



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-100/11649-11651

July 5, 2022

Subject: Decision of the Authority regarding Discontinuation of Incentive Package announced by the Prime Minister regarding reduction in price of Electricity

Dear Sir,

Please find enclosed herewith subject Decision of the Authority (02 Pages) in the matter of Discontinuation of Incentive Package announced by the Prime Minister regarding reduction in price of Electricity.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above


(Syed Safer Hussain)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat
Islamabad

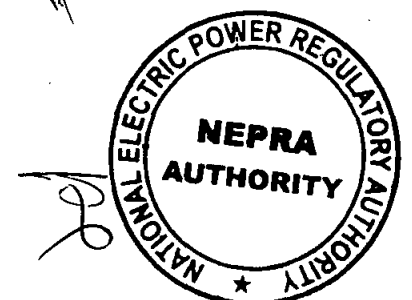
CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

**DECISION OF THE AUTHORITY REGARDING DISCONTINUATION OF INCENTIVE
PACKAGE ANNOUNCED BY THE PRIME MINISTER REGARDING REDUCIION IN
PRICE OF ELECTRICITY**

1. The Authority vide decision dated 18.03.2022, on the request of the Ministry of Energy dated 18.03.2022, approved the relief package announced by the Prime Minister whereby a reduction of Rs.5 /kWh was allowed in consumer bill for eligible consumers, to be worked out based on the applicable notified schedule of tariff for the relief period of four months (March 2022 to June 2022). The eligible consumers for the purpose of PM Relief Package included commercial consumers having sanctioned load less than 5 kW and domestic non-TOU consumers having monthly consumption up-to 700 units (except lifeline consumers) of both XWDISCOs and K-Electric.
2. The said decision was intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the NEPRA Act 1997.
3. The Ministry of Energy (MoE), now vide letter dated 21.06.2022, received in NEPRA on 23.06.2022 has intimated the following decision of the ECC of the Cabinet dated 03.06.2022;
"The Economic Coordination Committee (ECC) of the Cabinet considered the summary dated 2nd June 2022, submitted by the Power Division regarding "Discontinuation of the Relief Package regarding Reduction in Price of Electricity for the month of June, 2022" and recommended the proposal as contained at para -4 of the summary for its consideration by the Federal Cabinet in its upcoming meeting.
4. Para-4 of the Summary as provided by the MoE is as under;
"In view of the above, the ECC of the Cabinet is requested to consider and approve the withdrawal of "PM Relief package of Rs.5 per unit" notified vide letter No. Tariff/XWDISCOS-2022 dated 18th March 2022, with effect from 01st June 2022. Further, ECC may direct Finance Division to release remaining amount of Rs.39.75 billion during this financial year for the period in which package has already been availed by consumers till 31st May 2022".
5. The MoE has further submitted that decision of ECC has been ratified by the Federal Cabinet. The MoE, accordingly, requested NEPRA, amongst others, to take further action to implement the decision in terms of Rules of Business, 1973.
6. The Authority has considered the submissions of the MoE and noted that the relief approved by the Authority vide decision dated 18.03.2022 by way of reduction in bill by Rs.5/kWh for the eligible consumers was being picked up by the GoP as subsidy. The GoP has now decided to discontinue the said relief w.e.f. June 01, 2022, meaning thereby that the GoP has decided not to pick-up the allowed relief as part of subsidy.

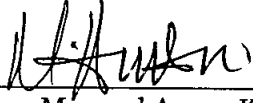
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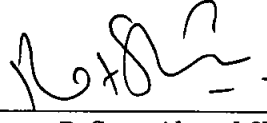
*Decision of the authority regarding discontinuation of incentive package
announced by the Prime Minister regarding reduction in price of electricity*

7. In view thereof and the fact that provision of subsidy is purely the ambit of the GoP, the Authority has decided to accept the request of the MoE and accordingly the relief package approved by the Authority vide decision dated 18.03.2022 by way of reduction in bill by Rs.5/kWh for the eligible consumers shall stand discontinued with effect from 01st June 2022.

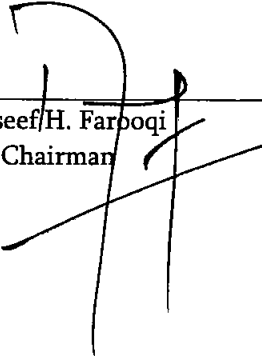
AUTHORITY



Engr. Maqsood Anwar Khan
Member

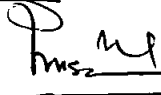


Rafique Ahmed Shaikh
Member



Tauseef/H. Farooqi
Chairman




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