



Registrar

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.

Tel: +92-51-9206500, Fax: +92-51-2600026

Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Tariff)TRF-100/MFPA/20862-79

December 09, 2025

1.	Chief Executive Officer, Faisalabad Electric Supply Company Ltd. (FESCO), Abdullahpur, Canal Bank Road Faisalabad	2.	Chief Executive Officer, Gujranwala Electric Power Company Ltd. (GEPCO), 565/A, Model Town, G.T. Road, Gujranwala
3.	Chief Executive Officer, Hyderabad Electric Supply Co. Ltd. (HESCO), WAPDA Offices Complex, Hussainabad, Hyderabad	4.	Chief Executive Officer Islamabad Electric Supply Co. Ltd. (IESCO), Street # 40, Sector G-7/4, Islamabad.
5.	Chief Executive Officer, Lahore Electric Supply Company Ltd. (LESCO), 22-A, Queens Road, Lahore	6.	Chief Executive Officer, Multan Electric Power Company Ltd. (MEPCO), MEPCO Headquarter, Khanewal Road, Multan
7.	Chief Executive Officer, Peshawar Electric Supply Company Ltd. (PESCO), WAPDA House, Shami Road, Sakhi Chashma, Peshawar	8.	Chief Executive Officer, Quetta Electric Supply Company Ltd. (QESCO), Zarghoon Road, Quetta
9.	Chief Executive Officer, Sukkur Electric Power Company Ltd. (SEPCO), Administration Block, Thermal Power Station, Old Sukkur	10.	Chief Executive Officer, Tribal Areas Electric Supply Company Ltd. (TESCO), Room No. 213, 1 <sup>st</sup> Floor, WAPDA House, Shami Road, Sakhi Chashma, Peshawar
11.	Chief Executive Officer, Hazara Electric Supply Company (HAZECO), 426/A, PMA Link Road, Jinnahabad Abbottabad	12.	Chief Executive Officer K-Electric Limited (KEL), KE House, Punjab Chowrangi, 39-B, Sunset Boulevard, Phase-II Defence Housing Authority, Karachi

Subject: **Decision of the Authority in the matter of Fuel Charges Adjustment for the month of October 2025 for EX-WAPDA DISCOs along with Notification Thereof**

Enclosed please find herewith a copy of the Decision of the Authority alongwith Additional note of Mr. Rafique Ahmed Shaikh, Member (NEPRA) (total 20 Pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of **October 2025** and its Notification i.e. S.R.O.2400 (I)/2025 dated 09.12.2025.

2. XWDISCOs and K-Electric are directed that while charging the fuel charges adjustment from their consumers, the Order of the Honorable Court(s), if any, be kept in mind and ensure compliance with the Order(s) of the Court(s), whatsoever, in this regard. In case of non-compliance of Court(s) Order(s) the concerned DISCO/K-Electric shall be held responsible for violating/defying such orders of the Honorable Court(s).

Enclosure: [Decision along with Notification is  
also available on NEPRA's website]

  
(Wasim Anwar Bhinder)

Copy to:

1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
3. Mr. Shehriyar Abbasi, Deputy Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
4. Member (Power), WAPDA, WAPDA House, Shahrah-e-Quaid-e-Azam, Lahore
5. Managing Director, NGC, 414 WAPDA House, Shahrah-e-Quaid-e-Azam, Lahore
6. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad



**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES ADJUSTMENT  
FOR THE MONTH OF OCTOBER 2025 FOR EX-WAPDA DISCOS**

1. Pursuant to the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (NEPRA Act) read with the mechanism/ formula determined by the Authority in its tariff determinations for EX-WAPDA DISCOs notified in the official Gazette, the Authority is mandated to make monthly adjustments in the approved tariff on account of variations in the fuel charges on a monthly basis in order to effect adjustments in the approved tariff of the EX-WAPDA DISCOs on account of variations in fuel charges.
2. In order to effect adjustments in the approved tariff of the EX-WAPDA DISCOs due to the variations in the fuel charges for the month of October 2025, a request was filed by CPPA-G vide its letter dated November 18, 2025. CPPA-G has worked out the fuel cost for the FCA claim for October 2025 as under:

Actual Fuel Charges Component for October 2025	Rs.8.7177/kWh
Corresponding Reference Fuel Charges Component	Rs.9.3685/kWh
<b>Net Fuel Price Variation for the month of October 2025 Decrease</b>	<b>(Rs.0.6508/kWh)</b>

3. The Authority has reviewed the request/information provided by CPPA-G (attached as Annex-I) seeking monthly fuel cost adjustment (FCA). From the perusal of the information so provided by CPPA-G, the actual pool fuel cost for the month of October 2025, as claimed by CPPA-G, is Rs.8.7177/kWh (source wise data attached as Annex-II), against the reference fuel cost component of Rs.9.3685/kWh as indicated in the Annexure-IV of the notified consumer-end tariff of Ex-WAPDA DISCOs for the FY 2025-26. The actual fuel charges, as claimed by CPPA, for the October 2025 decreased by (Rs.0.6508/kWh) as compared to the reference fuel charges.
4. Notwithstanding the fact that the monthly adjustment on account of fuel charges variation is made in pursuance of the provisions of section 31(7) of the NEPRA Act, as well as on the basis of a mechanism/formula already determined by the Authority in its annual tariff determinations for EX-WAPDA DISCOs, yet in order to meet the ends of natural justice and to arrive at an informed decision, the Authority decided to conduct a hearing in the matter. The advertisement for hearing along-with salient features and details of the proposed adjustments, in the approved tariff, were published in the newspapers on November 19, 2025 and also uploaded on NEPRA website for information of all concerned stakeholders.
5. The Authority conducted the hearing in the matter on November 27, 2025 at NEPRA Tower, Ataturk Avenue (East), G-5/1, Islamabad and online through Zoom. The date of hearing was mentioned in the advertisement published in newspapers and also uploaded on NEPRA's website, whereby participation in the hearing and filing of comments/ objections from any interested/affected person were invited. Separate notices were also sent to the interested / affected persons.

Mat 9

1/20



6. On the scheduled hearing date, representatives of CPPA-G, National Grid Company (NGC), Independent System & Market Operator (ISMO), general public and Media were present. However, no representative was present from Sui Southern Gas Company Limited (SSGCL), Sui Northern Gas Pipelines Limited (SNGPL) and Ministry of Finance despite serving of hearing notice.
7. Representative of CPPA-G presented the case before the Authority. While explaining the source wise generation, representative of CPPA-G stated that there was negative -8.70% growth in generation compared to generation assumed in the reference tariff as follows:

Reference				Oct-25			
Fuel	Energy (bkWh)	Mix	FCC (Rs/kWh)	Fuel	Energy (bkWh)	Mix	FCC (Rs/kWh)
Hydel	2.63	24.3%	-	Hydel	2.70	27.4%	-
Coal- Local	1.78	16.4%	11.89	Coal- Local	1.26	12.8%	13.10
Coal- Imported	0.67	6.2%	17.00	Coal- Imported	0.47	4.7%	14.39
HSD	-	0.0%	-	HSD	-	0.0%	-
F.O.	0.14	1.3%	32.54	F.O.	0.05	0.5%	32.69
Gas	0.93	8.6%	11.35	Gas	0.91	9.2%	13.36
RLNG	1.83	16.9%	24.33	RLNG	1.95	19.7%	21.06
Nuclear	2.38	22.0%	1.76	Nuclear	2.19	22.1%	2.17
Import from Iran	0.02	0.2%	38.81	Import from Iran	0.04	0.4%	22.76
Wind Power	0.21	1.9%	-	Wind Power	0.19	1.9%	-
Solar	0.11	1.0%	-	Solar	0.10	1.0%	-
Bagasse	0.12	1.2%	10.88	Bagasse	0.04	0.4%	10.74
Mixed	-	0.0%	-	Mixed	-	0.0%	-
<b>Total</b>	<b>10.83</b>	<b>100%</b>	<b>9.11</b>	<b>Total</b>	<b>9.89</b>	<b>100%</b>	<b>8.51</b>
				Previous Adjustment			
				<b>0.11</b>			
				<b>8.62</b>			

Growth -8.70%

8. The following utilization factors for gas and coal-based power plants for the instant month were presented during the hearing.

Power Producers	Capacity	Energy KWh	Plant Factor
China Power Hub Generation company	1,249	26,637,600	3%
Huaneng Shandong Ruyi Energy	1,244	227,825,500	25%
Port Qasim Electric Power Company	1,243	30,502,500	3%
Lucky Electric Power Company	607	164,488,400	38%
<b>Coal- Imported</b>	<b>4,342</b>	<b>449,454,000</b>	<b>14%</b>
Engro Powergen Thar (Pvt) Limited	601	293,558,300	68%
Thar Energy Limited	300	126,788,700	59%
Thar Coal Block-1 Power Generation	1,213	721,058,600	83%
ThalNova Power Thar (Pvt.) Ltd	300	119,584,000	55%
<b>Coal- Local</b>	<b>2,414</b>	<b>1,260,989,600</b>	<b>73%</b>
<b>Gas</b>			
Liberty Daharki Power Limited	221	51,446,700	32%
Uch Power Ltd.	548	145,559,000	37%



Mali' 9

2/20



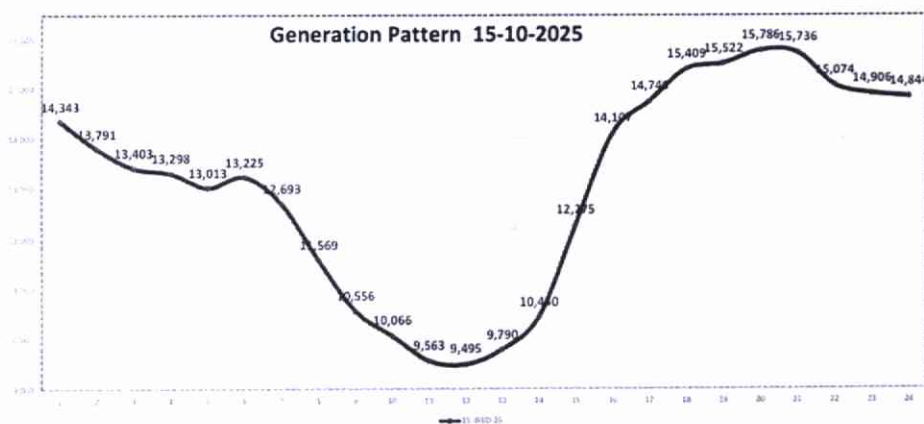
9. Regarding impact of additional drawl of 1000 MW supply to KE as requested by various stakeholders during previous hearings, CPPA-G submitted that the overall Capacity Payments to Power Producers has not changed, due to the enhanced supply to KE as these contractual payments are fixed in nature and do not vary based on the volume of drawl. As per NEPRA's tariff methodology, PPP (i.e. CPP+EPP) is pass-through in nature. Any variation in the PPP is passed on to consumers. Accordingly, any change in CPP is passed on to the consumers through quarterly tariff adjustment mechanism.
10. It was also submitted by CEO CPPA-G that as per applicable regulatory framework, all DISCOs and KE are treated at par and power generation from any single power plant cannot be associated with a specific DISCO / KE. However, based on a "zero-drawl by K-Electric" scenario, System Operator has simulated the revised generation, keeping all other variables unchanged. Accordingly, impact of additional drawl on FCA for CPPA-G pool has been calculated based on simulated generation as under:

August-25	September-25	October-25
9 paisa / kWh increase	7 paisa / kWh Decrease	34 paisa / kWh Increase

11. It was further highlighted that if additional capacity was not allocated to KE, the CPP would have increased as under:

August-25	September-25	October-25
1 Rupee / kWh increase	1.17 Rs. / kWh Increase	2.13 Rs. / kWh Increase

12. Thus, from the above, it is evident that the additional drawl by KE has benefitted the consumers, overall.
13. Representative of ISMO also presented the case before the Authority. While explaining the generation pattern, representative of ISMO stated that the following deviation has been seen throughout the month between day time demand vis a vis night time demand:



14. Further ISMO also submitted the following maximum and minimum demand during the month vis a vis the respective numbers in relevant month last year:



Math: 9

3/20

Generation (OCT)	2025	2024
Max (MW)	22195@2315hrs (01 Oct)	19373@2115hrs (02 Oct)
Min (MW)	7996@1200hrs (12 Oct)	10936@2300hrs (05 Oct)

15. Different commentators raised their concerns during the hearing. The comments relevant to the FCA are summarized as under:

- ✓ Mr. Tanveer Barry, a commentator, submitted that the rapid increase in net metering installations is primarily driven by high electricity tariffs, which have made grid-supplied electricity less affordable relative to alternative options. He further noted that the seasonal decline in hydel generation during winter months may result in higher Fuel Cost Adjustments (FCAs), as a larger share of demand will need to be met through comparatively expensive thermal generation.
- ✓ Mr. Rehan Javed, a commentator, inquired regarding operation of RFO-based power plants during the month. ISMO clarified that RFO generation was utilized only at the beginning of the month, when national demand peaked at 22,195 MW (as indicated in paragraph 13 of this decision). Additionally, the low hydel indent and the outage of the Huang Shandong Ruyi plant contributed to the need for additional RFO-based generation during that period.

16. The Authority observed that while submitting the monthly FCA request, CPPA-G and NPCC/NTDC certifies that;

**i. 2002 Power Policy Plants**

- i. All purchases have been made from Generation Companies having valid generation License issued by NEPRA.
- ii. Invoices of all Electricity Purchases have been processed in accordance with the rates, terms & conditions as determined by NEPRA. Payments related to periodical adjustments are also made as per decision of NEPRA.
- iii. The above statement are true, based on facts and from verifiable documentary evidence. In case of any deviation/ variation observed if not rectified at later stage, CPPA-G will be responsible for the consequences arising out of any misstatement under NEPRA Act and its Rules & Regulations.

**ii. 1994 Power Policy Plants**

- i. All purchases have been made from IPPs under 1994 Policy, including Chasnupp and excluding Tavanir, having valid generation license issued by NEPRA.
- ii. Invoices of all Electricity Purchases have been made strictly in accordance with the rates, terms & conditions as stipulated in the respective Power Purchase Agreements.
- iii. All payments to IPPs are being made after observing all formalities provided in the respective Power Purchase Agreements.
- iv. All purchases have been made in accordance with the Power Purchase Agreement.

The above statement is true, based on facts and from verifiable documentary evidence. In case of any deviation / variation observed if not rectified at later stage, CPPA-G will be



4/20

Math 9



responsible for the consequences arising out of any misstatement under NEPRA Act and its Rules & Regulations.

**iii. Power Plants Operations**

- i. It is certified that Economic Merit order was followed as defined under section 2 of the NEPRA Licensing (Generation) Rules 2000, while operating power plants in its fleet during month of October 2025. However, Economic Merit Order violations if any, are purely due to System constraints.
  - ii. Partial Loading of power plants was strictly in accordance with the provision of their respective Power Purchase Agreement and the plants were operated on partial load as per system load demand variations and for fuel conservation where needed.
17. Accordingly for the purpose of instant FCA, the information along-with certification given by CPPA-G has been relied upon. In case of any variation, error, omission or misstatement found out at a later stage, CPPA-G shall be responsible and the same would be adjusted in the subsequent monthly fuel charges adjustment.
18. The Authority, observed that CPPA-G has purchased energy of 43.257 GWh from Tavanir Iran in October 2025 at a claimed cost of Rs.984.399 million, however, amendments to "Contract Agreement dated November 06, 2002" between CPPA-G and Tavanir Iran for import of Power are pending approval.
19. CPPA-G also requested net positive amount of Rs.1,087 million as previous adjustments. Detail of previous adjustments claimed by CPPA-G is tabulated below;

Watt, G



5/20

Power Producers	Request (Rs.)	NEPRA Working (Rs.)	Adjustment (Rs.)
<b>Total</b>	<b>1,087,219,999</b>	<b>1,080,941,355</b>	<b>(6,278,644)</b>
Jamshoro Block 4	257,328,810	257,328,810	0
Guddu 747	(34,783,622)	(34,783,622)	(0)
Nandipur	(6,010,968)	(6,010,968)	(0)
Kohinoor Energy	71	71	0
Uch	(24,982)	(24,982)	0
Karachi Nuclear Power Plant-Unit-2	(3,935,928)	(3,935,931)	(3)
Karachi Nuclear Power Plant-Unit-3	(5,259,483)	(5,259,484)	(1)
Tavanir Iran	292,786	292,786	0
Nishat Power	(6,206,967)	(6,206,967)	0
Foundation Power	(5,324,926)	(5,325,231)	(305)
Orient	(238)	(238)	0
Nishat Chunian	2,109,368	2,109,368	(0)
Salif Power	(46,446)	(46,446)	0
Engro Energy	5,522,008	0	(5,522,008)
Sapphire Power	(15,320)	(15,320)	(0)
Liberty Power	106,839,767	106,839,767	0
Halmore	(247,824)	(247,824)	0
Uch-II	(86,694,381)	(86,699,074)	(4,693)
JDW-II	558,155,990	558,155,990	(0)
JDW-III	572,409,659	572,409,659	0
RYK	216,991,993	216,991,993	0
Hamza Sugar Mills	131,477,071	131,477,071	0
Chanaar Energy	167,666	167,645	(21)
China Hub Power	78,878,050	78,878,050	0
Engro PowerGen Thar TPS	(1,566,588)	(1,566,588)	0
QATPL	(170,026,826)	(170,778,437)	(751,611)
Haveli Bahadur Shah	(139,549,866)	(139,549,866)	0
Huaneng Shandong Ruyi Energy	292,981,409	292,981,409	(0)
Baloki	(119,895,764)	(119,895,764)	0
Port Qasim	(293,182,262)	(293,182,262)	0
Lucky Electric Power Company	(287,043,572)	(287,043,572)	0
Punjab Thermal Power	(39,561,769)	(39,561,769)	0
Thar Coal Block-1	63,443,084	63,443,084	(0)

20. Regarding invoice of Engro Power Qadirpur for Oct-24 to Jun-25 the same require verification, therefore the adjustment has not been included in the instant decision. Regarding adjustment claimed for Liberty Power for Jul-25, the same has been provisionally accounted for, as it is under verification. Any adjustment, if required, based on verification will be made, accordingly.
21. CPPA-G has also requested negative adjustments of Rs.86.12 million for Uch-II, on account of renegotiations with the IPP leading to reduction in tariff. Similar claims have also been filed by CPPA-G in previous FCAs on which the Authority decided as follows:
- “Regarding the adjustments for Attock Gen Limited, Liberty Power Tech, Nishat Chunian Limited, and Nishat Power Limited owing to the renegotiations with the aforementioned IPPs, CPPA-G is directed to provide detailed working in this regard. Since the adjustments are negative therefore the same are being provisionally accounted for, any adjustment, if required, will be made, subsequently.”*
22. In light of aforementioned decision of the Authority, the negative claim of Uch-II has been provisionally accounted for and CPPA-G is again directed to provide detailed working of Uch-II and other claimed previous adjustments in this regard.
23. Regarding claim of Rs.558 million, Rs.572 million, Rs.216.9 million, Rs.131.4 million and Rs.0.167 million on account of previous adjustments of JDW-II, JDW-III, RYK, Hamza Sugar Mills, Chanaar Energy, respectively, the same require reconciliation with CPPA-G, therefore,



6/20



the Authority has decided to provisionally account for the adjustments as per workings provided by CPPA-G. Any adjustment, if required, based on reconciliation with CPPA-G will be made, accordingly.

24. CPPA-G, as per the data, has reported total transmission losses of 231.964 GWh during October 2025, however, NGC, reported provisional T&T losses of 224.082 GWh i.e. 2.187%, based on energy delivered on NGC system during October 2025. NGC in addition also reported T&T losses of 25.495 GWh i.e. 2.760%, for PMLTC (HVDC) line. Thus, NGC has requested total T&T loss of 247.208 GWh (net of auxiliary) for October 2025. Here it is pertinent to mention that as per NGC notified tariff, the allowed T&T loss is 2.639% only at 500KV and 220 KV network. Similarly, for PMLTC (HVDC), the allowed T&T loss is maximum up-to 4.3%. Accordingly, for the month of October 2025, T&T losses of 231.964 GWh, as reported by CPPA-G, being on lower side, have been considered.
25. It is also pertinent to mention that a similar situation arose during the FCA proceedings for September 2025, wherein the losses reported by CPPA-G were lower than those reported by the National Grid Company (NGC). Accordingly, lower number of losses as reported by CPPA-G were considered while working out the FCA for September 2025. NGC vide letter dated 18.11.2025 requested the Authority to adjust the losses in line with their reported figures rather than those submitted by CPPA-G. The matter was also raised by NGC during hearing of FCA of October 2025. In response, the CEO CPPA-G submitted that CPPA-G and NGC would jointly review the matter and after reconciliation will bring the matter before the Authority. Accordingly, CPPA-G and NGC are directed to reconcile their numbers and bring the same before the Authority before the next FCA hearing.
26. CPPA-G, in addition, also provided details regarding net metering units procured by DISCOs. As per the data provided, DISCOs have purchased 204.51 GWh from Net Metering during October 2025.
27. Further, CPPA-G also provided data indicating that during October 2025, 35.45 GWh were supplied by power producers having bilateral contracts with DISCOs. Regarding the fuel cost of SPPs/CPP it is important to mention that CPPA-G has only provided NGC monthly reading data containing the energy supplied by aforementioned SPPs/CPPs to DISCOs, however, no corresponding fuel cost has been claimed / provided along-with the FCA data.
28. It is pertinent to mention here that while approving the Power Acquisition Requests (PARs) for such SPPs, the Authority also prescribed an adjustment mechanism for indexation of fuel cost component based on prevalent fuel prices. As CPPA-G has not claimed any cost for the energy supplied by SPPs/CPPs, therefore, in order to avoid piling up of costs and one time burdening of consumers, the cost for energy supplied by SPPs during October 2025 has been accounted for based on the reference Fuel cost component as approved by the Authority in the respective PAR of such SPP/CPPs. DISCOs are directed to submit a reconciliation of the energy purchased through bilateral contracts and cost allowed by the Authority viz a viz cost verified by XWDISCOs for such purchases. In case, there is any differential of cost allowed viz a viz amount verified by XWDISCOs, the same may be requested as part of FCA request through CPPA-G. Similarly, for any procurements to be made in future months through such bilateral



7/20

Wab  
7



contracts, DISCOs are directed to submit details of cost and energy on monthly basis for inclusion in the monthly FCAs.

29. Based on the aforementioned discussion and in light of the earlier decisions of the Authority, the Authority has calculated the fuel cost for the month of October 2025, after accounting for the aforementioned adjustments, and including costs arising due to application of various factors, as claimed by CPPA-G in its FCA request. Separate FCA of each DISCO after accounting for the energy purchased from CPPA-G, bilateral contracts (Captive, SPPs) and Net metering as part of individual basket of each DISCO has been worked out. However, since a uniform tariff regime is applicable in light NEPRA Act, NE Policy and Plan, therefore, the Authority has also worked out a National Average Uniform monthly FCA to be charged from all the consumers of XWDISCOs.

Description	Unit	CPPA-G Pool	K-Electric	T&T Loss Diff.	XWDISCOs
Energy Procured from CPPA-G Pool	GWh	9,630	1,027	-	8,603
Fuel Cost allocated from Pool	Rs. Mln	83,945	8,953	-	74,990
Actual Fuel Cost component (FCC) of CPPA-G Pool	Rs./kWh	8.7170	8.7170	-	8.7170

Description	Unit	FESCO	GEPCO	HESCO	SEPCO	IESCO	LESCO	MEPCO	PESCO	TESCO	QESCO	HAZEPCO	National Avg. Uniform
Energy Procured from CPPA-G Pool	GWh	1,264	884	504	329	848	2,012	1,348	765	128	323	197	8,603
Energy Procured from Net Metering	GWh	17.51	21.14	1.12	0.46	45.91	58.33	51.02	7.14	0.17	0.63	1.08	204.51
Energy Procured from SPPs	GWh	4.26	10.40	16.84	0.76	0.21	0.76	0.21	0.21	0.21	0.21	0.21	35.45
Total Energy	GWh	1,281	910	516	346	894	2,071	1,400	772	128	323	201	8,843
Fuel Cost allocated from Pool	Rs. Mln	11,016	7,709	4,398	2,869	7,393	17,542	11,751	6,665	1,113	2,814	1,718	74,990
Fuel Cost for Energy Procured through bilateral contracts	Rs. Mln	-	-	21.8	35.3	-	-	-	-	-	-	-	57.08
Total Fuel Cost	Rs. Mln	11,016	7,709	4,419	2,905	7,393	17,542	11,751	6,665	1,113	2,814	1,718	75,047
Actual Fuel Cost component (FCC)	Rs./kWh	8.5979	8.4736	8.5646	8.3838	8.2695	8.4715	8.3946	8.6341	8.7052	8.7001	8.5412	8.4869
Reference Fuel Cost component (FCC)	Rs./kWh	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685	9.3685
Fuel Charges Adjustment	Rs./kWh	(0.7706)	(0.8949)	(0.8039)	(0.9848)	(1.0991)	(0.8971)	(0.9739)	(0.7345)	(0.6633)	(0.6684)	(0.8274)	(0.8816)

30. CPPA-G is directed to ensure Inter-DISCO settlement of FCA worked out for each XWDISCOs and the FCA charged from consumers in order to properly account for the energy and cost of each DISCO as per their own basket.
31. The Authority, after incorporating the aforementioned adjustments, has reviewed and assessed a National Average Uniform decrease in the applicable tariff for XWDISCOs on account of variations in the fuel charges for October 2025 as under;

Actual National Avg. Uniform FCC for October 2025	Rs.8.4869/kWh
Corresponding Reference Fuel Charge Component	Rs.9.3685/kWh
<b>National Avg. Uniform FCA for October 2025 – Decrease</b>	<b>(Rs.0.8816/kWh)</b>

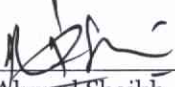
32. Here it is also pertinent to mention that, in light of Policy Guidelines issued by the Federal Government for the application of uniform FCAs on the consumers of KE as well, the instant fuel charges adjustment of XWDISCOs, shall also be applicable on the consumers of K-Electric with same applicability period.
33. The Authority has decided that negative FCA for October 2025 i.e. (Rs.0.8816/kWh) as referred in the preceding paragraphs;
- Shall be applicable to all the consumer categories of KE and XWDISCOs except lifeline consumers, protected consumers, Electric Vehicle Charging Stations (EVCS) and Pre-paid electricity consumers of all categories who opted for pre-paid tariff.
  - XWDISCOs and KE shall reflect the fuel charges adjustment in respect of October 2025 in the billing month of December 2025.



- c. Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of October 2025. In case any bills of December 2025 are issued before the notification of this decision, the same may be applied in subsequent month.
- d. While effecting the Fuel Charges Adjustment, the concerned XWDISCOs and KE shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

**AUTHORITY**

Additional note is attached

  
Rafique Ahmed Shaikh  
Member

  
Amina Ahmed  
Member

  
Engr. Maqsood Anwar Khan  
Member

  
Waseem Mukhtar  
Chairman



9/20



CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
For the Month of October 2025

S.No.	Power Producers	Fuel	Capacity (MW)	Energy KWh	Fuel Charges Rs.	VO&M Charges Rs.	EPP Billing month (Rs.)	Prev. Adjustment in Fuel Cost (Rs.)	Prev. Adjustment in VO&M (Rs.)	Prev. Adjustment in EPP Total Rs.	Supp. Charges	Total Fuel Cost Rs.	Total VO&M Rs.	Total Energy Cost (Rs.)	
				A	B	C	D=B+C	E	F	G=E+F	H	I=B+E+H	J=C+H	K=I+J	
1	Hydel	WAPDA	Hydel	8,380	2,378,800,805		235,860,748	235,860,748	-	-	-	-	235,860,748	235,860,748	
		Jagan	Hydel	30	5,378,439		13,924,977	13,924,977	-	21,174,003	21,174,003	-	35,098,980	35,098,980	
		Perkari	Hydel	18	-	-	-	-	-	-	-	-	-	-	
		Makoula-B SHYDO	Hydel	81	26,466,940		12,590,323	12,590,323	-	0	0	-	12,590,324	12,590,324	
		Larabi	Hydel	84	25,511,620		12,268,538	12,268,538	-	2,364,454	2,364,454	-	14,632,992	14,632,992	
		Star Hydel	Hydel	147	23,381,303		10,594,067	10,594,067	-	-	-	-	10,594,067	10,594,067	
		Hydel Mandak	Hydel	8	-	-	-	-	-	-	-	-	-	-	
		Neelum-Jhelum	Hydel	969	-	-	-	-	-	-	-	-	-	-	
		Tarbela Ext. 4	Hydel	0	-	-	-	-	-	-	-	-	-	-	
		Nira Power Limited	Hydel	101	14,887,653		2,885,805	2,885,805	-	-	-	-	2,885,805	2,885,805	
		Garol Khwar HPP	Hydel	37	4,955,730		1,104,138	1,104,138	-	(7)	(8)	-	1,104,138	1,104,138	
		Karot Power Company (Pvt.) Limited	Hydel	720	126,311,700		44,929,071	44,929,071	-	110,391,695	110,391,695	-	155,320,766	155,320,766	
		Rasoolia Hydro Power Complex	Hydel	17	-	-	-	-	-	0	0	-	-	-	
		S R Hydro (Private) Limited	Hydel	885	99,051,308		36,812,544	36,812,544	-	-	-	-	36,812,544	36,812,544	
		Hydel Total		11,478	2,784,723,454	-	364,170,211	364,170,211	-	133,930,152	133,930,152	-	498,100,364	498,100,364	
2	Ex-WAPDA GENCOs	GENCO-I ***													
		Jamshoro Block 1	RFO	162	-	-	-	-	-	-	-	-	-	-	
		Unit 1	Gas	467	-	-	-	-	-	-	-	-	-	-	
		Jamshoro Block 2	Unit-2	RFO	-	-	-	-	-	-	-	-	-	-	
		Unit-2	Gas	-	-	-	-	-	-	-	-	-	-	-	
		Unit-3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Unit-3	RFO	-	-	-	-	-	-	-	-	-	-	-	
		Unit-4	Gas	-	-	-	-	-	-	-	-	-	-	-	
		Unit-4	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Unit-4	RFO	-	-	-	-	-	-	-	-	-	-	-	
		Unit-4	Gas	-	-	-	-	-	-	-	-	-	-	-	
		Block III Kotli 3-7 & IV	RFO	0	-	-	-	-	-	-	-	-	-	-	
		Jamshoro Coal	Coal-Imported	645	16,194,280	230,276,184	5,212,939	235,489,123	257,328,810	-	257,328,810	487,604,994	5,212,939	492,817,932	
		Jamshoro Total		645	16,194,280	230,276,184	5,212,939	235,489,123	257,328,810	-	257,328,810	487,604,994	5,212,939	492,817,932	
		3	GENCO-II ***	GENCO-II ***											
Genadu CC Block 1 (CC)	Gas			390	-	-	-	-	-	-	-	-	-	-	
Central Block 2 (CC)	Gas			530	-	-	-	-	-	-	-	-	-	-	
Genadu (CC) Block-2	Gas			530	-	-	-	-	-	-	-	-	-	-	
Block 3 (Unit 3&4)	Gas			-	-	-	-	-	-	-	-	-	-	-	
Genadu 747 (CC)	Gas			721	289,615,080	3,673,042,238	334,418,441	4,007,460,678	(4,719,727)	(3,719,727)	(38,583,343)	3,638,258,615	330,698,720	3,968,957,335	
Central Total				1,641	289,615,080	3,673,042,238	334,418,441	4,007,460,678	(4,719,727)	(3,719,727)	(38,583,343)	3,638,258,615	330,698,720	3,968,957,335	
GENCO-III ***	GENCO-III ***														
	Northern Block 1			Unit 1	RFO	556	-	-	-	-	-	-	-	-	-
	Unit 2			RFO	-	-	-	-	-	-	-	-	-	-	-
	Unit 3			RFO	-	-	-	-	-	-	-	-	-	-	-
	Unit 1			Gas	-	-	-	-	-	-	-	-	-	-	-
	Unit 2			Gas	-	-	-	-	-	-	-	-	-	-	-
	Unit 3			Gas	-	-	-	-	-	-	-	-	-	-	-
	Unit 1			RLNG	-	-	-	-	-	-	-	-	-	-	-
	Unit 2	RLNG	-	-	-	-	-	-	-	-	-	-	-		
	Unit 3	RLNG	-	-	-	-	-	-	-	-	-	-	-		
	Northern Block 2	Unit 3	RLNG	-	-	-	-	-	-	-	-	-	-		
	Block-2 Unit 4	RFO	272	-	-	-	-	-	-	-	-	-	-		
	Block-2 Unit 4	Gas	-	-	-	-	-	-	-	-	-	-	-		
	Block-2 Unit 4	RLNG	-	-	-	-	-	-	-	-	-	-	-		
	Northern Block 3	Block-3 Unit 5	RFO	-	-	-	-	-	-	-	-	-	-		
Block-3 Unit 5	Gas	365	-	-	-	-	-	-	-	-	-	-			
Block-3 Unit 5	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Block-3 Unit 6	RFO	-	-	-	-	-	-	-	-	-	-	-			
Block-3 Unit 6	Gas	-	-	-	-	-	-	-	-	-	-	-			
Block-3 Unit 6	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Northern Block 4	RLNG	117	-	-	-	-	-	-	-	-	-	-			
Northern Block 5	RFO	97	-	-	-	-	-	-	-	-	-	-			
Northern Block 5	Gas	97	-	-	-	-	-	-	-	-	-	-			
Northern Block 6	Gas	75	-	-	-	-	-	-	-	-	-	-			
Northern Total	RLNG	411	40,454,000	886,879,375	32,205,429	1,019,084,805	(6,010,568)	(1,394,935)	(7,405,903)	986,888,407	30,810,494	1,017,678,902			
Handpur	Coal	1,884	40,454,000	886,879,375	32,205,429	1,019,084,805	(6,010,568)	(1,394,935)	(7,405,903)	986,888,407	30,810,494	1,017,678,902			
Sub-Total		0	-	-	-	-	-	-	-	-	-	-	-		
Sub-Total		0	-	-	-	-	-	-	-	-	-	-	-		
GENCOs Total		4,173	346,263,280	4,899,197,797	371,838,809	5,262,034,895	216,534,220	(5,114,656)	211,419,564	-	5,106,732,816	368,722,153	5,475,454,970		
4	PPA	Kot Addu Block 1	RFO	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 2	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RFO	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-	
		Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-	
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	HSD	-	-	-	-	-	-	-	-	-	-	-			
Kot Addu Block 3	RLNG	-	-	-	-	-	-								





S.No.	Power Producers	Fuel	Capacity (MW)	Energy (MWh)	Fuel Charges Rs.	VOAB Cost Rs.	EPF 30-day month (Rs.)	Price Adjustment to Fuel Cost (Rs.)	Price Adjustment to EPF (Rs.)	Price Adjustment to EPF Total Rs.	Surge Charges Rs.	Total Fuel Cost Rs.	Total VOAB Rs.	Total Energy Cost (Rs.)
<b>Summary</b>														
1	Total			2,734,723,454	16,521,556,371	384,710,271	384,710,271	67,878,486	133,820,132	133,820,132	-	16,593,832,887	484,100,394	18,078,633,281
2	Coal-based		13.10	1,260,899,690	7,737,814,299	67,878,486	67,878,486	402,438,642	402,438,642	402,438,642	-	7,807,691,427	222,946,688	8,030,638,115
3	Gas-based		14.39	480,840,280	6,099,446,259	170,182,593	170,182,593	48,042,435	30,272,872	79,194,508	-	6,317,761,631	137,878,022	6,455,639,653
4	Hydro		32.89	47,542,553	1,594,134,392	138,232,026	138,232,026	102,742,236	(254,604)	102,487,634	-	1,596,878,831	89,508,218	1,686,387,049
5	Renewable		13.30	868,612,388	12,999,487,784	899,744,785	12,999,584,539	(131,306,846)	(131,306,846)	(131,306,846)	-	13,068,277,693	86,737,254	13,155,014,947
6	Other		2.17	2,177,844,600	4,793,788,629	884,339,120	4,793,788,629	(1,564,411)	34,404,888	32,840,477	-	4,826,033,046	-	4,858,873,523
7	Project from PPA		22.76	43,296,658	984,339,120	-	984,339,120	282,786	-	282,786	-	984,621,906	-	984,621,906
8	Project from PPA		10.74	30,872,215	428,263,242	67,131,686	428,263,242	1,479,282,278	-	1,479,282,278	-	1,907,545,520	-	1,907,545,520
9	Regulate		-	-	-	-	-	-	-	-	-	-	-	-
10	Other		-	-	-	-	-	-	-	-	-	-	-	-
11	Grand Total		-	2,734,723,454	16,521,556,371	384,710,271	384,710,271	67,878,486	133,820,132	133,820,132	-	16,593,832,887	484,100,394	18,078,633,281
12	Price Adjustment		-	61,554,857	1,087,218,988	3,524,535,052	67,878,486	-	568,130,277	1,655,502,278	-	85,177,199,387	4,322,346,438	89,500,545,825
GRAND TOTAL :				8,872,827,479	85,177,199,387	4,322,346,438	85,499,514,805	-	-	-	-	-	-	-

Energy Cost (Rs.)	85,177,199,387	4,322,346,438	89,499,514,805
Cost not chargeable to DISCOs (Rs.)	1,227,851,492	-	1,227,851,492
EPF (Chargeable) (Rs.)	83,949,317,875	4,322,346,438	88,271,664,313
Energy sold (MWh)	9,629,788,474	9,629,788,474	9,629,788,474
Avg Rate (Rs./MWh)	8,717	0.449	9,166
Reference Rate (Rs./MWh)	9,285	-	-
FCA Rate Current month (Rs./MWh)	(0.508)	-	-



12/20

Page 9

CENTRAL POWER PURCHASING AGENCY (CPPA)  
Detail Breakup of FCC Claimed  
For the Month of October 2025

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	Fuel Cost component as determined by Authority (Rs./kWh)	Fuel Cost as per NEPRA Approved Rate (Rs.)	Heat Degradation Factor (Dh) Rs.	Load Correction Factor (kL) Rs.	Any other Cost as per PPA (Rs.)	Fuel Charges Rs.
A					B					
1	Attock Gen Limited	RFO	156	7,148,142	40.1495	286,994,343	-	8,391,108	-	295,385,451
2	Orient Power Company (Private) Limited	RLNG	213	8,266,190	23.3536	193,045,295	5,588,256	6,535,262	-	205,168,813
3	Saif Power Limited	RLNG	204	1,585,930	23.2808	36,921,760	1,145,225	1,125,588	-	39,192,573
4	Uch-II Power (Pvt.) Limited	Gas	381	235,958,328	13.3156	3,141,929,462	26,177,890	113,735,054	-	3,281,842,406
5	Quaid-e-Azam Thermal Power (Pvt) Limited	RLNG	1,180	416,349,000	19.6300	8,172,930,870	208,515,351	625,185,213	-	9,006,631,434
6	National Power Parks Management Company Private Limited	RLNG	2,453	1,409,843,942	19.2964	27,204,877,494	678,982,062	1,444,154,677	-	29,328,014,233
7	Punjab Thermal Power Private Limited	RLNG	1,320	72,520,300	17.3645	1,259,277,894	21,407,724	201,972,564	-	1,482,658,182
IPPs Total:-			6,078	2,151,671,832		40,295,977,118	941,816,509	2,401,099,465	-	43,638,893,092



18/20

new 9



Generation Source	GWh	%	Mlns. Rs.	Rs./kWh
Hydel	2,705	27.36%	-	-
Coal - Local	1,261	12.76%	16,522	13.1024
Coal - Imported	466	4.71%	6,699	14.3874
HSD	-	0.00%	-	-
RFO	48	0.48%	1,554	32.6908
Gas	905	9.16%	12,099	13.3635
RLNG	1,949	19.72%	41,049	21.0611
Nuclear	2,188	22.13%	4,754	2.1728
Import Iran	43	0.44%	984	22.7572
Mixed	-	0.00%	-	-
Wind	185	1.87%	-	-
Baggasse	40	0.40%	428	10.7409
Solar	96	0.97%	-	-
<b>Energy Generated</b>	<b>9,886</b>	<b>100%</b>	<b>84,090</b>	<b>8.5062</b>
Previous Adjustment			1,087	0.1100
Sale to IPPs	(24)	-0.24%	(1,228)	51.0666
Transmission Losses	(232)	-2.35%	-	0.2051
<b>Net Delivered to DISCOs</b>	<b>9,630</b>	<b>97.41%</b>	<b>83,949</b>	<b>8.7177</b>



14/20

Date  
7

### Additional Note of Member (Technical)

In continuation of my detailed dissent note annexed with the previous FCA determinations (**Annex-I**), I state my firm position that no cost arising from operational inefficiencies should be passed on to electricity consumers. The regulatory principle remains clear — only prudently incurred costs can be recovered through consumer tariffs, and inefficiencies in planning, system operation, or project execution must remain the responsibility of the concerned entities.

Persistent inefficiencies continue to undermine the system's performance and inflate the overall cost of service. For the current month, the operation of the Guddu 747 MW power plant in open-cycle mode has imposed an additional financial impact of approximately Rs. 1.214 billion, while Part Load Adjustment Charges (PLAC) was Rs. 2.4 billion.

Similarly, system constraints have caused an additional burden of Rs. 491 million, and the HVDC system utilization has remained at only 30 percent, despite consumers paying full-capacity charges. Each of these elements reflects inefficiencies that directly increase the financial burden on consumers and erode system efficiency. Additionally, power plants like Neelum Jhelum remain on outage since a long time causing a considerable financial loss to the electricity consumers.

I therefore reiterate — consistent with my detailed dissent note annexed with the Authority's decision — that the cost of such inefficiencies must not, under any circumstances, be passed on to consumers. The Authority must continue to enforce accountability to ensure that inefficiencies are rectified and not normalized through tariff adjustments.

10



15/20



### Dissent Note of Member Technical

I respectfully dissent from the majority decision to shift the burden of inefficiencies—specifically those attributable to NTDC (now NGC)—onto electricity consumers, who bear no responsibility for these systemic failures.

It is important to note that the need for power sector reform arose from long-standing inefficiencies that undermined the sector's performance. In 1992, a comprehensive restructuring plan was introduced with the aim of corporatizing or privatizing power sector entities to improve operational efficiency, transparency, and service delivery. However, more than three decades later, these goals remain largely unachieved. The continued operation of power sector entities within the public sector, along with the failure to implement meaningful corporatization or privatization, has led to cumulative losses amounting to trillions of rupees—driven largely by inefficiencies in planning, execution, and operations.

Rather than improving, the sector has grown increasingly burdened by structural inefficiencies, threatening its long-term viability. One of the most pressing examples is the role of NTDC, which, under its license, is mandated to provide a congestion-free transmission network to ensure efficient and cost-effective power delivery. Despite repeated directives and enforcement actions, NTDC has consistently failed to plan, implement, and operate its transmission system in a manner that supports this mandate. Consequently, consumers continue to suffer the consequences of these inefficiencies—both operationally and financially.

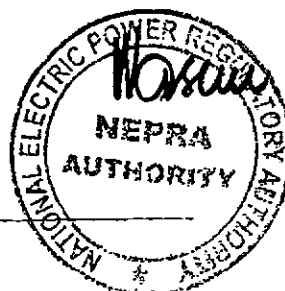
Historically, the Authority had acknowledged these persistent shortcomings. In January 2021, a decision was made not to pass the financial impact of NTDC's inefficiencies—especially merit order violations onto consumers. This approach remained in place from Sep, 2019 and Aug 2020 to Oct 2023. However, in May 2024, a shift occurred, allowing for the possibility of releasing withheld payments related to out-of-merit operations.

The operation of power plants in violation of the Economic Merit Order (EMO) has remained a recurring issue, primarily due to the inability of the transmission system to evacuate power efficiently. The Monitoring & Enforcement Department has regularly quantified the monthly financial impact of these violations over the past five years, with comprehensive assessments also undertaken by independent consultants and a third-party firm. These studies unanimously attribute the resulting inefficiencies—and associated financial losses—to NTDC's operational and planning failures.

Between July 2019 and October 2023, out-of-merit generation due to transmission constraints led to avoidable costs of approximately Rs. 41 billion (Annex-A). The Authority had previously withheld this amount to protect consumers from being unfairly burdened by NTDC's inefficiencies. Although out-of-merit generation continued beyond October 2023 and incurred a cost of around Rs. 85 billion by June 2025, this amount could not be withheld and was ultimately passed on to consumers (Annex-B). *In my considered opinion, this amount ought to be recovered from NTDC.*

Moreover, the financial burden on consumers has extended beyond merit order deviations. Approximately Rs. 50 billion in additional costs was passed on to consumers due to RLNG shortages—another inefficiency rooted in poor coordination and inadequate supply chain planning. Independent assessments, including the Joint Venture (JV) report and the USAID expert evaluation, corroborate that these losses stem from NTDC's chronic delays, weak planning, and ineffective execution.

Compounding these concerns is NTDC's failure to complete approved investment projects within stipulated timelines. The Lahore North Grid Station is a case in point, where significant delays have not only led to the underutilization of the HVDC line but also curtailed the evacuation of cost-effective southern generation. Every delay and cost overrun directly translates into inflated consumer tariffs and undermines the Authority's efforts to ensure accountability.



10/

15/19

14/20

It is important to note that NTDC has received an investment of Rs 570 billion from FY 2018 to FY 2025, which has been paid for by consumers through tariffs.

It has been observed that time and cost overruns are recurring issues in nearly every NTDC project. These delays not only lead to significant increases in overall project costs but also contribute to higher tariffs, driven by the increased operational expenses associated with delayed implementation. Moreover, the absence of a formal, commercially binding service level agreements between NTDC and other key stakeholders, such as the DISCOs, further exacerbates the problem. Establishing such an agreement is critical, as it would provide a structured and enforceable framework to uphold service standards and ensure operational accountability across all parties involved.

The Authority's decision, under-signature, to uphold its earlier stance of not withholding fuel charges on account of Economic Merit Order (EMO) violations — and to reverse its prior decision to pass on the previously withheld amount of Rs. 41 billion to consumers — effectively shifts the burden of inefficiencies onto electricity consumers, despite no fault of their own. This reversal, particularly while many of the underlying systemic constraints remain unresolved, not only compromises consumer protection but also undermines the regulatory credibility of the Authority.

Furthermore, the Authority has decided that, for future monitoring and reporting of EMO (Economic Merit Order) violations, the M&E Department will no longer forward the violation amounts to the Tariff Department. Instead, the matter will be presented to the Authority on a biannual basis.

In this regard, I would like to refer to the Authority's earlier decision (copy attached as Annex-C) issued in the Monthly FCA determination for February 2021, which clearly states that EMO violation details, along with their financial impact, shall be submitted to the Authority on a monthly basis.

Therefore, I maintain that the original approach <sup>of monthly basis</sup> should continue for the following reasons:

- Recurring inefficiencies and violations should be reported to the Authority as promptly as possible to enable timely corrective actions.
- This will ensure all stakeholders — including electricity consumers — are kept informed about the lack of action by power sector entities, whose inefficiencies directly impact consumers.

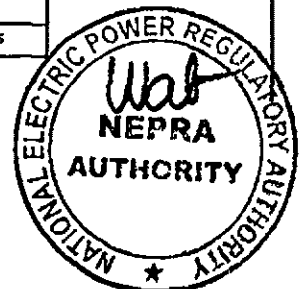
Ideally, there should be legally binding commercial agreements between Generation Companies (IPPs/GENCOS), the Transmission Company (NTDC/NGC), and Distribution Companies (DISCOs). In situations where the most economical (cheapest) available power is not delivered to end consumers, the corresponding capacity payments should be withheld from the generation companies for the undelivered energy. Additionally, penalties should be imposed on any entities responsible for such inefficiencies, as they contribute to increased operational costs within the power sector. Where the failure to deliver cost-effective power arises due to network constraints on the part of the transmission or distribution companies (NGC or DISCOs), the resulting financial losses should be recovered from the respective responsible entities. At a minimum, the burden of inefficiencies caused by power sector entities should not be passed on to electricity consumers through higher costs when the consumers are not at fault.

In light of the above, I disagree with the decision to release of the withheld amount and pass on to the electricity consumers as Prior Year Adjustments (PYA). Doing so would signal regulatory leniency in the face of persistent non-performance and inefficiency. It would also set a precedent, potentially inviting further complacency from sector entities at the expense of consumers.





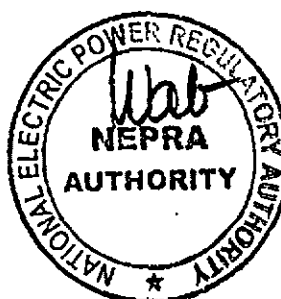
Details of Financial Impact and amount withheld against different heads on account of merit order violations from September 2019 to October 2023						
Category/Month	RLNG Shortage	System Constraints	Underutilization of Efficient Plants	Amount Released	Others	Total Amount Withheld
Sep-19					7,234	7,234
Aug 2020 Part Working		6,655				6,655
Aug 2020 Revised Working	2,741	62	2,642			2,704
Sep-20	2,358	651	1,426			2,078
Oct-20	522	151	190			863
Nov-20						-
Dec-20	1,515	-	665			665
Jan-21	2,192					-
Feb-21	214	-	107			107
Mar-21	220	-	128			128
Apr-21	7	3	149	-4,473	7	-4,314
May-21	511	201	154			354
Jun-21	818	165	173			338
FY 20-21	11,098	1,233	5,633		7	6,873
Jul-21	471	148	70			218
Aug-21	527	1,300	81			1,381
Sep-21	1,103	719	66			783
Oct-21	1,698	56	8			64
Nov-21	56	-	6			6
Dec-21	2,613	-	5			5
Jan-22	7,744	-	-			-
Feb-22	1,374	-	-			-
Mar-22	341	-	9			9
Apr-22	2,379	578	2			580
May-22	249	795	1			796
Jun-22	777	74	11		26	111
FY 21-22	19,332	3,670	260	-	26	3,956
Jul-22	6,938	465	17			482
Aug-22	5,102	268	18			286
Sep-22	3,047	26	17			43
Oct-22	260	36	8			44
Nov-22		-	2			2
Dec-22	78	588	-			588
Jan-23	3,749	5,465				5,465
Feb-23	171	6,385	1			6,386
Mar-23	20	1,250				1,250
Apr-23	-	3,141	584			
May-23	-	1,622	49			1,671
Jun-23	-	957	-			957
FY 22-23	19,364	20,208	695		7,267	17,173
Jul-23		1,500				
Aug-23	-	590				590
Sep-23	-	288				288
Oct-23	-	103				103
FY 23-24 (Jul-Oct)	-	2,481	-	-	-	981
Grand Total	49,794	27,587	6,588	-	7,301	41,475



17/19

18/20

Details of Financial Impact passed on to consumers through FCA claim of XWDISCOs against system constraints & under utilization of efficient plants from November 2023 to July 2025				
Category/Month	System Constraints	Underutilization of Efficient Plants	Others	Total Amount Withheld
Nov-23	-	-	-	-
Dec-23	11,444	-	-	-
Jan-24	26,750	-	-	-
Feb-24	4,660	-	-	-
Mar-24	5,591	1,236	-	-
Apr-24	4,420	-	-	-
May-24	4,309	630	-	-
Jun-24	2,211	5,330	-	-
<b>FY 23-24 (Nov-June)</b>	<b>59,385</b>	<b>7,196</b>	<b>-</b>	<b>-</b>
Jul-24	5,121	-	-	-
Aug-24	2,127	-	-	-
Sep-24	529	-	-	-
Oct-24	212	-	-	-
Nov-24	189	-	-	-
Dec-24	3,730	-	-	-
Jan-25	1,560	-	-	-
Feb-25	517	1,464	-	-
Mar-25	1,428	-	-	-
Apr-25	953	-	-	-
May-25	592	-	-	-
Jun-25	201	-	-	-
<b>FY 24-25</b>	<b>17,159</b>	<b>1,464</b>	<b>-</b>	<b>-</b>
Jul-25	91	-	-	-
<b>Grand Total</b>	<b>76,635</b>	<b>8,660</b>	<b>-</b>	<b>-</b>



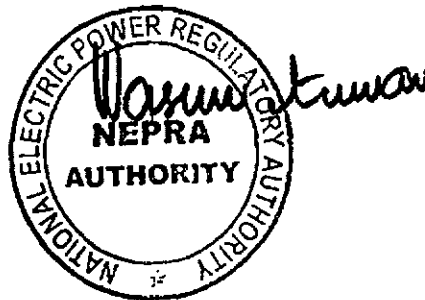
18/19

19/20



**Direction of the Authority given under Fuel Charges Adjustment for XWDISCOs for the month of February 2021**

- I. System Operator shall report to CPPA-G, within 24 hours, dispatch of generation plant(s) out of merit order along with reasons thereof. The copy of the report shall be sent to NEPRA simultaneously.
- II. CPPA-G shall scrutinize the above mentioned dispatch report in terms of Scheduling and Dispatch Code (SDC) of Grid Code and prepare a report which shall comprise of;
  - a. all dispatch deviation from merit order;
  - b. the plants available but not dispatched; and
  - c. Dispatch deviation justified or unjustified in terms of SDC of Grid Code along-with their financial impact.
- III. CPPA-G shall share the report with the system operator and also submit it to NEPRA at the time of filing of monthly fuel price adjustment request.



National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the 09<sup>th</sup> day of December, 2025

**S.R.O. 2400(I)/2025:** – Pursuant to amendment in Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act) through Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act 2011 (Act No. XVIII of 2011), amended subsequently through Act No. XIV of 2021, the National Electric Power Regulatory Authority has been mandated to make the adjustments in the approved tariff on account of any variation in the fuel charges and notify the same in the official Gazette.

2. In exercise of power conferred by fourth proviso of sub-section 7 of Section 31 of NEPRA Act, the Authority has made the following adjustment on account of variation in fuel charges for the month of **October 2025** in the approved tariff of Ex-WAPDA Distribution Companies (XWDISCOs):

Actual National Avg. Uniform FCC for October 2025	Rs.8.4869/kWh
Corresponding Reference Fuel Charge Component	Rs.9.3685/kWh
<b>National Avg. Uniform FCA for October 2025 - Decrease</b>	<b>(Rs.0.8816/kWh)</b>

3. In light of Policy Guidelines issued by the Federal Government for the application of uniform FCAs on the consumers of KE as well, the instant fuel charges adjustment of XWDISCOs, shall also be applicable on the consumers of K-Electric with same applicability period.

4. The Authority has decided that negative FCA for **October 2025** i.e (Rs. 0.8816/kWh) as referred in the preceding paragraphs;

- Shall be applicable to all the consumer categories of KE and XWDISCOs except lifeline consumers, protected consumers, Electric Vehicle Charging Stations (EVCS) and Pre-paid electricity consumers of all categories who opted for pre-paid tariff.
- XWDISCOs and KE shall reflect the fuel charges adjustment in respect of **October 2025** in the billing month of **December 2025**.
- Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of **October 2025**. In case any bills of **December 2025** are issued before the notification of this decision, the same may be applied in subsequent month.
- While effecting the Fuel Charges Adjustment, the concerned XWDISCOs and KE shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

*Wasim Anwar Bhinder*  
(Wasim Anwar Bhinder)  
Registrar