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No. NEPRA/R/TRF-362/K-Electric-2016/33605-09

August 6, 2021


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 Monthly Fuel Charges Adjustments of K-Electric Limited for the period from January-June 2021 and Notification (S.R.O. 995(I)/2021 dated 06.08.2021) Thereof

Enclosed please find herewith a copy of decision of the Authority (10 pages) in the matter of fuel charges for the period from January – June 2021 in respect of K-Electric Limited, along with Notification (S.R.O. 995(I)/2021 dated 06.08.2021) thereof. This is for information and further necessary action.

2. While reflecting the Fuel Adjustment Charges, K-Electric Ltd. shall keep in view and strictly comply with the orders of the court(s), if any, notwithstanding this order.

Enclosure: As above (Decision along Notification is also available on NEPRA's website)



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(Syed Safer Hussain)

CC:

1. Secretary, Ministry of Energy, Power Division, 'A' Block, Pak Secretariat, Islamabad.
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Secretary, Privatization Commission, 4th Floor, Kohsar Block, Constitution Avenue, New Secretariat, Islamabad

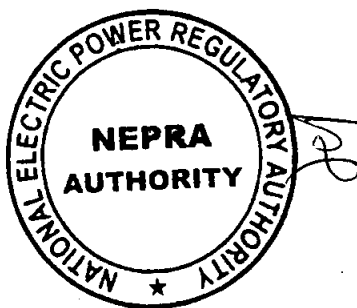
**DECISION OF THE AUTHORITY IN THE MATTER OF MONTHLY FUEL CHARGES
ADJUSTMENTS OF K-ELECTRIC LIMITED FOR THE PERIOD FROM JANUARY TO JUNE 2021**

1. Pursuant to the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, and as per the mechanism for monthly, quarterly and annual adjustments provided in the tariff determination of K-Electric Limited (herein referred to as "K-Electric or KE") dated July 05, 2018, duly notified in the official Gazette vide SRO No. 576(I)/2019 dated May 22, 2019, the Authority has to review and revise the approved tariff on monthly, quarterly and annual adjustments.
2. As per the mechanism provided in the determination, impact of change in KE's own generation fuel cost component due to variation in fuel prices, generation mix & volume shall be passed on to the consumers directly in their monthly bills in the form of Fuel Charges Adjustment (FCA). Similarly, impact of change in the fuel component of Power Purchase Price (PPP) due to variation in fuel prices & energy mix shall also be passed on to the consumers through monthly FCA.
3. However, the impact of monthly variations in million rupees in KE own generation's fuel cost component as well power purchase price to the extent of targeted T&D losses, not taken into account in the monthly FCAs, shall be adjusted on quarterly basis.
4. Pursuant to notification of the determined MYT, KE filed its monthly FCA request from January 2021 to June 2021. A summary of the adjustment requests filed by K-Electric is as under;

Monthly FCA		
Month	Mln Rs.	Rs./kWh
Jan-21	2,053	1.978
Feb-21	2,773	2.495
Mar-21	2,348	1.497
Apr-21	(1,606)	(0.869)
May-21	(1,297)	(0.646)
Jun-21	442	0.211

Hearing

5. Since the impact of any adjustments has to be made part of the consumer end tariff, therefore, the Authority, in order to provide an opportunity of hearing to all the concerned and meet the ends of natural justice, decided to conduct a hearing in the matter.
6. The Authority earlier scheduled hearing in the matter of FCAs of K-Electric for the period from January 2021 to April 2021 and Quarterly adjustments for the Quarter Jan to Mar. 21 on 15.06.2021 through ZOOM. Notices in this regard were published in the newspaper on June 03, 2021.



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The Authority, however, during the hearing held on 15.06.2021, decided to re-conduct the hearing, once the FCA requests of K-Electric for the months of May 2021 and June 2021, which as per K-Electric are expected to be negative, thus in order to minimize the impact of positive FCAs on consumers.

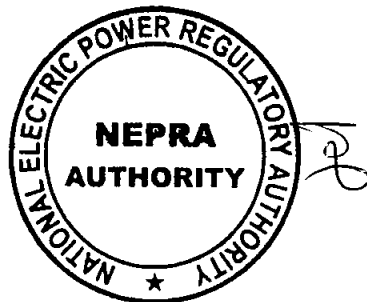
7. Subsequently, K-Electric filed its FCA request for the months of May and June 2021. Accordingly, hearing for all the six monthly FCAs i.e. from January 2021 to June 2021 and quarterly adjustment for the quarter Jan-Mar 2021 was rescheduled for 28.07.2021, through Zoom. Notice of hearing was published in the newspapers on July 16, 2021 and also uploaded on NEPRA's website along-with adjustment requests filed by K-Electric. Individual notices were also sent to the stakeholders. The hearing was, however, re-scheduled for 03.08.2021, owing to other commitments of the Authority.

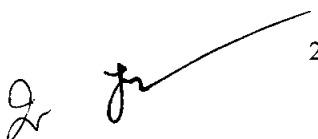
8. The hearing was accordingly held on August 03, 2021, through ZOOM. The advertisement in this regard was published in newspapers and also uploaded on NEPRA's Website for information of all concerned; notices were also issued to the stakeholders in this regard.

9. Following issues were framed for discussion during the hearing;

- i. Whether the requested Fuel price variations are justified?
- ii. Whether the requested quarterly variations are justified?
- iii. Whether, the K-electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?
- iv. Whether there is a need to revise the fixed charges currently applicable on different categories of consumers?
- v. Whether Category "J-Special Contracts" should continue keeping in view amendments in NEPRA (Supply of Electric Power) Regulations, 2015 and amended NEPRA Act 2018?

10. The hearing was attended by CFO K-Electric along-with his team. Representatives from KCCI, Media and General Public also attended the hearing. K-Electric, however, during the hearing submitted that at the time of submission of its FCA requests, the Authority's approved rates of XWDISCOs for the respective months were not available. Similarly, the Authority's approved Fuel cost component of FPCL Power Plant was also were not available at the time of filing of FCA requests. In view thereof, K-Electric submitted its revised numbers after incorporating therein the Authority's approved rates of energy purchased from CPPA-G and FPCL. The revised FCA claims requested by K-Electric during the hearing are as under;




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*Decision of the Authority in the matter of Monthly Fuel Charges Adjustments
of K-Electric Limited for the Period from January to June 2021*

Monthly FCA		
Month	Mln Rs.	Rs./kWh
Jan-21	2,082	2.006
Feb-21	3,119	2.805
Mar-21	3,845	2.451
Apr-21	(1,161)	(0.628)
May-21	(2,123)	(1.058)
Jun-21	(452)	(0.216)

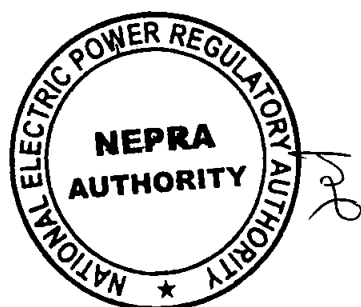
11. During hearing, Mr. Arif Bilwani submitted that K-Electric has not utilized the allocated gas efficiently as units generated on gas from BQPS-I power plant are higher during the period as compared to the units generated on gas from BQPS-II. The Authority observed that an in-house analysis regarding following of Economic Merit Order (EMO) by K-Electric has been carried out, which has been discussed in the ensuing paragraphs.

12. Representative of KCCI during the hearing submitted that due to higher generation cost and consequently higher tariff of K-Electric, the subsidy allocated by the Federal Government for K-Electric is utilized earlier. KCCI accordingly requested that impact of cheaper generation from Hydel and Nuclear may also be included in the tariff of K-Electric. The Authority noted that benefit of cheaper energy from Hydel, Nuclear and other cheaper sources is already being allowed in the tariff of K-Electric, as energy purchased by K-Electric from National Grid through CPPA-G is charged on the pool price, which includes energy & cost of electricity generated from Hydel, Nuclear and other cheaper sources.

13. K-Electric, in its adjustment requests, has certified that it despatches as per Economic Merit Order from its own generation units (with the available fuel resources) and import from external sources. It also certified that the cost of fuel and power purchase claims do not include any amount of late payment surcharge/mark-up/interest.

14. K-Electric provided the plant wise generation statistics sheet, signed by K-Electric employees. The plant wise statistic sheets provide information in terms of Plant Capacity, Actual Units Generated, Actual Auxiliary consumption, Net Generation and Bus Bar sent outs, Actual Heat Rates, fuel consumption & cost of Fuel and Generation cost per unit. In addition K-Electric also provided copies of invoices raised by Fuel Suppliers and copies of invoices raised by IPPs. The Authority also asked for certain additional information from K-Electric with respect to actual calorific value of RFO consumed, status of fuel supply agreements, Audited accounts of IPPs, plant utilization factors, detail of penalties imposed on external power sources etc.

15. The Authority based on the information, data and record provided by K-Electric, has analyzed the FCA claims of K-Electric and issue wise discussion given hereunder. The issue regarding



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quarterly variations has been deliberated in the quarterly tariff decision of K-Electric for the period from January to March 2021.

Issue: Whether the requested Fuel price variations are justified?

K-Electric Own Generation

16. In order to verify the generation numbers reported by K-Electric, the Authority analyzed the plant wise generation statistics sheet, provided by K-Electric. The sheet provided information in terms of plant capacity, actual units generated, actual auxiliary consumption, net generation and bus bar sent outs, actual heat rates, fuel consumption & cost of fuel and generation cost per unit. While going through the data / information provided by K-Electric regarding fuel cost of energy from its own power plants, the Authority's observations are as under;

17. K-Electric, as required under the MYT, carried out heat rate test of KCCPP. Pursuant thereto, the Authority, in its decision dated 02.09.2020 decided as under;

"i. For the period from July 2016 to May 2019, the heat rate i.e. 8,250.06 Btu/kWh - net HHV, corresponding to 41.36% efficiency is approved with no further adjustment for degradation and partial loading allowed.

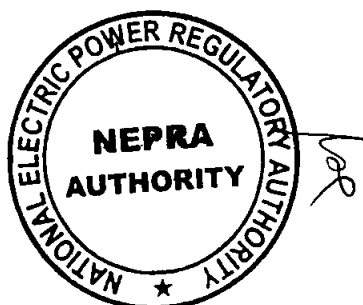
ii. For the period from June 2019 to June 2023, the heat rate i.e. 8,377.032 Btu/kWh - net HHV, corresponding to 40.732% efficiency is approved. This heat rate will be applicable for the control period on flat basis, without any additional adjustment for other parameters.

iii. KE is required to conduct maintenance including Major Overhaul of its plants / units as per prudent utility practices and recommendations of OEM.

iv. In case of non-requirement of Gas compressors - the relevant capacity and Heat rates would be adjusted. For such a scenario, relevant capacity and heat rates calculated during the present tests would be used."

18. K-Electric, has filed a motion for leave for review against the Authority's decision dated 02.09.2020, which has not yet been decided, therefore, K-Electric has used the heat rate of 8,497 BTU/kWh, as allowed in the MYT determination, while working out its instant adjustments. The Authority, however, for the purpose of instant adjustments has considered the heat rates, as approved vide decision dated 02.09.2020. This has resulted in reduction in fuel cost claimed by K-Electric for KCCPP by around Rs.62 million, which has accordingly been adjusted while processing of the instant monthly FCAs of K-Electric. In case of any subsequent revision in heat rates of KCCP, on the basis of Review motion filed by K-Electric, the impact of the same would be adjusted in the subsequent tariff adjustments of K-Electric.

19. For KGTPS and SGTPS plants, pursuant to the heat rate tests conducted by K-Electric, the Authority approved the following Heat Rates for these plants vide decisions dated 18.01.20201, against the already allowed Heat Rates of 8,738 for KGTPS and 8,746 for SGTPS in the MYT;



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**Decision of the Authority in the matter of Monthly Fuel Charges Adjustments
of K-Electric Limited for the Period from January to June 2021**

Heat Rate for July 2016 – June 2019

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
KGTPS	9276 ¹	36.78%

1. Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
KGTPS	100% loading	9041.66	37.74%
	75% loading	9092.66	37.527%

Heat Rate for July 2019 – June 2023

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
KGTPS	9276 ¹	36.78%

1. Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
KGTPS	100% loading	9048.22	37.71%
	75% loading	9099.212	37.499%

Heat Rate for July 2016 – June 2019

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
SGTPS	9264 ¹	36.83%

1. Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
SGTPS	100% loading	9045.93	37.72%
	75% loading	9064.794	37.642%

Heat Rate for July 2019 – June 2023

Requested by KE:

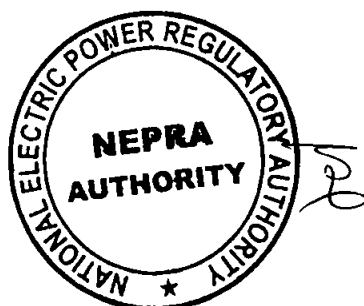
Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
SGTPS	9264 ¹	36.83%

1. Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
SGTPS	100% loading	9077	37.59%
	75% loading	9095.92	37.512%

20. Since the decisions were issued on 18.01.2021, therefore, K-Electric in its adjustment requests used the heat rates for KGTPS and SGTPS as allowed in the MYT determination, which are on the lower side. Accordingly, for the purpose of calculation of instant adjustment requests, the Authority has also considered the heat rates / Auxiliaries of KGTPS and SGTPS as allowed in the MYT determination. Here it is pertinent to mention that K-Electric has filed review motions against the above mentioned decisions of the Authority, therefore, in case of any subsequent revision in the heat



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rates of KGTPS and SGTPS, on the basis of Review motion filed by K-Electric, the impact of the same would be adjusted in the subsequent tariff adjustments of K-Electric.

21. For BQPS-I, K-Electric has also conducted the heat rate test, for which decision of the Authority is under process. Therefore, for the purpose of instant adjustments, heat rates of BQPS-I, as allowed in the MYT determination have been considered.

22. Regarding GIDC, K-Electric submitted that SSGC has billed K-Electric an amount of around Rs.762 million on account of GIDC each month from January to June 2021 and accordingly claimed these amounts in its instant tariff adjustments. The Authority on the issue of GIDC, in its decision dated June 04, 2021, in the matter of FCA of K-Electric for the period from July to December 2020, considering the fact that K-Electric has obtained stay order from the Honorable SHC in the matter, decided not to allow any amount on account of GIDC till final decision by the Honorable SHC in the matter. Accordingly, for the purpose of instant FCAs of January 2021 to June 2021, the amount of GIDC of Rs.4,573 million has not been considered.

23. The generation reported by K-Electric in its adjustment requests have been checked from the plant wise generation statistics sheet; the units sent out have been worked out based on the Authority's allowed Auxiliaries. The units sent out so worked out are in agreement with the sent outs claimed by K-Electric in its adjustment requests.

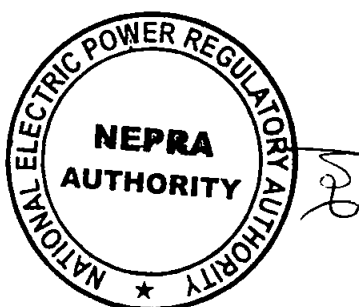
24. Similarly, the monthly rates of Gas and RLNG used by K-Electric in its adjustment request, are same as approved by OGRA and charged by SSGCL to K-Electric. The rates of RFO claimed by K-Electric are comparable with the rates of PSO for the relevant period.

Power Purchase Price- Fuel Cost

25. While going through the data / information provided by K-Electric regarding fuel cost of energy purchased from external sources, the Authority's observations are as under;

26. Regarding KANUPP, the Authority observed that as per Clause 6, Billing and Payments, sub clause 6.01 of the PPA executed by K-Electric with KANUPP, for the energy supplied / purchased by KANUPP of KESC, as the case may be, bills shall be raised separately, but payment shall be made on net output basis. K-Electric, however, in its adjustment claims has included cost of energy purchased from KANUPP on gross basis i.e. without netting it off for the energy exported to KANUPP. The Authority, therefore, in line with clause 6.01 of the Agreement, has adjusted the energy as well as cost of KANUPP on net output basis.

27. The Authority observed that K-Electric while calculating the fuel cost of Gul Ahmed Energy Ltd. (GAEL) for the period from January to June 2021, used reference CV of 38,826.1 BTUs/Kg. The Authority, however, noted that as per the decision dated 03.06.2020, in the matter of review motion filed by GAEL, it has been allowed reference LHV Calorific Value of 38,584.49 BTUs/Kg and revised LHV calorific value as per actual, subject to minimum of 17,333 BTUs/lb (38,212.74 BTUs/Kg). Based



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on the allowed CV as per the decision dated 03.06.2020, the total fuel cost of GAEL for the period from January to June 2021, works out as around Rs.5,397 million instead of Rs.5,431 million, claimed by K-Electric. Accordingly, difference of around Rs.34 million has been adjusted from the cost of GAEL limited.

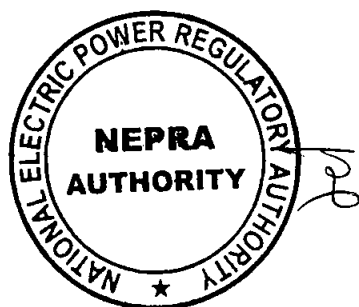
28. Regarding cost of FPCL claimed by K-Electric, the Authority observed that the monthly Fuel Cost Component (FCC) of FPCL is determined by NEPRA. However, the Authority's approved FCC of FPCL were not available at the time of filing of FCA requests by K-Electric. Therefore, for the purpose of instant FCAs, the FCC for the energy provided by FPCL to K-Electric has been considered as per the FCC approved by NEPRA for the respective months. This has resulted in decrease in total fuel cost by Rs.1.84 million for the period from January to June 2021.

29. Regarding cost of energy purchased from CPPA-G i.e. 650 MW and 150 MW during the period January 2021 to June 2021, K-Electric has not used the rates as approved by the Authority in the matter of FCA of XWDISCOs for that particular month. K-Electric during the hearing submitted that at the time of submission of FCA request by K-Electric, the Authority's approved FCA rate of XWDISCOs for the respective months were not available. K-Electric, therefore, requested to consider the Authority's approved rates in this regard.

30. In view thereof, while working out the instant FCA of K-Electric, rates approved by the Authority for XWDISCOs has been incorporated for the energy purchased by K-Electric from CPPA-G period from January to June 2021. This has resulted in increase in total fuel cost by around Rs.897 million for the period from January to June 2021.

31. The Authority vide its determination dated February 10, 2017 in the matter of tariff determination of STDC for 132 kV transmission line project, decided to cap the loss threshold for STDC at 1%. Subsequently, the Authority while deciding the Review Motion of STDC dated June 14, 2018, allowed a maximum of 1.5% transmission losses provisionally for the period of six months from COD. The CoD was achieved by the plants in January 2018, thus, maximum of 1.5% transmission losses to STDC was allowed only from January to June 2018. Afterwards, the Authority vide decision dated 09.01.2020, allowed a Transmission loss level with a cap of 2% to STDC, from the date of the decision i.e. 09.01.2020 onward. Accordingly, for the period from 09.01.2020 onward, including the current period under consideration, STDC losses with a cap of 2% have been considered while working out the instant tariff adjustments of K-Electric.

32. Here it is pertinent to mention that while working out the FCA of K-Electric, the impact of positive monthly FCAs not to be recovered from the life line consumers and negative monthly FCAs not to be passed on to life line consumers, domestic consumers up-to 300 units and agriculture consumers has been accounted for in the quarterly adjustments.



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Issue: Whether K-electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?

33. The Authority, during the hearing observed that prima facie, certain efficient power plants were not fully utilized and instead energy from inefficient power plants was generated. The Authority carried out an in-house analysis of the data provided by K-Electric for the month of June, 2021, to work out the financial impact due to deviation from EMO. As per the in-house analysis/ workings carried out, the total amount to be deducted for the month of June 2021, due to deviation from EMO / underutilization of efficient power plants and gas pressure issue works out as Rs.1,125 million, which includes Rs.184 million on account of deviation from EMO and Rs.941 million on account of Gas Pressure. KE subsequently provided the information regarding gas pressure issue, which is under consideration. In view thereof, the Authority has decided to deduct the amount of Rs.184 million from the FCA of June 2021, and the amount on account of gas pressure i.e. Rs.941 million is being allowed on provisional basis, subject to adjustment once the data provided by KE is analyzed. Regarding merit order exercise for the period from January 2021 to May 2021, K-Electric is directed to provide the information as per the requisite format, and the exercise would be carried out, once data on required format is received from K-Electric for the period.

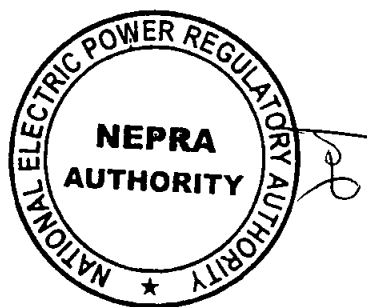
34. Regarding other technical issues, *inter alia*, System Operating Procedures, Generation capacity kept on standby mode by K-Electric and heat rates & auxiliaries etc., the Authority has decided that these issues would be dealt separately.

Issue: Whether there is a need to revise the fixed charges currently applicable on different categories of consumers?

Issue: Whether Category "J-Special Contracts" should continue keeping in view amendments in NEPRA (Supply of Electric Power) Regulations, 2015 and amended NEPRA Act 2018?

35. The aforementioned issues have been deliberated in the quarterly adjustment decision of K-Electric for the quarter January to March 2021.

36. In view of the aforementioned discussion and after incorporating the above adjustments, the Authority has decided to allow the following FCAs to be passed on to the consumers directly in their monthly bills for the period from January 2021 to June 2021;



**Decision of the Authority in the matter of Monthly Fuel Charges Adjustments
of K-Electric Limited for the Period from January to June 2021**

Description		Unit	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Fuel Cost	Own Generation	Rs. Mln	6,068	8,961	11,693	12,459	12,823	14,543
	External Purchases	Rs. Mln	4,642	3,432	5,565	6,890	7,371	8,422
	Deviation from EMO		-	-	-	-	-	(184)
	Total	Rs. Mln	10,710	12,393	17,258	19,348	20,194	22,781
Total Units	Own Generation	GWh	448	637	843	954	971	960
	External Purchases	GWh	587	470	720	890	1,030	1,131
	Total	GWh	1,035	1,107	1,563	1,844	2,001	2,092
Fuel Cost Component (FCC)	Own Generation	Rs./kWh	5.8644	8.0977	7.4818	6.7566	6.4091	6.9534
	External Purchases	Rs./kWh	4.4870	3.1015	3.5610	3.7363	3.6839	4.0267
	Deviation from EMO	Rs./kWh	-	-	-	-	-	(0.0880)
	Total	Rs./kWh	10.3514	11.1992	11.0428	10.4929	10.0930	10.8921
Reference FCC	Own Generation	Rs./kWh	5.0630	5.0630	5.0630	7.4818	7.4818	7.4818
	External Purchases	Rs./kWh	4.0379	4.0379	4.0379	3.5610	3.5610	3.5610
	Total	Rs./kWh	9.1009	9.1009	9.1009	11.0428	11.0428	11.0428
Fuel Charges Adjustment (FCA)	Own Generation	Rs./kWh	0.8014	3.0347	2.4188	(0.7252)	(1.0727)	(0.5284)
	External Purchases	Rs./kWh	0.4491	(0.9364)	(0.4769)	0.1753	0.1229	0.4657
	Deviation from EMO	Rs./kWh	-	-	-	-	-	(0.0880)
	Total	Rs./kWh	1.2505	2.0983	1.9419	(0.5499)	(0.9498)	(0.1507)
Variation in Fuel Cost	Own Generation	Rs. Mln	829	3,358	3,780	(1,337)	(2,146)	(1,105)
	External Purchases	Rs. Mln	465	(1,036)	(745)	323	246	974
	Deviation from EMO	Rs. Mln	-	-	-	-	-	(184)
	Total	Rs. Mln	1,294	2,322	3,035	(1,014)	(1,900)	(315)

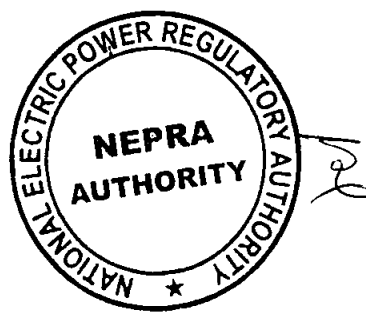
37. The Authority is also cognizant of the fact that the period for which FCAs are being allowed i.e. January 2021 to June 2021, has already lapsed and variations on account of fuel cost have not yet been recovered/ passed on to the consumers. The Authority believes that any such variations need to be passed on to the consumers in timely manner in order to ensure financial viability of the Company, which otherwise would result in piling up of the legitimate costs and may impact the financial viability of the Company. However, at the same, the Authority in the interest of the consumers, needs to ensure that consumers' are not overburdened by passing on the allowed costs in one go.

38. In view thereof, the Authority has decided to allow the recovery of the aforementioned FCAs from the consumers in a period of three months i.e. August 2021, September 2021 and October 2021 as per the schedule given below;

To be Recovered in	FCAs Pertaining to
August 2021	January 21 and June 21
September 2021	February 21 and April 21
October 2021	March 21 and May 21

39. In view of the aforementioned, the Authority hereby directs K-Electric that in case of positive monthly FCAs, the same;

- a. Shall be applicable to all the consumer categories except lifeline consumers.



- b. Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
- c. K-Electric shall reflect the fuel charges adjustment in respect of each month in the billing month as per the Schedule given above.
- d. While effecting the Fuel Adjustment Charges, K-Electric shall keep in view and strictly comply with the orders of the courts notwithstanding this order.
40. Similarly, in case of negative FCAs, the same;
- a. Shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming up-to 300 units and Agriculture Consumers of K-Electric. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.
- b. The Authority in its decision dated 01.12.2020, in the matter of request of the Ministry of Energy (Power Division) for incorporation of support package for additional consumption and abolishment of Time of Use tariff scheme for industrial consumers of K-Electric, decided that;
- Positive monthly FCA would be applicable to B1, B2, B3, B4 and B5 industrial consumers on the incremental sales till continuation of the instant package, however, negative FCA would not be allowed. The amount so retained by K-Electric, if any, would be adjusted in the subsequent quarterly adjustments of K-Electric.
- c. Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
- d. K-Electric shall reflect the fuel charges adjustment in respect of each month in the billing month as per the Schedule given above.
- e. While effecting the Fuel Adjustment Charges, K-Electric shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

AUTHORITY



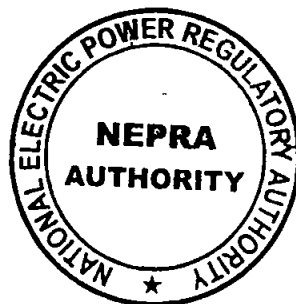
Rehmatullah Baloch
Member

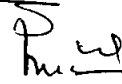


Engr. Maqsood Anwar Khan
Member

Rafique Ahmed Shaikh
Vice Chairman

Tauseef H. Farooq
Chairman




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**To Be Published in
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National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the 6th day of August 2021

S.R.O. **995** (I)/2021.- Pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended through Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act 2011 and as per the mechanism for monthly, quarterly and annual adjustments provided in the Tariff Determination of K-Electric Ltd. dated July 05, 2018 duly notified in the official Gazette vide SRO No. 576(I)/2019 dated May 22, 2019, National Electric Power Regulatory Authority (NEPRA) makes and notifies the following adjustments in the approved tariff on account of variation in fuel charges for the period January to June 2021 in respect of K-Electric Limited:

FCA to be calculated on the basis of billing for the Month of	Rs./kWh	Charged in Consumer Bills to be issued in the Month of
January 2021	1.2505	August 2021
February 2021	2.0983	September 2021
March 2021	1.9419	October 2021
April 2021	(0.5499)	September 2021
May 2021	(0.9498)	October 2021
June 2021	(0.1507)	August 2021

2. In case of positive monthly FCAs, the same:
- Shall be applicable to all the consumer categories except lifeline consumers.
 - Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
 - K-Electric shall reflect the fuel charges adjustment in respect of each month in the billing month as per the Schedule given above.


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3. Similarly, in case of negative FCAs, the same:

- a) Shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming up-to 300 units and Agriculture Consumers of K-Electric. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.
- b) The Authority in its decision dated 01.12.2020, in the matter of request of the Ministry of Energy (Power Division) for incorporation of Support Package for additional consumption and abolishment of Time of Use Tariff Scheme for Industrial Consumers of K-Electric, decided that:
 - Positive monthly FCA would be applicable to B1, B2, B3, B4 and B5 industrial consumers on the incremental sales till continuation of the instant package, however, negative FCA would not be allowed. The amount so retained by K-Electric, if any, would be adjusted in the subsequent quarterly adjustments of K-Electric.
- c) Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
- d) K-Electric Ltd. shall reflect the fuel charges adjustment in respect of each month in the billing month as per the Schedule given above.

4. While effecting the Fuel Adjustment Charges, K-Electric Ltd. shall keep in view and strictly comply with the orders of the courts notwithstanding this order.


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(Syed Safer Hussain)
Registrar

