

## National Electric Power Regulatory Authority

### NOTIFICATION



Islamabad, the <sup>th</sup> 05 day of August, 2025

S.R.O. 1462(I)/2025.- In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the Decision of the Authority dated June 23, 2025 regarding Motion for Leave for Review filed by Lahore Electric Supply Company Limited against its Multi Year Tariff Determination for the period FY 2023-24 to FY 2027-28 in Case No. NEPRA/TRF-603 & TRF-604/LESCO/MYT-/2023.

2. While effecting the Determination, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.

  
(Wasim Anwar Bhinder)  
Registrar

**DECISION REGARDING MOTION FOR LEAVE FOR REVIEW (MLR) FILED BY LAHORE  
ELECTRIC SUPPLY COMPANY (LESCO) AGAINST ITS MYT DETERMINATION FOR THE  
PERIOD FY 2023-24 TO FY 2027-28.**

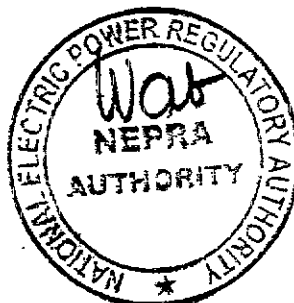
**Background**

1. The Authority determined tariff of Lahore Electric Supply Company Limited (LESCO) under Multi Year Tariff (MYT) Regime, for the five-year period from FY 2023-24 to FY 2027-28, vide tariff determination dated 14.03.2024. The tariff so determined was subsequently notified by the Federal Government.
2. LESCO (hereinafter also referred to as "the Petitioner" or "Company"), being aggrieved with the decision, filed a Motion for Leave for Review (MLR).
3. The Petitioner submitted in the MLR that it has reservation on Para 26.18 of the Authority decision dated 14.03.2024, where PYA has been worked out and determined as Rs.17,359 million. LESCO being aggrieved is submitting its working on the following components of PYA;
  - ✓ Distribution Margin FY 2021-22 (Under/Over recovered)
  - ✓ Quarterly Tariff Adjustments (Under/Over recovered)

**Proceedings:**

4. The MLR was admitted by the Authority. Since the prayer of the MLR, impacts the consumer end tariff, therefore, the Authority decided to conduct a hearing in the matter, to provide a fair opportunity to the Petitioner to present its case.
5. The hearing was accordingly scheduled on 07.04.2025, at NEPRA Tower & through Zoom. Notices of hearing were issued to the relevant stakeholders. Hearing was held as per the schedule. During hearing, the Petitioner was represented by its Chief Executive Officer along-with its Technical and Financial Team.
6. The Petitioner reiterated its earlier submissions during the hearing and presented its workings of PYA as under;

*Wab*



PYA -2023		As Per NEPRA	As Per LESCO	
Sr. No.	Description	Rs. Mln.	Rs. Mln.	Difference
1	FY 2022-23			
	Turnover Tax	18,640		
	PM Assistance Package	842		
	Supplier Fee NEPRA 2022	48		
	Supplier Fee NEPRA 2023	72		
	GENCO Pensioners (2022 & 2023)	211	19,813	19,813
2	DM FY 2021-22			
	Under Recovered	-683	3,642	4,325
3	True Up allowed	FY 2020-21	FY 2020-22	
	Depreciation	1,013	567	
	RORB	(2,496)	(1,468)	
	Other Income	2,008	3,121	
		525	2,221	2,746
4	Negative FCA-Retained by Company			
	Jul-2020 to December 2022		(1,099)	(1,099)
5	NET AQTA's			
	2nd & 3rd Qtr 2019-20 to 1st Qtr FY 2022-23		(5,823)	(1,279)
				4,544
6	PYA 2020		23	23
7	Sales Mix			
	FY 2021	(261)		
	FY 2021-22	2,644	2,383	2,383
	NET PYA	17,359	26,228	8,869

7. The Petitioner submitted that the above two components have financial impact amounting to Rs.8.8 billion, which needs Authority consideration.
8. LESCO also stated that it has already requested this differential amount under the head of Prior Year Adjustment (PYA) submitted before Authority in DM Indexation/Adjustment for Distribution of Power Tariff & Supply of Power Tariff.
9. The Authority has carefully considered the submissions of the Petitioner made in the MLR and during the hearing. The Authority noted that while working out the under / over recovery of LESCO for the allowed amounts of DM for FY 2021-22 and Quarterly adjustments from the 2<sup>nd</sup> Quarter of FY 2019-20 to 1<sup>st</sup> Quarter of FY 2022-23, the sales inclusive of incremental units was considered. However, as per the Authority's decision in the matter of ISP, quarterly adjustments are not to be charged on incremental sales. Accordingly, the actual recovery made by the Petitioner has been reworked after excluding the impact of incremental units. This has resulted in positive additional PYA. Accordingly, the Authority has decided to allow the differential amount of Rs.8,869 million to the Petitioner. The amount of Rs.8,869 million has been included as part of PYA in the annual adjustment/ indexation of the Petitioner for the FY 2025-26.



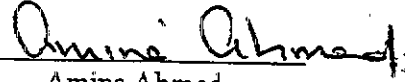
*Matter - 9*

10. The decision of the Authority is intimated to the Federal Government for notification in the official Gazette under Section 31 of the NEPRA Act, 1997.

AUTHORITY



Rafique Ahmed Shaikh  
Member



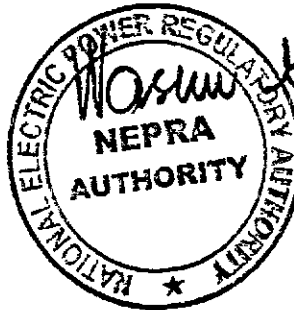
Amina Ahmed  
Member



Engr. Maqsood Anwar Khan  
Member



Waseem Mukhtar  
Chairman





REGISTRAR

## National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/ 11843-45

August 05, 2025

The Manager

Printing Corporation of Pakistan Press (PCPP)

Khayaban-e-Suharwardi,

Islamabad

Subject: **NOTIFICATION REGARDING ORDERS OF THE AUTHORITY**

In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997); enclosed please find herewith notifications in respect of the following Decisions of the Authority as detailed below for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date
1.	Decision of the Authority regarding Motion for Leave for Review filed by Lahore Electric Supply Company Limited against its Multi Year Tariff Determination for the period FY 2023-24 to FY 2027-28	9251-9257 23-06-2025
2.	Decision of the Authority regarding Motion for Leave for Review filed by Islamabad Electric Supply Company Limited against its Multi Year Tariff Determination for the period FY 2023-24 to FY 2027-28	9259-9265 23-06-2025

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 02 Notifications

  
(Wasim Anwar Bhinder)  
Registrar

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AK Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. Syed Mateen Ahmed, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad