

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, WEDNESDAY, AUGUST 10, 2022

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY
(Power Division)

NOTIFICATION

Islamabad, the 10th August, 2022

S. R. O. 1419(I)/2022.—In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, Federal Government hereby pleased to notify decision of Authority issued *vide* No. 14902-14904 dated August 10, 2022 along-with Category-wise uniform quarterly adjustments for K-Electric for recovery in three months period with effect from August 2022.

[F. No P-III 3(2)/2009.]

SYED MATEEN AHMED,
Section Officer (Tariff).

3197(1—6)

Price : Rs.10.00

[8854(2022)/Ex. Gaz.]



Decision of the Authority regarding motion filed by the Federal Government under Section 7 & 31 of the NEPRA Act 1997 read with Rule 17 of the NEPRA (Tariff standards and procedure) Rules, 1998 with respect to recommendation of Consumer end tariff for K-Electric

DECISION OF THE AUTHORITY IN THE MATTER OF MOTION FILED BY THE FEDERAL GOVERNMENT UNDER SECTION 7 & 31 OF THE NEPRA ACT 1997 READ WITH RULE 17 OF THE NEPRA (TARIFF STANDARDS AND PROCEDURE) RULES, 1998 WITH RESPECT TO RECOMMENDATION OF THE CONSUMER END TARIFF FOR K-ELECTRIC

BACKGROUND

1. NEPRA determined quarterly tariff adjustments of XWDISCOs for the 1st quarter of FY 2021-22, vide decision dated May 09, 2022, whereby the Authority allowed a uniform quarterly adjustment of Rs.0.5715/kWh for all categories of consumers except life line consumers. The said determination was notified by the Authority vide SRO 728(I)/2022 dated 31st May 2022, to be recovered in three months period w.e.f. June 01, 2022.
2. Pursuant to the above, the Federal Government vide letter No.F.Tariff/PIII-3(2)/2009 dated June 30, 2022, has submitted a Motion with respect to recommendation of consumer end tariff of K-Electric (**the Motion**), under Sections 7 & 31 of NEPRA Act, read with Rule 17 of NEPRA Tariff (Standards and Procedure) Rules, 1998 (**Tariff Rules**).
3. The Federal Government in its Motion submitted that NEPRA determined the Multi Year Tariff of K-Electric vide its decision dated July 05, 2018, duly notified by the Federal Government on May 22, 2019. Subsequently, various quarterly tariff adjustments for KE were determined by the Authority. The last quarterly adjustment was notified by Federal Government vide SRO 1037(I)/2020 as amended vide SRO Nos. 192(I)/2021 and 1429(I)/2021, to maintain uniform tariff in the Country.
4. It has further been submitted that the Authority has determined Periodic Adjustment in Tariff for the 1st Quarter of FY 2021-22 for XWDISCOs having uniform rate of Rs.0.5715/unit for three months period and same has been notified vide SRO No. 728(I)/2022 dated 31st May 2022. In accordance with the National Electricity Policy, 2021, the Government may maintain a uniform consumer-end tariff for K-Electric and state-owned distribution companies (even after privatization) through incorporation of direct / indirect subsidies. Accordingly, K-Electric applicable uniform variable charge is also required to be modified so as to recover the revenue requirements of KE, determined by the Authority consistent with the uniform national tariff of XWDISCOs. The same has been approved by the Federal Government and it was decided that the same be submitted to the Authority for consideration in terms of the provisions of the Act.
5. In light of the above, instant Motion is being filed by the Federal Government with respect to Consumer End Tariff Recommendations of K-Electric, under section 7, 31 (4) and 31 (7) of the Act read with Rule 17 of the Rules so as to reconsider and issue for K-Electric, modified uniform variable charge, to maintain uniform tariff across the country, to recover the revenue requirements of K-Electric determined by the Authority keeping in view the proposed targeted subsidy and cross subsidies.



Muth



Decision of the Authority regarding motion filed by the Federal Government under Section 7 & 31 of the NEPRA Act 1997 read with Rule 17 of the NEPRA (Tariff standards and procedure) Rules, 1998 with respect to recommendation of Consumer end tariff for K-Electric

6. In view thereof, the Authority has been requested to issue revised SoT determined for the Quarter October to December 2021 or incorporate the same in the latest SoT being determined by the Authority for the Quarter January to March 2022, with prospective application of applicable uniform rates after incorporating tariff rationalization. Such adjustment shall be applicable on the consumption of June 2022, July 2022 and August 2022 to be recovered from consumers in July 2022, August 2022 and September 2022, respectively. The Federal Government also sought an opportunity of hearing in the matter.
7. The Motion was admitted by the Authority on July 25, 2022 and to provide a fair opportunity to the Federal Government to present its case, and all the relevant stakeholders involved, the Authority decided to conduct a hearing in the matter, which was held 01.08.2022 at NEPRA Tower Islamabad. Notice of hearing/ admission was published in newspapers on 28.07.2022, inviting comments from the interested / affected parties. Individual notices were also sent to the relevant stakeholders.
8. During the hearing, the Federal Government was represented by Joint Secretary (PF), Ministry of Energy (Power Division), along-with representative from CPPA-G. K-Electric, media, and general public were also present during the hearing.
9. The Federal Government during the hearing submitted that as per the National Electricity Policy 2021 (Section 5.6.3), in view of various parameters, including (a) the socio-economic objectives; (b) budgetary targets in field; and (c) recommendations of the Regulator with respect to consumer-end tariff for each state-owned distribution company, the Government may continue to propose uniform tariff across the consumers and regions. In pursuance thereto, the Regulator shall, in public consumer interest, determine a uniform tariff (inclusive of quarterly adjustments) for all the state-owned distribution companies. Additionally, Government may maintain a uniform consumer-end tariff for K-Electric and state-owned distribution companies (even after privatization) through incorporation of direct / indirect subsidies. It was also explained that despite the proposed increase of Rs.0.5715/kWh, the Government would still be picking-up a subsidy of around Rs.3.98/kWh from the NEPRA determined tariff, which would increase in future after the Authority determines the Quarterly Adjustment of K-Electric for the quarter ended June 2022. Upon inquiry from Mr. Aneel Mumtaz on the legitimacy of the Motion, it was explained by the Federal Government that the Motion has been filed under Section 7 and 31 of NEPRA Act read with Rule 17 of the Tariff Rules.
10. Mr. Bilwani submitted that no response to its earlier queries has been provided by the Ministry, despite directions of the Authority. The Authority directed the Ministry to provide response to Mr. Bilwani immediately.
11. Here it is pertinent to mention that upon inquiry during hearing, the Ministry submitted that as per the Motion, increase of Rs.0.5715/kWh has been proposed on the consumption of June



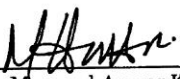
14
Mumtaz

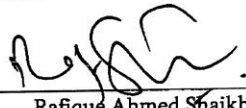


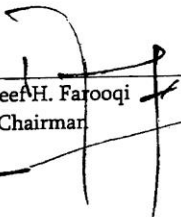
Decision of the Authority regarding motion filed by the Federal Government under Section 7 & 31 of the NEPRA Act 1997 read with Rule 17 of the NEPRA (Tariff standards and procedure) Rules, 1998 with respect to recommendation of Consumer end tariff for K-Electric

- 2022, July 2022 and August 2022 to be recovered from consumers in July to September 2022, respectively, however, since the month of July 2022 has lapsed, therefore, the same may be recovered from consumers in August to October 2022, based on the consumption of June, July and August 2022 respectively.
12. The Authority has considered the submissions made the Federal Government in the Motion and during the hearing. The Authority noted that the instant Motion has been filed by the Federal Government to make the tariff uniform across the Country keeping in view the National Electricity Policy 2021. The Authority further observed that despite the proposed increase of Rs.0.5715/kWh for all categories of the consumers except life line, the Federal Government would be picking up subsidy of Rs.3.98/kWh as explained by the Government during the hearing. In view of the above, the Authority has decided to accept the Motion filed by the Federal Government.
13. However, regarding request of the Federal Government to incorporate the proposed increase in the SoT determined for the quarter Oct.-Dec. 2021 or in the latest SoT for the quarter Jan.-Mar. 2022, with prospective application, the Authority has decided to issue a separate SoT for the allowed increase of Rs.0.5715/kWh for all categories of consumers except life line, the same is attached herewith as **Annex-I**, to be applicable for a period of three months w.e.f. August 2022 to October 2022, on the consumption of June 2022, July 2022 and August 2022 respectively. The amount so allowed shall be accounted for by K-Electric in its subsidy claims. The Federal Government is also requested to adjust this amount while processing the subsidy claims of K-Electric.
14. The instant decision along-with **Annex-I** is intimated to the Federal Government for notification in terms of Section 31(7) of the Act.

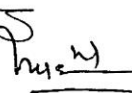
AUTHORITY


Engr. Maqsood Anwar Khan
Member


Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman




1-08-22

**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED**

Annex I

	Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
Protected	a)	For Sanctioned load less than 5 kW		
	i	Up to 50 Units - Life Line		
	ii	51 - 100 Units - Life Line		
	iii	001 - 100 Units	0.5715	0.5715
Unprotected	iv	101 - 200 Units	0.5715	0.5715
	v	001- 100 Units	0.5715	0.5715
	vi	101- 200 Units	0.5715	0.5715
	vii	201- 300 Units	0.5715	0.5715
	viii	301- 400 Units	0.5715	0.5715
	ix	401- 500 Units	0.5715	0.5715
	x	501- 600 Units	0.5715	0.5715
	xi	601- 700 Units	0.5715	0.5715
	xii	Above 700 Units	0.5715	0.5715
	b)	For Sanctioned load 5 kW & above		
		Time Of Use	0.5715	0.5715

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
		Peak	Off-Peak
a)	For Sanctioned load less than 5 kW	0.5715	0.5715
b)	For Sanctioned load 5 kW & above	0.5715	0.5715
c)	Time Of Use	0.5715	0.5715

A-3 GENERAL SERVICES

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
a)	General Services	0.5715	

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
		Peak	Off-Peak
B1	Upto 25 kW (at 400/230 Volts)	0.5715	0.5715
B2(a)	25-500 kW (at 400 Volts)	0.5715	0.5715
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	0.5715	0.5715
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	0.5715	0.5715
	Time Of Use		
B1(b)	Upto 25 kW (at 400/230 Volts)	0.5715	0.5715
B2(b)	25-500 kW (at 400 Volts)	0.5715	0.5715
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	0.5715	0.5715
B4(b)	For All Loads (at 66,132 kV & above)	0.5715	0.5715
B5	For All Loads (at 220 kV & above)	0.5715	0.5715



H. Mathi.

C - SINGLE-POINT SUPPLY

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
C-1	For supply at 400/230 Volts		
a)	Sanctioned load less than 5 kW	0.5715	
b)	Sanctioned load 5 kW & up to 500 kW	0.5715	
C-2(a)	For supply at 11,33 kV up to and including 5000 kW	0.5715	
C-3(a)	For supply at 132 and above, up to and including 5000 kW	0.5715	
	Time Of Use	Peak	Off-Peak
C-1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	0.5715	0.5715
C-2(b)	For supply at 11,33 kV up to and including 5000 kW	0.5715	0.5715
C-3(b)	For supply at 132 kV up to and including 5000 kW	0.5715	0.5715

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
D-1	For all Loads	0.5715	
	Time of Use	Peak	Off-Peak
D-2	For all Loads	0.5715	0.5715

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
E-1(i)	Residential Supply	0.5715	
E-1(ii)	Commercial Supply	0.5715	
E-2 (i)	Industrial Supply	0.5715	
E-2 (ii)	Bulk Supply		
	(a) at 400 Volts	0.5715	
	(b) at 11 kV	0.5715	

G- PUBLIC LIGHTING

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
	Street Lighting	0.5715	

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	TOTAL VARIABLE CHARGES Rs/kWh	
	Residential Colonies attached to industrial premises	0.5715	

