or reclamation of agricultural land.
2. For the purposes of application of this tariff an "Industry" means a bona fide undertaking or establishment engaged in manufacturing, value addition and/or processing of goods.
3. This Tariff shall also be available for consumers having single-metering arrangement such as;

    i) Poultry Farms
    ii) Fish Hatcheries and Breeding Farms and
    iii) Software houses

Conditions

An industrial consumer shall have the option, to switch over to seasonal Tariff-F, provided his connection is seasonal in nature as defined under Tariff-F, and he undertakes to abide by the terms and conditions of Tariff-F and pays the difference of security deposit rates previously deposited and those applicable to tariff-F at the time of acceptance of option for

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seasonal tariff. Seasonal tariff will be applicable from the date of commencement of the season, as specified by the customers at the time of submitting the option for Tariff-F. Tariff-F consumers will have the option to convert to corresponding Regular Industrial Tariff category and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised. the option will remain in force for at least one year

B -1 SUPPLY AT 400 VOLTS THREEPHASE AND/OR 230 VOLTS SINGLE PHASE

1. This tariff is applicable for supply to Industries having sanctioned load upto a 25 kW.
2. Consumers having sanctioned load less than 25 kW shall be billed on single-part kWh rate.

B-2 SUPPLY AT 400 VOLTS

1. This tariff is applicable for supply to Industries having sanctioned load of more than 25 kW up to and including 500 kW.
2. All existing consumers under tariff B-2 shall be provided T.O.U metering arrangement by the Company and converted to B-2(b) Tariff no later than 31st March, 2013.
3. All new applicants i.e. prospective consumers applying for service to the Company shall be provided T.O.U metering arrangement and charged according to the applicable T.O.U tariff.

B-3 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable for supply to Industries having sanctioned load of more than 500 kW up to and including 5000 kW and also for Industries having sanctioned load of 500 kW or below who opt for receiving supply at 11 kV or 33 kV.
2. If, for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.
4. All B-3 Industrial Consumers shall be billed on the basis of T.O.U tariff given in the Schedule of Tariff.

B-4 SUPPLY AT 66 kV, 132 kV AND ABOVE

1. This tariff is applicable for supply to Industries for all loads of more than 5000 kW receiving supply at 66 kV, 132 kV and above and also for Industries having load of 5000 kW or below who opt to receive supply at 66 kV or 132 kV and above.
2. If, for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. If the Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building,

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Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.

4. All B-4 Industrial Consumers shall be billed on the basis of two-part T.O.U tariff.

C SINGLE POINT (SINGLE-METERING) SUPPLY

"Single-Point Supply" for the purpose of this Tariff, means the supply given at one point:

i) To a licensee converted from a bulk supply status (who was procuring power from LESCO as a consumer prior to grant of license to LESCO) for the purpose of further distribution within its respective exclusive territory and jurisdiction.

ii) To a mix-load consumer not reselling to any other consumer such as residential, commercial, tube-well and others.

General Conditions

If, for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days no notice will be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days the fixed charges shall be assessed on proportionate basis for actual number of days between the date of old reading and the new reading.

C-I SUPPLY AT 400/230 VOLTS

1. This Tariff is applicable to a consumer having mix-load at a single metering arrangement at 400 volts, having sanctioned load of up to and including 500 kW.
2. Consumers having sanctioned load less than 5 kW shall be billed on single-part kWh rate i.e. C-I(a) tariff'.
3. All new consumers having sanctioned load 5 kW and above shall be provided T.O.U metering arrangement and shall be billed on the basis of Time-of-Use (T.O.U) tariff C-1(c) given in the Schedule of Tariff.
4. All the existing consumers governed by this tariff having sanctioned load 5 kW and above shall be provided T.O.U metering arrangements by 31st March, 2013.

C-2 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable to consumers receiving supply at 11 kV or 33 kV at one-point metering arrangement and having sanctioned load of up to and including 5000 kW.
2. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.
3. All new consumers shall be provided TOU metering arrangement and shall be billed on the basis of tariff C-2(b) as set out in the Schedule of Tariff.
4. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-2(b) by 31st March, 2013.

C-3 SUPPLY AT 66 kV AND ABOVE

1. This tariff is applicable to consumers having sanctioned load of more than 5000 kW receiving supply at 66 kV and above.
2. If the Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be

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available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.

3. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-3(b) by 31st March, 2013.
4. All new consumers shall be provided TOU metering arrangement and shall be billed on the basis of tariff C-3(b) as set out in the Schedule of Tariff.

D AGRICULTURAL SUPPLY

"Agricultural Supply" means the supply for Lift Irrigation Pumps and/or pumps installed on Tube-wells intended solely for irrigation or reclamation of agricultural land or forests, and include supply for lighting of the tube-well chamber.

Special Conditions of Supply

1. This tariff shall apply to:
   - i) Reclamation and Drainage Operation under Salinity Control and Reclamation Projects (SCARP):
   - ii) Bona fide forests, agricultural tube-wells and lift irrigation pumps for the irrigation of agricultural land.
   - iii) Tube-wells meant for aqua-culture, viz. fish farms, fish hatcheries and fish nurseries.
   - iv) Tube-wells installed in a dairy farm meant for cultivating crops as fodder and for upkeep of cattle.
2. If, for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The lamps and fans consumption in the residential quarters, if any, attached to the tube-wells shall be charged entirely under Tariff A-1 for which separate metering arrangements should be installed.
4. The supply under this Tariff shall not be available to consumer using pumps for the irrigation of parks, meadows, gardens, orchards, attached to and forming part of the residential, commercial or industrial premises in which case the corresponding Tariff A-1, A-2 or Industrial Tariff B-1, B-2 shall be respectively applicable.

D-1 (a)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation having sanctioned load of less than 5 kW.
2. Consumers having sanctioned load less than 5 kW shall be billed on single-part kWh rate i.e. D-1(a) tariff given in the Schedule of Tariff.

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D-1 (b)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation and other consumers falling under Agriculture Supply having sanctioned load of 5 kW and above.
2. All new consumers having sanctioned load 5 kW and above shall be provided TOU metering arrangement and shall be charged on the basis of Time-of- Use (T.O.U) tariff D- 1(b) given in the Schedule of Tariff.
3. All the existing consumers having sanctioned load 5 kW and above shall be provided T.O.U metering arrangements by 31st March, 2013 and shall be governed by D-1(a) for SCARP and D2 for Agricultural Supply, till that time.

D-2

1. This tariff is applicable to consumers falling under Agriculture Supply having sanctioned load less than 5 kW excluding SCARP related installations.
2. The fixed charges under this Tariff shall be recovered on the basis of sanctioned load in kilowatt as the billing demand and such charges will be applicable even if no energy is consumed during a month.

E -1 TEMPORARY RESIDENTIAL/COMMERCIAL SUPPLY

Temporary Residential/Commercial Supply means a supply given to persons temporarily on special occasions such as ceremonial, religious gatherings, festivals, fairs, marriages and other civil or military functions. This also includes supply to touring cinemas and persons engaged in construction works for all kinds of single phase loads. For connected load exceeding 4 kW, supply may be given at 400 volts (3 phase) to allow a balanced distribution of load on the 3 phases. Normally, temporary connections shall be allowed for a period of 3 months which can be extended on three months basis subject to clearance of outstanding dues.

Special Conditions of Supply

1. This tariff shall apply to Residential and Commercial consumers for temporary supply.
2. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.

E -2 TEMPORARY INDUSTRIAL SUPPLY

"Temporary Industrial Supply" means the supply given to an Industry for the bonafide purposes mentioned under the respective definitions of "Industrial Supply", during the construction phase prior to the commercial operation of the Industrial concern.

SPECIAL CONDITIONS OF SUPPLY

1. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.
2. Normally, temporary connections shall be allowed for a period of 3 months, which may be extended on three months basis subject to clearance of outstanding dues.

F SEASONAL INDUSTRIAL SUPPLY

"Seasonal Industry" for the purpose of application of this Tariff, means an industry which works only for part of the year to meet demand for goods or services arising during a particular season of the year. However, any seasonal industry running in combination with

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one or more seasonal industries, against one connection, in a manner that the former works in one season while the latter works in the other season (thus running throughout the year) will not be classified as a seasonal industry for the purpose of the application of this Tariff.

Definitions

1. "Year" means any period comprising twelve consecutive months.
2. All "Definitions" and "Special Conditions of Supply" as laid down under the corresponding Industrial Tariffs shall also form part of this Tariff so far as they may be relevant.

Special Conditions of Supply

1. This tariff is applicable to seasonal industry.
2. Fixed Charges per kilowatt per month under this tariff shall be levied at the rate of 125% of the corresponding regular Industrial Supply Tariff Rates and shall be recovered only for the period that the seasonal industry actually runs subject to minimum period of six consecutive months during any twelve consecutive months. The condition for recovery of Fixed Charges for a minimum period of six months shall not, however, apply to the seasonal industries, which are connected to the Company's Supply System for the first time during the course of a season.
3. The consumers falling within the purview of this Tariff shall have the option to change over to the corresponding industrial Supply Tariff, provided they undertake to abide by all the conditions and restrictions, which may, from time to time, be prescribed as an integral part of those Tariffs. The consumers under this Tariff will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised, the option will remain in force for at least one year.
4. All seasonal loads shall be disconnected from the Company's Supply System at the end of the season, specified by the consumer at the time of getting connection, for which the supply is given. In case, however, a consumer requires running the non-seasonal part of his load (e.g., lights, fans, tube-wells, etc.) throughout the year, he shall have to bring out separate circuits for such load so as to enable installation of separate meters for each type of load and charging the same at the relevant Tariff.
5. Where a "Seasonal Supply" consumer does not come forward to have his seasonal industry re-connected with the Company's Supply System in any ensuing season, the service line and equipment belonging to the Company and installed at his premises shall be removed after expiry of 60 days of the date of commencement of season previously specified by the consumer at the time of his obtaining new connection/re-connection. However, at least ten clear days notice in writing under registered post shall be necessary to be given to the consumer before removal of service line and equipment from his premises as aforesaid, to enable him to decide about the retention of connection or otherwise. No Supply Charges shall be recovered from a disconnected seasonal consumer for any season during which he does not come forward to have his seasonal industry re-connected with the Company's Supply System.

G PUBLIC LIGHTING SUPPLY

"Public Lighting Supply" means the supply for the purpose of illuminating public lamps.

Definitions

"Month" means a calendar month or a part thereof in excess of 15 days.

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Special Conditions of Supply

The supply under this Tariff shall be used exclusively for public lighting installed on roads or premises used by General Public.

H RESIDENTIAL COLONIES ATTACHED TO INDUSTRIES

This tariff is applicable for one-point supply to residential colonies attached to the industrial supply consumers having their own distribution facilities.

Definitions

"One Point Supply" for the purpose of this Tariff, means the supply given by one point to Industrial Supply Consumers for general and domestic consumption in the residential colonies attached to their factory premises for a load of 5 Kilowatts and above. The purpose is further distribution to various persons residing in the attached residential colonies and also for perimeter lighting in the attached residential colonies.

"General and Domestic Consumption", for the purpose of this Tariff, means consumption for lamps, fans, domestic applications, including heated, cookers, radiators, air-conditioners, refrigerators and domestic tube-wells.

"Residential Colony" attached to the Industrial Supply Consumer, means a group of houses annexed with the factory premises constructed solely for residential purpose of the bonafide employees of the factory, the establishment or the factory owners or partners, etc.

Special Conditions of Supply

The supply under this Tariff shall not be available to persons who meet a part of their requirements from a separate source of supply at their premises.

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Annex – VI

List of Interested / Affected Parties to send the Notices of Admission /Hearing Regarding Tariff Petition filed by Lahore Electric Supply Co. Ltd. (LESCO) for the Determination of its Consumer-end Tariff Pertaining to the FY 2012-13

*****

A. Secretaries of various Ministries

1. Secretary
   Cabinet Division
   Cabinet Secretariat
   Islamabad

2. Secretary
   Ministry of Industries & Production
   'A' Block, Pak Secretariat
   Islamabad

3. Secretary
   Ministry of Water & Power
   'A' Block, Pak Secretariat
   Islamabad

4. Secretary
   Ministry of Finance
   'Q' Block, Pak Secretariat
   Islamabad

5. Secretary
   Ministry of Commerce
   A-Block, Pak Secretariat
   Islamabad

6. Secretary
   Privatization Commission
   EAC Building
   Islamabad

7. Secretary
   Planning and Development Division
   'P' Block, Pak Secretariat
   Islamabad

8. Secretary
   Ministry of Petroleum & Natural Resources
   `A` Block, Pak Secretariat
   Islamabad

9. Secretary
Irrigation & Power Department
Govt. of Punjab
Near Old Anarkali,
Lahore

10. Director General
National Tariff Commission
Ministry of Commerce
State Life Building No. 5,
Blue Area Islamabad

B. <u>Chambers of Commerce and Industry & General Public</u>

1. President
The Federation of Pakistan
Chamber of Commerce and Industry
Federation House, Main Clifton
Karachi – 5675600

2. Chief Capital Office
The Federation of Pakistan
Chamber of Commerce & Industry
Aiwan-e-Sanat-o-Tijarat Road,
Sector G-8/1, Islamabad.

3. President
Lahore Chamber of Commerce & Industry
11, Shahrah-e-Awan-e-Tijarat
Lahore

4. President
Senior Citizen Foundation of Pakistan
5-P, Markaz G-7, Sitara Market
Islamabad

5. SHEHRI
206-G, Block – 2, P.E.C.H.S
Karachi – 75400

6. Chairman
All Pakistan Textile Mills Association (APTMA)
APTMA House, 44-A, Lalazar P.O. Box 5446
Moulvi Tamizuddin Khan Road
Karachi

7. Secretary
All Pakistan Textile Mills Association (APTMA)
97-A, Aziz Avenue,
Canal Bank Off Gulberg Road,
Lahore

8. Textile Working Group
30/7, Behind State Bank, Civil Lines,
Faisalabad.

9. Textile Working Group
97-A, Aziz Avenue, Canal Bank off Gulberg Road,
Lahore

10. Chairman
Pakistan Cotton Ginners Association, Karachi
1119-1120, 11th Floor, Uni Plaza,
I.I. Chundrigar Road,
Karachi.

11. Secretary
All Pakistan Textile Processing Mills Assocaition (APTPMA)
213 Main Susan Road
1st Floor, Ibrahim Plaza
Madina Town,
Faisalabad

12. All Pakistan CNG Association
Suite No. 6, 2nd Floor
Al-Mustafa Centre
Near Chandni Chowk,
Rawalpindi

C. <u>Heads of Various Organizations</u>

1. Managing Director
Pakistan Electric Power Company (PEPCO)
721-WAPDA House
Shahrah-e-Quaid-e-Azam
Lahore

2. Chief Operating Officer
CPPA
Room 107 WAPDA House
Shaharah-e-Qauid-e-Azam
LAHORE

3. Managing Director
Private Power and Infrastructure Board (PPIB)
House No. 50, Sector F-7/4
Nazimuddin Road
Islamabad

.
4 President
Institute of Electrical & Electronics Engineers of Pakistan (IEEEP)
4 – Lawrence Road
Lahore

5. President
The Institute of Engineers Pakistan
IEP Roundabout Engineering Centre
Gulberg – III
Lahroe – 54660

6. Chairman
Pakistan Engineering Council
Attaturk Avenue (East), G-5/2
Islamabad

D. Member Power WAPDA

1. Member Power
WAPDA
738 – WAPDA House
Shahra-e-Quaid-e-Azam
Lahore

E. Petitioner

1. Chief Executive Officer,
Lahore Electric Supply Company (LESCO)
22-A, Queens Road,
Lahore

The News

04-07-12

National Electric Power Regulatory Authority (NEPRA)

NOTICE OF ADMISSION / PUBLIC HEARING

PETITION FILED BY LAHORE ELECTRIC SUPPLY COMPANY LIMITED (LESCO) FOR THE DETERMINATION OF ITS CONSUMER-END TARIFF PERTAINING TO THE FY 2012-13

All stakeholders, interested/affected persons and the general public are notified that Lahore Electric Supply Company Ltd. (LESCO) has filed a petition with the National Electric Power Regulatory Authority (NEPRA) for the determination of its consumer-end tariff pertaining to the FY 2012-13

SALIENT FEATURES OF THE PETITION

The petitioner has prayed for determination of tariff for the Financial Year 2012 13 approval of Distribution Margin @ Rs 1 17/kWh, Investment for Rs 14 906 million line losses @ 12 %, the Sales Growth for the FY 2012 13 has been projected as 16 197 GWh as compared to the actual sales of 14 741 GWh of FY 2010 11. The Power Purchase Cost has been estimated as Rs 167 162 million or Rs 10 32 [illegible]

Description	Requested Tariff for the FY 2012-13		NEPRA Determined Tariff Pertaining to the FY 2011-12	
	Fixed Charges Rs./kW/M	Var. Charges Rs./kWh	Fixed Charges Rs./kW/M	Var. Charges Rs./kWh
Residential				
Up to 50 Units		3.00		3.00
For peak load requirement less than 5 kW				
01-100 Units		9.27		11.43
101-300 Units		10.50		12.66
301-700 Units		13.50		15.66
Above 700 Units		15.50		17.66
For peak load requirement 5 kW & above				
Time of Day (TOD) - Peak		15.00		17.16
Time of Day (TOD) Off-Peak		9.50		11.66
Total Residential				
Commercial - A2				
For sanctioned load requirement less than 5 kW		15.00		17.79
For sanctioned load 5 kW & above				
Regular	400	14.50	400	16.66
Time of Day (TOD) - Peak	400	15.00	400	17.16
Time of Day (TOD) - Off-Peak	400	9.50	400	11.66
Total Commercial				
Industrial				
B1		11.50		13.66
B1 TOD (Peak)		15.00		17.16
B1 TOD (Off peak)		9.50		11.66
B2	400	10.00	400	12.16
B2 - TOD (Peak)	400	15.00	400	17.16
B2 - TOD (Off peak)	400	9.30	400	11.46
B3 - TOD (Peak)	380	14.70	380	16.86
B3 - TOD (Off peak)	380	9.20	380	11.36
B4 - TOD (Peak)	360	14.50	360	16.66
B4 - TOD (Off-peak)	360	9.10	360	11.26
Total Industrial				
Single Point Supply for further distribution				
C1(a) Supply at 400 Volts - less than 5kW		12.00		14.16
C1(b) Supply at 400 Volts - 5kW & upto 500 kW	400	11.00	400	13.16
Time of Day (TOD) - Peak	400	15.00	400	17.16
Time of Day (TOD) Off Peak	400	9.30	400	11.46
C2 Supply at 11 kV	380	11.00	380	13.16
Time of Day (TOD) Peak	380	14.70	380	16.86
Time of Day (TOD) - Off-Peak	380	9.20	380	11.36
C3 Supply above 11 kV	360	11.00	360	13.16
Time of Day (TOD) - Peak	360	14.50	360	16.66
Time of Day (TOD) - Off-Peak	360	9.10	360	11.26
Total Single Point Supply				
Agricultural Tube-wells - Tariff D				
D 1 (a) Scarp		10.00		12.16
D 2 Agricultural Tube wells	200	8.00	200	10.16
D 1 (b) Time of Day (TOD) - Peak	200	14.50	200	16.66
D 1 (b) Time of Day (TOD) Off-Peak	200	9.10	200	11.26
Total Agricultural				
G - Public Lighting		14.50		16.66
H - Residential Colonies		13.50		15.66
I Railway Traction		12.50		14.66

2 In terms of rule 6 of NEPRA (Tariff Standards & Procedures) Rules 1998 any interested person who desires to participate in the proceedings may file an intervention request within seven days from the date of publication of this notice. Such intervention request shall state the name and address of the person filing the same, objections and the manner in which such person is or is likely to be substantially and specifically affected by any determination in the proceedings. The intervention request may also contain the contentions of the person making the same, the relief sought and the evidence, if any, in support of the case. In the intervention request the intervener may specifically admit, deny or explain the facts stated in the petition and may also state additional facts which are relevant and necessary for reaching a just and informed decision in the proceedings. The intervention request shall be signed, verified and supported by means of an affidavit in the same manner as in the case of the petition. The intervener shall also serve a copy of the intervention request duly attested as true copy on the petitioner or his authorized representative and the petitioner may file a rejoinder to the intervention request which shall be filed before the commencement of the hearing

3 Any person may also file the comments in the maner within 7 days of the publication and the Authority, if deemed fit, may permit participation of such person into the proceedings and also may consider those comments in the final determination

4 All stakeholders and interested / affected persons are also informed that in order to arrive at a just and informed decision, the Authority has also decided to hold a hearing in the subject matter according to the date, time and venue as mentioned below

Date.	July 19, 2012 (Thursday)
Time:	10 30 a.m.
Venue	Lahore Chambers of Commerce & Industry Shahra-e-Aiwan-e-Tijarat, P.O Box 597, Lahore

All communications should be addressed to

Registrar NEPRA

2nd Floor, OPF Building, Shahrah-e-Jamhuriat, G-5/2, Islamabad.

Phone 051 920 7200 Fax 051 921 0215 E mail office@nepra.org.pk

National Electric Power Regulatory Authority

Ack No

Date

[illegible] No 027/2012

Express
04/07/12

نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (نیپرا)

نوٹس پذیرائی / عوامی شنوائی

لاہور الیکٹرک سپلائی کمپنی لمیٹڈ (لیسکو) کی طرف سے برائے مالی سال 13-2012 سے متعلق اپنے کنزیومر اینڈ ٹیرف کے تعین کیلئے دائر کردہ درخواست

تمام ہم سٹیک ہولڈرز / خواہشمند / متاثرہ افراد اور عوام الناس کو مطلع کیا جاتا ہے کہ لاہور الیکٹرک سپلائی کمپنی لمیٹڈ (لیسکو) نے مالی سال 13 2012 سے متعلق اپنے کنزیومر اینڈ ٹیرف (Consumer-End Tariff) کے تعین کے سلسلہ میں نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (نیپرا) کے پاس درخواست دائر کی ہے۔

درخواست کے نمایاں پہلو:

1- درخواست گزار نے مالی سال 13 2012 کے لیے ٹیرف کے تعین، بشمول ڈسٹری بیوشن مارجن بحساب 1.17/kWh روپے کی منظوری، سرمایہ کاری 14,906 ملین روپے، لائن لاسز بحساب 12% (Line Losses @ 12%)، مالی سال 11-2010 کی حقیقی سیلز جو کہ 14,741GWh تھی سے موازنہ کرتے ہوئے مالی سال 13 2012 کے لیے سیلز میں متوقع اضافہ یعنی 16,197GWh کی استدعا کی ہے۔ بجلی کی خریداری کی لاگت کا تخمینہ 167,162 ملین روپے لگایا گیا ہے یا 10.32 روپے اپلائی شدہ اور جب کہ درج ذیل کے لحاظ سے 13.16kWh پر اوسط سیلز ریٹ ٹیرف۔

Description	Requested Tariff for the FY 2012-13		NEPRA Determined Tariff Pertaining to the FY 2011-12	
	Fixed Charges Rs./kW/M	Var. Charges Rs./kWh	Fixed Charges Rs./kW/M	Var. Charges Rs./kWh
Residential				
Up to 50 Units		3.00		3.00
For peak load requirement less than 5 kW				
01-100 Units		9.27		11.43
101-300 Units		10.50		12.66
301-700 Units		13.50		15.66
Above 700 Units		15.50		17.66
For peak load requirement 5 kW & above				
Time of Day (TOD) - Peak		15.00		17.16
Time of Day (TOD) - Off-Peak		9.50		11.66
Total Residential				
Commercial - A2				
For sanctioned load requirement less than 5 kW		15.00		17.79
For sanctioned load 5 kW & above				
Regular	400	14.50	400	16.66
Time of Day (TOD) - Peak	400	15.00	400	17.16
Time of Day (TOD) - Off-Peak	400	9.50	400	11.66
Total Commercial				
Industrial				
B1		11.50		13.66
B1 - TOD (Peak)		15.00		17.16
B1 - TOD (Off-peak)		9.50		11.66
B2	400	10.00	400	12.16
B2 - TOD (Peak)	400	15.00	400	17.16
B2 - TOD (Off-peak)	400	9.30	400	11.46
B3 - TOD (Peak)	380	14.70	380	16.86
B3 - TOD (Off peak)	380	9.20	380	11.36
B4 - TOD (Peak)	360	14.50	360	16.66
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Total Industrial				
Single Point Supply for further distribution				
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Time of Day (TOD) - Peak	400	15.00	400	17.16
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Time of Day (TOD) - Peak	380	14.70	380	16.86
Time of Day (TOD) - Off-Peak	380	9.20	380	11.36
C3 Supply above 11 kV	360	11.00	360	13.16
Time of Day (TOD) - Peak	360	14.50	360	16.66
Time of Day (TOD) - Off-Peak	360	9.10	360	11.26
Total Single Point Supply				
Agricultural Tube-wells - Tariff D				
D 1 (a) Scarp		10.00		12.16
D 2 Agricultural Tube-wells	200	8.00	200	10.16
D 1 (b) Time of Day (TOD) Peak	200	14.50	200	16.66
D 1 (b) Time of Day (TOD) - Off Peak	200	9.10	200	11.26
Total Agricultural				
G - Public Lighting		14.50		16.66
H - Residential Colonies		13.50		15.66
I - Railway Traction		12.50		14.66

2- نیپرا (ٹیرف سٹینڈرڈز اینڈ پروسیجرز) رولز 1998 کے قاعدہ 6 کی رو سے اگر کوئی خواہش مند فرد جو کہ اس کارروائی میں شرکت کرنا چاہتا ہو تو وہ نوٹس ہذا کی اشاعت کی تاریخ سے سات (07) یوم کے اندر مداخلت کی درخواست (Intervention Request) داخل کرے۔ ایسی مداخلتی درخواست میں درخواست داخل کرنے والے شخص کا نام اور پتہ، اعتراضات اور تعین کی کارروائی کے دوران ایسا شخص کس طرح سے کافی حد تک اور خاص طور پر متاثر ہو سکتا ہے کی تفصیل درج ہونی چاہیے۔ مداخلتی درخواست میں اس امر کا بھی ذکر ہونا چاہیے کہ جس شخص نے درخواست دی ہے وہ کس طرح کی رعایت کا خواہاں ہے اور کیس کی تائید میں کوئی ثبوت (اگر کوئی ہو) پر مشتمل ہونی چاہیے۔ مداخلتی درخواست میں مداخلت کار خاص طور پر اس کو تسلیم کر سکتا ہے، مسترد کر سکتا ہے یا درخواست میں بیان کردہ حقائق کی وضاحت کر سکتا ہے یا اضافی حقائق بیان کر سکتا ہے جو کہ کارروائی کے دوران ایک منصفانہ اور معلومات پر مبنی فیصلہ پر پہنچنے کے لیے اس سے متعلقہ اور ضروری ہوں۔ مداخلت کی درخواست باقاعدہ دستخط اور توثیق شدہ ہو اور اس کے ساتھ ایک حلف نامہ بھی دیا جانا چاہیے جیسا کہ ایسی درخواست کی صورت میں ہوتا ہے۔ مداخلت کار، مداخلتی درخواست کی ایک نقل جو کہ درخواست گزار یا اس کے مجاز نمائندے پر طور اصل تصدیق شدہ ہو مہیا کرے گا اور درخواست گزار مداخلتی درخواست کیلئے جواب الجواب داخل کرے گا جو کہ سماعت کے آغاز سے قبل داخل کرایا جانا چاہیے۔

3- کوئی بھی شخص اس معاملہ میں اشتہار کی اشاعت کے سات (07) یوم کے اندر اپنی آراء بھی داخل کرا سکتا ہے۔ اگر اتھارٹی نے انہیں مناسب سمجھا تو ایسے شخص کو کارروائی میں شامل ہونے کی اجازت دے سکتی ہے اور ایسی آراء / تبصرے کو حتمی فیصلہ / تعین کے سلسلہ میں زیر غور بھی لا سکتی ہے۔

4- تمام ہم سٹیک ہولڈرز اور دلچسپی رکھنے والے متاثرہ افراد کو مطلع کیا جاتا ہے کہ ایک منصفانہ اور معلومات پر مبنی فیصلہ پر پہنچنے کے لیے اتھارٹی نے مندرجہ ذیل تاریخ، وقت اور مقام کے مطابق عنوان بالا معاملہ میں سماعت کا فیصلہ بھی کیا ہے۔

مورخہ 19 جولائی 2012 (بروز جمعرات) **وقت** صبح 10:30 بجے

مقام لاہور چیمبرز آف کامرس اینڈ انڈسٹری، شاہراہ ایوان تجارت، پی۔او۔بکس 597، لاہور

تمام خط و کتابت مندرجہ ذیل کی جائے

رجسٹرار نیپرا

سیکنڈ فلور، او پی ایف بلڈنگ، شاہراہ جمہوریت، G-5/2، اسلام آباد

فون 051-9207200 فیکس 051-9210215 ای میل office@nepra.org.pk

* یہ معلومات اور درخواست نیپرا کی ویب سائٹ www.nepra.org.pk پر بھی دستیاب ہیں

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