



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-35/IESCO-2005/5540-42
January 10, 2008

Subject: **Decision of the Authority in the matter of Motion for Leave for Review filed by Islamabad Electric Supply Company Ltd. (IESCO) under Rule 16(6) of NEPRA (Tariff Standards and Procedure) Rules, 1998 (Case No. NEPRA/TRF-35/IESCO-2005) - Intimation of Decision of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)**


Dear Sir,

In continuation of this office letters No. NEPRA/TRF-35/IESCO-2005/1022-24 dated February 23, 2007 and No. 1389-91 dated 09.03.2007 whereby Order and detailed determination of the Authority on the Tariff Petition filed by Islamabad Electric Supply Company Limited were sent. Please find enclosed herewith the decision of the Authority along with Annex-I, II, III, IV & V (33 pages in all) in the matter of Motion for Leave for Review filed by Islamabad Electric Supply Company Limited against Case No. NEPRA/TRF-35/IESCO-2005 on April 20, 2007.

2. Subsequent to the culmination of proceedings in the subject Motion for Leave for Review, the decision of the Authority along with Annex-I, II, III, IV & V (33 pages) is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) read with Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please be informed that the Tariff earlier intimated vide Order of the Authority dated February 23, 2007 and para 61 of detailed determination dated 09.03.2007, stand revised to the extent as detailed in para 43 of the decision of the Authority on the subject motion along with Annexes-II, III & V needs to be notified in the official Gazette. The Order along with Annexes II, III & V (17 pages in all) is reproduced for the purpose of clarity and is attached herewith.

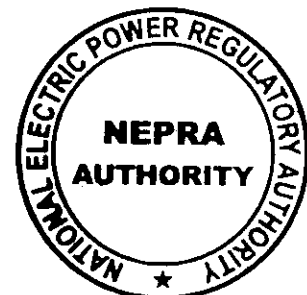
Enclosure: As above


(Mahjoob Ahmad Mirza)

Secretary
Cabinet Division,
Government of Pakistan
Cabinet Secretariat
Islamabad

CC:

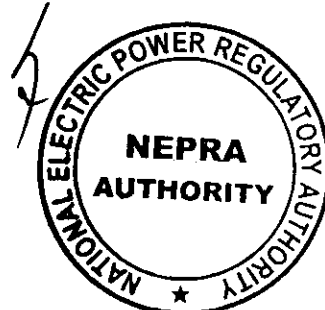
1. Secretary, Ministry of Water & Power, Islamabad.
2. Secretary, Ministry of Finance, Islamabad





ORDER OF THE AUTHORITY
IN CASE NO. NEPRA/TRF-35/IESCO-2005
TO BE NOTIFIED IN THE OFFICIAL GAZETTE

- I. Islamabad Electric Supply Company (IESCO) is allowed to charge its consumers such tariff as set out in the schedule of tariff for IESCO as per **Annex-II**; subject to the variation allowed due to adjustment of tariff on account of variation in power purchase price at **Annex-III** and estimated sales revenue on the basis of new tariff for FY 2006-07 attached as **Annex-I**.
- II. IESCO shall submit its calculation for adjustment in average sale rate due to variation in PPP billed by CPPA according to the prescribed transfer price mechanism attached as **Annex-IV** by 20th of next month immediately after the period as laid down in the prescribed mechanism for adjustment for which such adjustment would be required along with the proposed adjustment in consumer-class rate. The Authority will determine the revised tariff within 10 working days of receipt of information from IESCO. The variation in average sale rate will be distributed between the various consumer classes such that cross-subsidization is minimized as far as possible. Any tariff adjustment so determined by the Authority shall be deemed to have been notified by the Federal Government through the notification of this order.
- III. The terms and conditions related to the schedule of tariff shall be those as attached to this determination as **Annex-V**.
- IV. IESCO is allowed to charge the users of its system a use of system charge (UOSC) equal to:
 - i) Where only 132kV system is involved.





$$UOSC = DM \times \frac{(1-L)}{(1-0.0358)} \text{ Paisa / kWh}$$

ii) Where only 11 kV distribution system is involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.05)} \text{ Paisa / kWh}$$

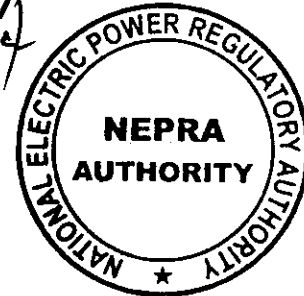
iii) Where both 132 kV and 11 kV distribution systems are involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.0858)} \text{ Paisa / kWh}$$

Where:

Distribution charge for the FY 07-08 is set as paisa 64.96/kWh. 'L' will be the overall percentage loss target for the year as 12% for FY 07-08.

V. The tariff set out at **Annex-II**, the mechanisms for adjustment of average sale rate on account of variation in power purchase price (**Annex-III**) and terms and conditions (**Annex-V**) related to the proposed tariff be sent to the Federal Government for notification under Section 31(4) of the Act.



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
a)	For Sanctioned load up to 20 kW			
i	Up to 50 Units	-		1.60
	For Consumption exceeding 50 Units			
ii	For first 100 Units	-		2.65
iii	For next 200 Units	-		3.64
iv	For next 700 Units	-		6.15
v	Above 1000 Units	-		7.41
b)	For Sanctioned load exceeding 20 kW	-		
	Time Of Use	315.00	6.75	3.90

Under this tariff, there shall be minimum monthly customer charge at the following rates even if no energy is consumed.

- a) Single Phase Connections:
b) Three Phase Connections:

Rs. 75/- per consumer per month
Rs. 150/- per consumer per month

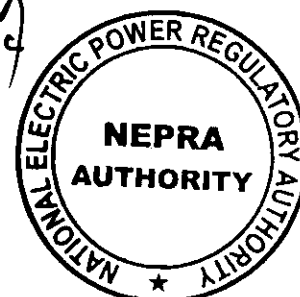
A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
a)	For Sanctioned load up to 20 kW			
i	For first 100 Units	-		7.50
ii	Above 100 Units	-		7.61
b)	For Sanctioned load exceeding 20 kW	365.00		4.62
c)	Time Of Use	315.00	6.75	3.90

Under this tariff, there shall be minimum monthly charges at the following rates even if no energy is consumed.

- a) Single Phase Connections;
b) Three Phase Connections:

Rs. 175/- per consumer per month
Rs. 350/- per consumer per month



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
B1	Up To 20 kW (at 400/230 Volts)	-	5.62	
B2(a)	21-500 kW (at 400 Volts)	315.00	4.25	
	Time Of Use			
B2(b)	21-500 kW (at 400 Volts)	315.00	6.75	3.90
B3	For All Loads up to 5000 kW (at 11,33 kV)	305.00	6.50	3.50
B4	For All Loads (at 66,132 kV & above)	295.00	6.25	3.25

For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.

For B2 consumers there shall be a fixed minimum charge of Rs. 2,000 per month.

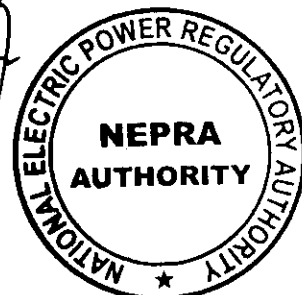
For

B3 consumers there shall be a fixed minimum charge of Rs. 50,000 per month.

For B4 consumers shall be a fixed minimum charge of Rs. 500,000 per month.

**C - SINGLE-POINT SUPPLY FOR PURCHASE IN BULK BY A DISTRIBUTION LICENSEE
AND MIXED LOAD CONSUMERS NOT FALLING IN ANY OTHER CONSUMER CLASS**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
C -1	For supply at 400/230 Volts			
a)	Sanctioned load up to 20 kW	-	5.68	
b)	Sanctioned load above 20 kW & up to 500 kW	315.00	5.30	
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	305.00	4.96	
C -3(a)	For supply at 66 kV & above and sanctioned load above 5000 kW	295.00	4.86	
	Time Of Use (Optional)			
C -1(c)	For supply at 400/230 Volts above 20 kW & up to 500 kW	315.00	6.75	3.90
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	305.00	6.50	3.50
C -3(b)	For supply at 66 kV & above and sanctioned load above 5000 kW	295.00	6.25	3.25



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
D-1(a)	SCARP less than 20 kW	-		5.50
D-2	Agricultural Tube Wells	90.00		3.35
			Peak	Off-Peak
D-1(b)	SCARP and Agricultural more than 20 kW	305.00	6.75	2.75

Note:- The consumers having sanctioned load less than 20 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
E-1(i)	Residential Supply	-		7.41
E-1(ii)	Commercial Supply	-		7.61
E-2	Industrial Supply	-		5.62

For the categories of E-1(i&ii) above, the minimum bill of the consumers shall be Rs. 50/- per day subject to a minimum of Rs.500/- for the entire period of supply, even if no energy is consumed.

F - SEASONAL INDUSTRIAL SUPPLY TARIFF

125% of relevant industrial tariff

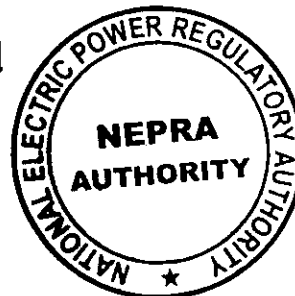
Note:

Tariff-F consumers will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of a new connection or at the beginning of the season. Once exercised, the option remains in force for at least one year.

G- PUBLIC LIGHTING

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
	Street Lighting	-		7.59

There shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
	Residential Colonies attached to industrial premises	-	6.78	

K - SPECIAL CONTRACTS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
1	Azad Jammu & Kashmir (AJK) Time Of Use	355.00	3.99	
		295.00	Peak 6.75	Off-Peak 3.25
2	Rawat Lab		4.94	



Adjustment Mechanism for Power Purchase Price (PPP)

In order to adjust variation in PPP, the quarterly target of losses for IESCO for the year 2007-08 have been set as indicated in the following table;

Year	LQ _{2.1}	LQ _{2.2}	LQ _{2.3}	L ₂
2007-08	14.13%	10.26%	12.13%	12%

The mechanism to vary the consumer-end tariff on account of variation in Power Purchase Price shall be:

Year 2007-08

1st Quarterly adjustment effective 1st October 2007

$$\Delta PP_{2.1} = \frac{(PPa_{2.1} - PPa_{1.1})}{(1 - L_{Q2.1})}$$

2nd Quarterly adjustment effective 1st January 2008

$$\Delta PP_{2.2} = \left(\frac{PPa_{2.2} - PPa_{1.2}}{1 - L_{Q2.2}} \right)$$

3rd Quarterly adjustment effective 1st April 2008

$$\Delta PP_{2.3} = \left(\frac{PPa_{2.3} - PPa_{1.3}}{1 - L_{Q2.3}} \right)$$

Annual adjustment effective 1st July 2008

$$\Delta PP_2 = \left[\frac{PPa_2 - PPa_1}{1 - L_2} - (\Delta PP_{2.1} + \Delta PP_{2.2} + \Delta PP_{2.3}) \right]$$

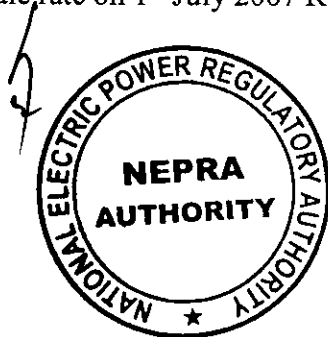
Average sale rate on 1st October 2007 will be $Rt_{2.1} = Rt_1 \pm \Delta PP_{2.1}$

Average sale rate on 1st January 2008 will be $Rt_{2.2} = Rt_{2.1} \pm \Delta PP_{2.2}$

Average sale rate on 1st April 2008 will be $Rt_{2.3} = Rt_{2.2} \pm \Delta PP_{2.3}$

Average sale rate on 1st July 2008 will be $Rt_2 = Rt_{2.3} \pm \Delta PP_2$

Average sale rate on 1st July 2007 Rt_1 will be considered as Rs 4.6365/kWh



Where:

PPa_{1.1} is the actual weighted average power purchase price for the duration of 1st quarter of year 2006-07,

PPa_{1.2} is the actual weighted average power purchase price for the duration of 2nd quarter of year 2006-07,

PPa_{1.3} is the actual weighted average power purchase price for the duration of 3rd quarter of year 2006-07,

PPa₁ is the actual weighted average power purchase price for the duration of year 2006-07,

PPa_{2.1} is the actual weighted average power purchase price for the duration of 1st quarter of year 2007-08,

PPa_{2.2} is the actual weighted average power purchase price for the duration of 2nd quarter of year 2007-08,

PPa_{2.3} is the actual weighted average power purchase price for the duration of 3rd quarter of year 2007-08,

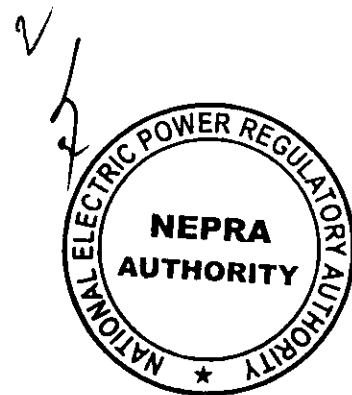
PPa₂ be the actual weighted average power purchase price for the duration of year 2007-08,

LQ_{2.1} be the estimated losses for 1st quarter of year 2007-08,

LQ_{2.2} be the estimated losses for 2nd quarter of year 2007-08,

LQ_{2.3} be the estimated losses for 3rd quarter of year 2007-08,

L₂ be the estimated losses for year 2007-08,



TERMS AND CONDITIONS OF TARIFF
(FOR SUPPLY OF ELECTRIC POWER TO CONSUMERS BY DISTRIBUTION LICENSEES)

PART – I

GENERAL DEFINITIONS

The Company, for the purposes of these terms and conditions means Islamabad Electric Supply Company (IESCO) engaged in the business of distribution of electricity within the territory mentioned in the licence granted to it for this purpose.

1. "Month or Billing Period", unless otherwise defined for any particular tariff category, means a billing month of 30 days or less reckoned from the date of last meter reading.
2. "Minimum Charge", means a charge to recover the costs for providing customer service to consumers even if no energy is consumed during the month.
3. "Fixed Charge" means the part of sale rate in a two-part tariff to be recovered on the basis of "Billing Demand" in kilowatt on monthly basis.
4. "Billing Demand" means the highest of maximum demand recorded in a month except in the case of agriculture tariff D2 where "Billing Demand" shall mean the sanctioned load.
5. "Variable Charge" means the sale rate per kilowatt-hour (kWh) as a single rate or part of a two-part tariff applicable to the actual kWh consumed by the consumer during a billing period.
6. "Maximum Demand" where applicable, means the maximum of the demand obtained in any month measured over successive periods each of 30 minutes duration except in the case of consumption related to Arc Furnaces, where "Maximum Demand" shall mean the maximum of the demand obtained in any month measured over successive periods each of 15 minutes duration.
7. "Sanctioned Load" where applicable means the load in kilowatt as applied for by the consumer and allowed/authorized by the Company for usage by the consumer.
8. "Power Factor" means the ratio of kWh to KVAh recorded during the month or the ratio of kWh to the square root of sum of square of kWh and kVARh,.
9. Point of supply means metering point where electricity is delivered to the consumer.
10. Peak and Off Peak hours for the application of Time Of Use (TOU) Tariff shall be the following time periods in a day:

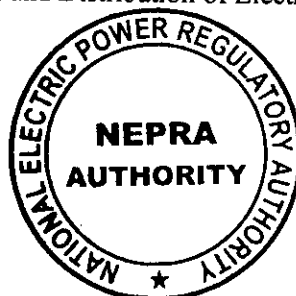
PEAK TIMING

Dec to Feb (inclusive) 5 PM to 9 PM
 Mar to May (inclusive) 6 PM to 10 PM
 Jun to Aug (inclusive) 7 PM to 11 PM
 Sept to Nov (inclusive) 6 PM to 10 PM

OFF-PEAK TIMING

Remaining 20 hours of the day
 -do-
 -do-
 -do-

11. "Supply", means a supply for single-phase/three-phase appliances inclusive of both general and motive loads subject to the conditions that in case of connected or sanctioned load exceeding 4kW supply shall be given at three-phase.
12. "Consumer" means a person or his successor-in-interest as defined under Section 2(iv) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).



13. "Charitable Institution" means an institution, which works for the general welfare of the public on no profit basis and is registered with the Federal or Provincial Government as such and has been issued tax exemption certificate by Central Board of Revenue (CBR).
14. NTDC means the National Transmission and Dispatch Company.
15. CPPA means Central Power Purchasing Agency (CPPA).
16. The "Authority" means "The National Electric Power Regulatory Authority (NEPRA)" constituted under the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

GENERAL CONDITIONS

1. "The Company shall render bills to the consumers on a monthly basis or less on the specific request of a consumer for payment by the due date.
2. The Company shall ensure that bills are delivered to consumers at least seven days before the due date. If any bill is not paid by the consumer is full within the due date, a Late Payment Surcharge of 10% (ten percent) shall be levied on the amount billed excluding Govt. tax and duties etc. In case bill is not served at least seven days before the due date then late payment surcharge will be levied after 7th day from the date of delivery of bill.
3. The supply provided to the consumers shall not be available for resale.
4. In the case of two-part tariff average Power Factor of a consumer at the point of supply shall not be less than 90 percent. In the event of the said Power factor falling below 90 percent, the consumer shall pay a penalty of two percent increase in the fixed charges determined with reference to maximum demand during the month corresponding to one percent decrease in the power factor below 90 percent.

PART – II

(Definitions and Conditions for supply of power specific to each consumer category)

A-1 RESIDENTIAL AND GENERAL SERVICES

This Tariff is applicable for supply to;

- i) Residences,
- ii) Places of worship,
- iii) Approved religious and charitable institutions,
- iv) Government and Semi-Government Offices and institutions,
- v) Government Hospitals and Dispensaries,
- vi) Educational institutions.

Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. A-1(a) tariff.

All new consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangement and shall be billed on the basis of tariff A-1(b) as set out in the Schedule of Tariff.

All existing consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangement and converted to A-1(b) Tariff by the Company no later than 30 June 2008.



A-2 COMMERCIAL

1. This tariff is applicable for supply to commercial offices and commercial establishments such as;
 - i) Shops,
 - ii) Hotels and Restaurants,
 - iii) Petrol Pumps, Service Stations,
 - iv) Compressed Natural Gas filling stations,
 - v) Private Hospitals/Clinics/Dispensaries,
 - vi) places of Entertainment, Cinemas, Theaters, Clubs;
 - vii) Guest Houses/Rest Houses,
 - viii) Office of Lawyers, Solicitors, Law Associates and Consultants etc.
2. Consumers under tariff A-2 having sanctioned load up to 20 kW shall be billed under a Single-Part kWh rate A-2(a)
3. All existing consumers under tariff A-2 having sanctioned load exceeding 20 kW shall be billed on A-2(b) tariff till such time that they are provided T.O.U metering arrangement; thereafter such consumers shall be billed on T.O.U tariff A-2(c).
4. The existing and prospective consumers having load up to 20 kW can opt for T.O.U metering arrangement and A-2(c) tariff.
5. All existing consumers under tariff A-2(b) shall be provided T.O.U metering arrangement by the Company and converted to A-2 (C) Tariff no later than 30th June 2008.
6. All new connections having load requirement exceeding 20 kW shall be provided T.O.U meters and shall be billed under tariff A-2(c).

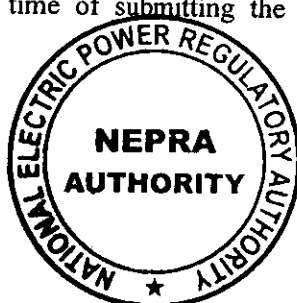
B INDUSTRIAL SUPPLY

Definitions

1. "Industrial Supply", means a supply for bona fide industrial purposes in factories including the supply required for the offices and for normal working of the industry and also for water pumps and tube-wells operating on three phase 400 volts, other than those meant for the irrigation or reclamation of agricultural land.
2. For the purposes of application of this tariff an "Industry" means a bona fide undertaking or establishment engaged in manufacturing, value addition and/or processing of goods.
3. This Tariff shall also be available for consumers having single-metering arrangement such as;
 - i) Poultry Farms,
 - ii) Fish Hatcheries and Breeding Farms; and
 - iii) software houses

Conditions

An industrial consumer shall have the option, to switch over to seasonal tariff-F, provided his connection is seasonal in nature as defined under tariff-F, and he undertakes to abide by the terms and conditions of tariff-F and pays the difference of security deposit rates previously deposited and those applicable to tariff-F at the time of acceptance of option for seasonal tariff. Seasonal tariff will be applicable from the date of commencement of the season, as specified by the customers at the time of submitting the option for Tariff-F. Tariff-F



consumers will have the option to convert to corresponding Regular industrial Tariff category and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised, the option will remain in force for at least one year.

B-1 SUPPLY AT 400 VOLTS THREE-PHASE AND/OR 230 VOLTS SINGLEPHASE

1. This tariff is applicable for supply to Industries having sanctioned load up to and including 20 kilowatts.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate.
3. The existing and prospective consumers having load up to 20 kW can opt for T.O.U metering arrangement and B-1(b) Tariff.

B-2 SUPPLY AT 400 VOLTS

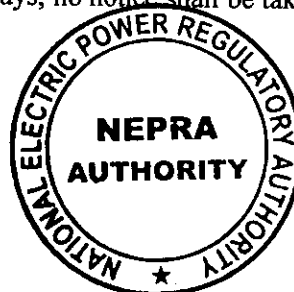
1. This tariff is applicable for supply to Industries having sanctioned load above 20 kW up to and including 500 kW.
2. All new applicants i.e prospective consumers applying for service to the Company after the date of notification of the tariff shall be provided T.O.U metering arrangement and charged according to the applicable T.O.U tariff.
3. All existing consumers under this tariff shall be provided T.O.U metering arrangement by the Company no later than 30th June 2008 and billed accordingly.

B-3 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable for supply to Industries having sanctioned load above 500 kW up to and including 5000 kW and also for Industries having sanctioned load of 500 kW or below who opt for receiving supply at 11 kV or 33 kV.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.
4. All B-3 Industrial Consumers shall be billed on the basis of T.O.U tariff given in the Schedule of Tariff.

B-4 SUPPLY AT 66 kV, 132 kV AND ABOVE

1. This tariff is applicable for supply to Industries for all loads above 5000 kW receiving supply at 66 kV and 132 kV and also for Industries having load 5000 kW or below who opt to receive supply at 66 kV or 132 kV.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration



or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.

3. The Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.
4. All B-4 Industrial Consumers shall be billed on the basis of two-part T.O.U tariff.

C SINGLE-POINT (SINGLE-METERING) SUPPLY

“Single-Point Supply” for the purpose of this Tariff, means a supply given at one point;

- i) to a licensee converted from a bulk supply status (who was procuring power from IESCO as a consumer prior to grant of license to IESCO) for the purpose of further distribution within its respective exclusive territory and jurisdiction.
- ii) to a mix-load consumer not reselling to any other consumer.
- iii) such as residential, commercial, tube-well and others.”

General Conditions

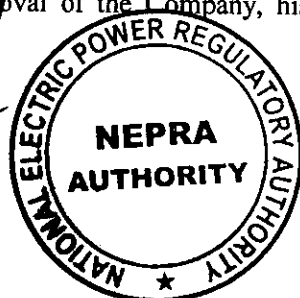
1. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice will be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days the fixed charges shall be assessed on proportionate basis for actual number of days between the date of old reading and the new reading.

C-1 SUPPLY AT 400/230 VOLTS

1. This Tariff is applicable to a consumer having mix-load at a single metering arrangement at 400 volts, having sanctioned load up to and including 500 kW.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. C-1(a) tariff.
3. All new consumers having sanctioned load exceeding 20 kW shall be billed on the basis of Time-of-Use (T.O.U) tariff C-1(b) given in the Schedule of Tariff.
4. All the existing consumers governed by this tariff having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangements by June 30th 2008.

C-2 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable to consumers receiving supply at 11 kV or 33 kV at one-point metering arrangement and having sanctioned load up to and including 5000 kW.
2. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit



Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.

3. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-2(b) by June 30th 2008.

C-3 SUPPLY AT 66 kV AND ABOVE

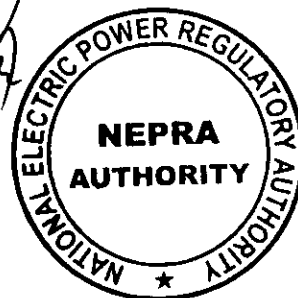
1. This tariff is applicable to consumers having sanctioned load above 5000 kW receiving supply at 66 kV and above.
2. The Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.
3. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-3(b) by June 30th 2008.

D AGRICULTURAL SUPPLY

“Agricultural Supply” means a supply for Lift Irrigation Pumps and/or pumps installed on Tube-wells intended solely for irrigation or reclamation of agricultural land or forests, and include supply for lighting of the tube-well chamber.

Special Conditions of Supply

1. This tariff shall apply to:
 - i) Reclamation and Drainage Operation under Salinity Control and Reclamation Projects (SCARP),
 - ii) Bonafide forests, agricultural tube-wells and lift irrigation pumps for the irrigation of agricultural land.
 - iii) Tube-wells meant for aqua-culture, viz. fish farms, fish hatcheries and fish nurseries.
 - iv) Tube-wells installed in a dairy farm meant for cultivating crops as fodder and for upkeep of cattle.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The lamps and fans consumption in the residential quarters if any attached to the tube-wells shall be charged entirely under Tariff A-1 for which separate metering arrangements should be installed.



4. The supply under this Tariff shall not be available to consumer using pumps for the irrigation of parks, meadows, gardens, orchards, attached to and forming part of the residential, commercial or industrial premises in which case the corresponding Tariff A-1, A-2 or Industrial Tariff B-1, B-2 shall be respectively applicable.

D – 1 (a)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation having sanctioned load less than 20 kW.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. D-1(a) tariff given in the Schedule of Tariff.

D – 1 (b)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation and other consumers falling under Agriculture Supply having sanctioned load more than 20 kW.
2. All new consumers having sanctioned load exceeding 20 kW shall be billed on the basis of Time-of-Use (T.O.U) tariff D-1(b) given in the Schedule of Tariff.
3. All the existing consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangements by June 30th 2008 and shall be governed by D-1(a) till that time.

D – 2

1. This tariff is applicable to consumer falling under Agriculture Supply having sanctioned load less than 20 kW excluding SCARP related installations.
2. The fixed charges under this Tariff shall be recovered on the basis of sanctioned load in kilowatt as the billing demand and such charges will be applicable even if no energy is consumed during a month.

E – 1 TEMPORARY RESIDENTIAL/COMMERCIAL SUPPLY

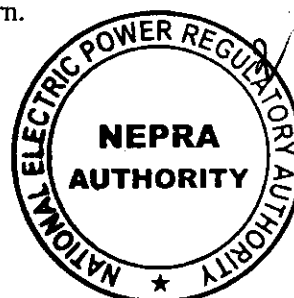
Temporary Residential/Commercial Supply means a supply given to persons temporarily on special occasions such as ceremonial, religious gatherings, festivals, fairs, marriages and other civil or military functions. This also includes supply to touring cinemas and persons engaged in construction works for all kinds of single phase loads. For connected load exceeding 4 kW, supply may be given at 400 volts (3 phase) to allow a balanced distribution of load on the 3 phases. Normally, temporary connections shall be allowed for a period of 3 months however this can be extended on three months basis subject to clearance of outstanding dues.

Special Conditions of Supply

1. This tariff shall apply to Residential and Commercial consumers for temporary supply.
2. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.

E 2 TEMPORARY INDUSTRIAL SUPPLY

“Temporary Industrial Supply” means a supply given to an Industry for the bonafide purposes mentioned under the respective definitions of “Industrial Supply”, during the construction phase prior to the commercial operation of the Industrial concern.



Special Conditions Of Supply

1. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.
2. Normally, temporary connections shall be allowed for a period of 3 months, however this may be extended on three months basis subject to clearance of outstanding dues.

F SEASONAL INDUSTRIAL SUPPLY

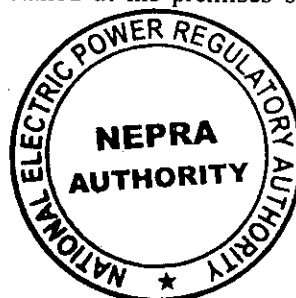
“Seasonal Industry” for the purpose of application of this Tariff, means an industry which works only for part of the year to meet demand for goods or services arising during a particular season of the year. However, any seasonal industry running in combination with one or more seasonal industries, against one connection, in a manner that the former works in one season while the latter works in the other season, thus running throughout the year, will not be classified as a seasonal industry for the purpose of the application of this Tariff.

Definitions

1. “Year” means any period comprising twelve consecutive months.
2. All “Definitions” and “Special Conditions of Supply” as laid down under the corresponding Industrial Tariffs shall also form part of this Tariff so far as they may be relevant.

Special Conditions Of Supply

1. This tariff is applicable to seasonal industry.
2. Fixed Charges per kilowatt per month under this tariff shall be levied at the rate of 125% of the corresponding regular Industrial Supply Tariff Rates and shall be recovered only for the period seasonal industry actually runs subject to minimum period of six consecutive months during any twelve consecutive months. The condition for recovery of Fixed Charges for a minimum period of six months shall not, however, apply to the seasonal industries, which are connected to the Company’s Supply System for the first time during the course of a season.
3. The consumers falling within the purview of this Tariff shall have the option to change over to the corresponding Industrial Supply Tariff, provided they undertake to abide by all the conditions and restrictions, which may, from time to time, be prescribed as an integral part of those Tariffs. The consumers under this Tariff will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised, the option will remain in force for at least one year.
4. All seasonal loads shall be disconnected from the Company’s Supply System at the end of the season, specified by the consumer at the time of getting connection, for which the supply is given. In case, however, a consumer requires running the non-seasonal part of his load (e.g., lights, fans, tube-wells, etc.) throughout the year, he shall have to bring out separate circuits for such load so as to enable installation of separate meters for each type of load and charging the same at the relevant Tariff.
5. Where a “Seasonal Supply” consumer does not come forward to have his seasonal industry re-connected with the Company’s Supply System in any ensuing season, the service line and equipment belonging to the Company and installed at his premises shall be removed after



expiry of 60 days of the date of commencement of the season previously specified by the consumer at the time of his obtaining new connection/re-connection. However, at least ten clear days notice in writing under registered post shall be necessary to be given to the consumer before removal of service line and equipment from his premises as aforesaid, to enable him to decide about the retention of connection or otherwise. No Supply Charges shall be recovered from a disconnected seasonal consumer for any season during which he does not come forward to have his seasonal industry re-connected with the Company's Supply System.

G PUBLIC LIGHTING SUPPLY

"Public Lighting Supply", means a supply for the purpose of illuminating public lamps.

Definitions

"Month" means a calendar month or a part thereof in excess of 15 days.

Special Conditions Of Supply

The supply under this Tariff shall be used exclusively for public lighting installed on roads or premises used by General Public.

H RESIDENTIAL COLONIES ATTACHED TO INDUSTRIES

This tariff is applicable for one-point-supply to residential colonies attached to the industrial supply consumers having their own distribution facilities.

Definitions

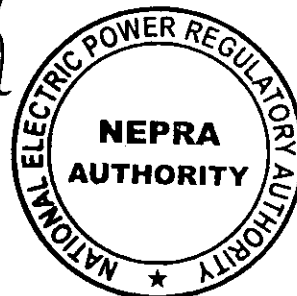
"One Point Supply", for the purpose of this Tariff, means the supply given at one point to Industrial Supply Consumers for general and domestic consumption in the residential colonies attached to their factory premises, for a load of 5 kilowatts and above, for the purpose of further distribution to various persons residing in the attached residential colonies and also for the purpose of perimeter lighting in the attached residential colonies.

"General and Domestic Consumption", for the purpose of this Tariff, means consumption for lamps, fans, domestic applications, including heaters, cookers, radiators, air-conditioners, refrigerators and domestic tube-wells.

"Residential Colony" attached to the Industrial Supply Consumer, means a group of houses annexed with the factory premises constructed solely for residential purpose of the bonafide employees of the factory, the establishment or the factory owners or partners, etc.

Special Conditions of Supply

The supply under this Tariff shall not be available to persons who meet a part of their requirements from a separate source of supply at their premises.



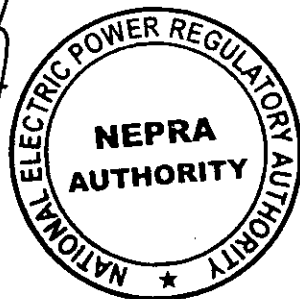


Decision of the Authority in the matter of Motion for Leave for Review filed by Islamabad Electric Supply Company (IESCO) under Rule 16(6) of Tariff Standards and Procedure Rules - 1998

Islamabad Electric Supply Company Limited (IESCO) filed a tariff petition with NEPRA under Tariff Standards and Procedure Rules 1998 (TS&PR) for the determination of its tariff as an independent distribution company consequent to the unbundling of WAPDA. The Authority gave its decision on February 23, 2007. The detailed determination was issued on March 09, 2007. IESCO vide its letter No. CEO/IESCO/Tariff/317-22 dated April 19, 2007 filed a request for review of its tariff determination under rule 16(6) of Tariff Rules. In order to provide an opportunity of being heard the Authority admitted the review motion on April 24, 2007. A hearing was held on May 25, 2007.

2. Following issues were raised in the review motion:

- I Inflated Calculation of Estimated Revenue for 2006-07
- II Liquidity Risks due to delayed adjustment of PPP
- III Transmission Losses Allowance
- IV Insufficient Distribution Margin
- V Other Income/Non Cash Items
- VI WACC Calculation
- VII Actuarial Valuation Adjustment
- VIII Loan Repayments
- IX TOU Charges
- X Billing Demand of Industrial Consumers
- XI Late Payment Surcharge





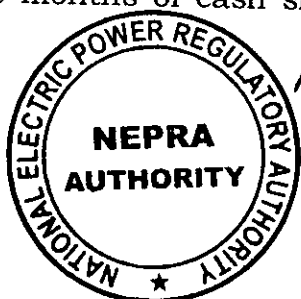
3. Issue wise discussion and decision is given in the succeeding paragraphs.

I Inflated Calculation of Estimated Revenue for 2006-07

4. According to IESCO, its revenue requirement was estimated by NEPRA as Rs. 31,954 million based on the average sale rate of Rs. 4.65 per KWh for entire FY 2006-07. Due to implementation of Tariff w.e.f. 24-02-2007 instead of 01-01-2006 there will be a revenue shortfall of Rs. 1,621 million for FY 2006-07 and there will be an expected loss of Rs. 471 million instead of a stated profit of Rs. 1,149.741 million.
5. The Authority considers that IESCO's contention is not valid because the revenue requirement is assessed on annual basis and any variation against the assessment should be worked out on the basis of next whole year from the date of application of new tariff i.e. February 24, 2007.

II Liquidity Risks due to delayed adjustment of PPP

6. IESCO stated that biannual adjustment on account of variation in PPP will put it in a serious liquidity crunch therefore, it may be allowed correction if the spread between actual and estimated PPP exceeds beyond a certain percentage (say 10%) at any moment on a rolling basis.
7. The Authority considered IESCO's request and is of the opinion that the proposed correction formula is not practical; therefore, cannot be accepted.
8. The Authority's decision of biannual adjustment on account of variation in PPP was based on analysis of monthly cash flows of the DISCOs. According to the analysis there are some months when DISCOs will be surplus in cash which will be utilized during the months of cash shortfall. Another consideration was to avoid





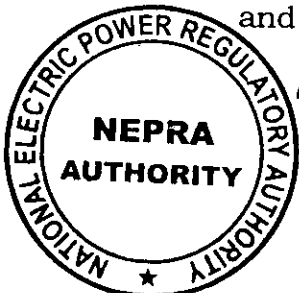
large volatility in the consumer-end tariff. The Authority has however, witnessed during last few month's variation in furnace oil prices and generation mix that had great impact on PPP. Such a situation may create liquidity problems for the IESCO. In order to minimize such a risk the Authority has decided to reduce adjustment time from six months to three months. The revised adjustment mechanism is given at **Annex- III**.

III Transmission Losses Allowance

9. IESCO stated that on page 24 of the determination, transmission losses are indicated as 4% while according to the bifurcation of assessed T&D Losses of 13.41% for 2006-07 distribution losses are 9.90% and transmission losses are 3.51% IESCO also requested mechanism for adjustment of losses.
10. The Authority has reviewed IESCO's overall losses and has observed that the transmission losses in the formula for use of system charge at page 20 of the detailed determination were inadvertently indicated as 4% instead of the intended actual as 3.51%.
11. The Authority has also decided to reassess DISCOs losses in the light of actual results of FY 2006-07. IESCO ended up with overall kWh unit losses of 12.17% during FY 2006-07 comprising of 8.59% losses up to 11 kV and 3.58% losses in the 132 kV system. The overall loss level is set as 12% for FY 2007-08 with 8.42% 11 kV losses and 3.58% 132 kV losses.

IV Insufficient Distribution Margin

12. IESCO stated that the allowed distribution margin of Rs. 4,286 million or Rs. 0.6244/kWh for the year FY 2006-07 is insufficient and any slight deviation from the figures projected by NEPRA will



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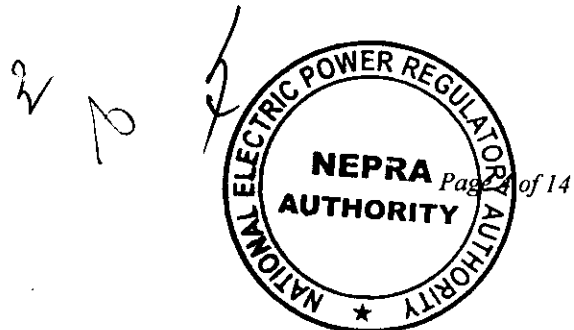
put IESCO in a cash starved situation which may have detrimental impact on the viable operation of IESCO's business in the coming days. Any decrease in recovery of electricity bills or minor adverse change in distribution losses percentage will compel IESCO to go for running finance facility as a last resort resulting in increase in financial cost which is not covered in the squeezed DM. According to IESCO its distribution margin should be about Rs. 6,013 million or Rs. 0.97/kWh

13. The Authority has examined the information provided by IESCO, and noted that the difference in NEPRA's assessment and IESCO's assessment is attributable to;

- | | | |
|------|--|-----------------|
| i) | IESCO's Overestimation of return due to inflated rate base | Rs. 647 Million |
| ii) | IESCO's Overestimation of O&M cost & Depreciation | Rs. 391 Million |
| iii) | Other Income not accounted for by IESCO's | Rs. 782 Million |

14. The Authority also observed that the projected sales by IESCO of 6,199 GWh for FY 2006-07 were underestimated. The expected sales of 6,864 GWh for FY 2006-07 was based on information provided by Corporate Planning division of WAPDA. According to IESCO's actual results, its sales during 2006-07 were 7,065 GWh. This clearly indicates that the expected sales as per the determination were more realistic. In view of demand supply gap of electricity insignificant sales growth is expected in coming year therefore the Authority has decided to maintain the sales level of 7,065 GWh for the FY 2007-08.

15. Based upon the above analysis item wise per unit break-up of overall difference in NEPRA determined DM and IESCO's claim (Ps.62 vs. Ps.97) is as follows;



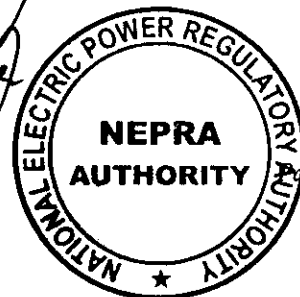


i)	Overestimation of return due to inflated rate base	Ps. 9.00 per kWh
ii)	Overestimation of O&M cost & Depreciation	Ps. 6.00 per kWh
iii)	Other Income not accounted for	Ps.11.00 per kWh
iv)	Underestimation of units sold	<u>Ps. 9.00 per kWh</u>
	Total	Ps.35.00 per kWh

16. Comparison of the relevant items of DM assessed by the Authority with audited accounts of IESCO for FY 2006-07 also invalidates the contention of IESCO. The item wise comparison is given as under;

MILLION RUPEES		
	<u>NEPRA</u> <u>Determination</u>	<u>IESCO's</u> <u>Audited Accounts</u>
i)	Other Income	782
ii)	Depreciation	742
iii)	O&M Expenses	2,834

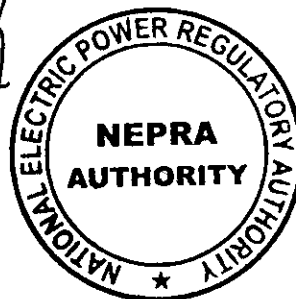
17. The Authority is aware that Government has announced 15% increase in employees' salaries. The Authority considers that this increase will have substantial additional financial impact on IESCO. Additionally the other cost items will also be subjected to inflation, which is around 10% per annum. In view of aforementioned reasons the Authority has decided to reassess the distribution margin for FY 2007-08. IESCO requested O&M expenses of Rs. 3,680 million for FY 07-08. As per the audited accounts, O&M expenses were Rs. 3,018 million and Rs. 2,968 million for FY 2005-06 and FY 2006-07 respectively, , which did not support IESCO's claim. After incorporating 15 % increase in audited figures of salaries & wages for FY 06-07 and 10% increase to other O&M expenses the Authority has assessed O&M expenses for FY 07-08 as Rs. 3,352.59 million.





18. IESCO estimated its other income for the FY 2007-08 as Rs. 1,158 million. As per audited accounts, other income was Rs. 1,015 million and Rs. 1,214 million for FY 2005-06 and FY 2006-07 respectively. The Authority considers that Rs. 1,158 million is a reasonable estimation for 2007-08 consistent with the past trend. The Authority has therefore decided to allow the same.
19. Depreciation was calculated @ 3.68% of the estimated average gross fixed assets in operation for FY 2006-07. The estimated average gross fixed assets in operation for FY 2006-07 were 20,179 million. As per audited financial statements, actual average gross fixed assets in operation for FY 2006-07 is Rs. 20,086 million. The Authority assessed an amount of Rs. 739.20 million on account of depreciation expense.
20. The Authority determined a before tax return on rate base of Rs. 1,491.17 million @ of 17.926% on estimated rate base of Rs. 8,318.65 million. As per audited financial statements of 2006-07, actual rate base worked out as Rs. 9,234.83 million. The Authority assessed an amount of Rs. 1,655.40 million on account of before tax return on rate base.
21. After incorporating all the above, the Revenue Requirement for Distribution Margin of IESCO for FY 2007-08 is reassessed as under:

	<u>Million Rs</u>
O&M Costs	3,352.595
Depreciation	739.199
Other income	(1,157.957)
Return on Net Fixed Assets in operation	1,208.673
Income Tax	<u>446.729</u>
Distribution Margin	<u>4,589.238</u>





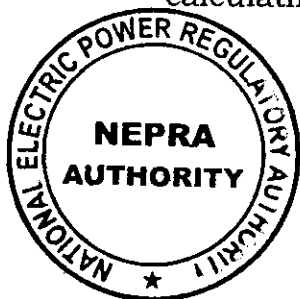
22. Based upon the assessment of Distribution Revenue Requirement of Rs. 4,589 million and expected units to be sold as 7,065 GWh, the Distribution Margin per unit sold for FY 2007-08 is worked out as Rs. 0.6496/kWh.

V Other Income/Non Cash Items

23. IESCO in its review motion stated that the deduction in tariff for any other income (plus the non tariff revenue from meter renting or collection of penalty payment) can be justified if the cost for obtaining these types of income had been properly added to the O&M component (e.g. the cash from surcharge levied for late payments must cover the cost of incurring late payment such as extra collection cost). The corresponding cost was not well observed in the determination. There seemed no logical justification of subtracting other income while calculating total revenue requirement in a cost plus model.
24. The estimated revenue requirement of IESCO included all costs associated with the operations of the company. Therefore, the Authority finds no justification for exclusion of other income from total revenue requirement.

VI WACC Calculation

25. IESCO submitted that return on net fixed assets in operation should be calculated on the closing balance of regulatory asset base instead of average regulatory asset base.
26. The Authority considers that IESCO's contention for using closing balance of regulatory asset base is not justified because all new investments are not made on the very first day of the year rather investments are made over the year. The same principle applies for calculating interest charges on loans.



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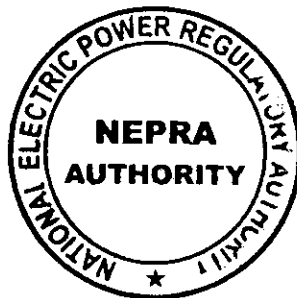
27. IESCO contended that NEPRA did not allow requested working capital to fill the billing gap of 52 days and any delay in subsidy receipt. As a result there would always be a stress on the cash flows. The Authority considers that IESCO's contention is not supported with documentary evidence or proper calculation of the exact impact on this account. The Authority considers that cost of working capital should be treated separately from the calculation of return. The Authority has, therefore, decided to allow cost of working capital on actual basis.

VII. Actuarial Valuation Adjustments

28. IESCO in its review motion requested for a mechanism to allow adjustment of most recent actuarial valuation of employees post retirement benefits as well as decision for future provisions/adjustments.
29. Employees' retirement benefits are included in salaries, wages and benefits which is part of O&M expenses. Salaries, wages and benefits have been assessed keeping in view the most recent cost estimates. Adjustment mechanism on such account is an issue of multi year tariff therefore, can't be provided in IESCO's case which is a single year tariff.

VIII Loan Repayment

30. According to IESCO if the loan repayment is to be adjusted against the depreciation, this will surpass the provision to be created in the next financial year keeping in view the huge planned borrowings.
31. The Authority considers that IESCO's apprehension is not based on solid grounds. Presently IESCO has no specific borrowing plan and repayment schedule. In the absence of any such information





relating to the year 2007-08 IESCO's submission on this account is premature and not substantiated.

IX TOU Charges

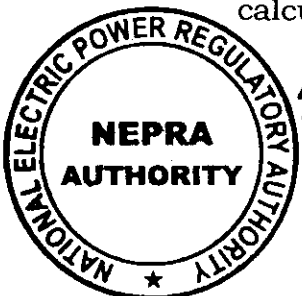
32. According to IESCO, peak variable charges determination for domestic and commercial consumers under TOU arrangement are less than normal tariff even after including fixed charges effect; variable charges for peak timing should be greater than normal tariff to arrest peak demand. Average sale rate determined for both categories have been determined as Rs. 5.32/kWh. The TOU tariff determined optional for domestic and commercial consumers, whereas same declared compulsory (under terms and conditions of tariff part II) after cut-off date i.e. 30-06-2008.

33. Having considered petitioner's contention, the Authority has decided to reassess the rate for peak hours. In this regard the short run marginal cost based on the variable charge for the new IPPs based on RFO as fuel is Rs. 5.7073 per kWh at current RFO price (LHV) of Rs. 28,350 per tone. After adjusting the energy charge for 2.5% transmission losses and IESCO's T&D losses of 12%, the adjusted energy charge worked out around Rs. 6.75 per kWh. The Authority has accordingly decided to revise the peak hour rate from Rs. 6 per kWh to Rs. 6.75 per kWh for FY 2007-08.

X Billing Demand of Industrial Consumers

34. IESCO stated that as per Old Tariff fixed charges in industrial category (B2, B3 and B4) were due on the basis of billing demand at current recorded MDI or 50% of sanctioned load whichever was higher but that condition had been eliminated in new tariff, resulting in loss of tariff. Further, according to determined tariff only the average of last operational six months was considered for calculation of fixed charges even if no energy was consumed but

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the methodology for the consumers not having previous history had been ignored. What would be the parameter for charging of minimum/fixed charges in such like cases?

35. This issue has also been raised by some other DISCOs. In order to address this issue the following modification in the schedule of tariff is being made:

“For B1, B2, B3 and B4 consumers there shall be a fixed minimum charge of Rs. 350, Rs. 2,000, Rs. 50,000 and Rs. 500,000 per month respectively.”

XI Late Payment Surcharge

36. According to IESCO late payment surcharge has been allowed after 7 days from delivery of bill to consumers. In the previous tariff 15 days were provided to customers for payment of bills. IESCO requested to withdraw the change otherwise it would create disputes between IESCO and customers.
37. The Authority has considered the petitioner’s request and finds no justification to alter its earlier decision therefore has decided to maintain the same.

Annual Adjustment on account of Power Purchase Price (PPP)

38. IESCO, in its review motion request, anticipated average power purchase price (PPP) of Rs. 3.64/kWh for 2006-07 against Rs. 3.49 estimated by NEPRA. According to the decision of the Authority, PPP will be adjusted biannually on 1st January and 1st July of each year. The first adjustment was due on 1st July 2007. Actual weighted average PPP according to bills invoiced by CPPA is Rs. 3.5018/kWh for the year 2006-07. Actual T&D losses for the year 2006-07 are 12.17% against Authority’s determined reference loss level of 13.41%. For the purpose of PPP adjustment in FY 2007-08,



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actual PPP for FY 2006-07 will become reference PPP and target loss level is set as 12%. Accordingly the PPP component in average tariff for FY 2006-07 is being adjusted on the basis of actual loss level for actual PPP and reference loss level for reference PPP as per the following formula:

$$\Delta PP_1 = (PP_{a1} / (1-L_{a1})) - (PP_{e1} / (1-L_{(Ref)}))$$

Where:

ΔPP_1 = change in PPP for the year 2006-07

PP_{a1} = Actual PPP for the year 2006-07 i.e. Rs. 3.5018

PP_{e1} = Estimated PPP for the year 2006-07 i.e. Rs. 3.4903

L_{a1} = Losses for the year i.e. 12.17%

$L_{(Ref)}$ = Reference Losses for the year i.e. 13.41%

Replacing values in the formula, we got

$$\Delta PP_1 = (3.5018/(1-12.17\%)) - (3.4903/(1-13.41\%))$$

$$\Delta PP_1 = \text{Rs. } -0.0440/\text{kWh}$$

Adjusted Average Sale Rate

39. In the tariff determination dated February 23, 2007, IESCO's average sale rate of Rs.4.6553 included a distribution margin of Rs.0.6244/kWh. On the basis of new information new distribution margin of Rs.0.6496 has been determined. ΔDM i.e the \pm variation in distribution margin is worked out as + Rs.0.0252/kWh.

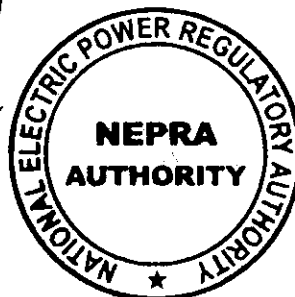
40. After incorporating all the above adjustment, the revised average sale rate for FY 07-08 will be:

$$\text{Average Sale Rate} = \text{Avg. Sale Rate (Est.)} \pm \Delta PP \pm \Delta DM$$

$$\text{Average Sale Rate} = 4.6553 - 0.0440 + 0.0252$$

$$\text{Average Sale Rate} = \text{Rs. } 4.6365/\text{kWh}$$

41. Revenue requirement for 2007-08 on the basis of average tariff is attached as **Annex-I** and schedule of tariff is attached as **Annex-II** to this determination.



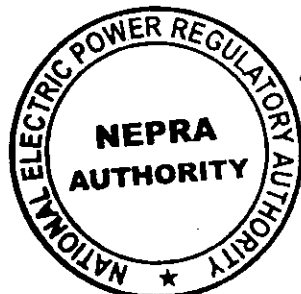


Summary

42. The summary of the above decisions is as follows;
- i) Biannual adjustment on account of PPP variation has been replaced with quarterly adjustment as per **Annex-III**.
 - ii) Overall loss level for FY 2007-08 shall be 12%.
 - iii) Estimated annual sales for FY 2007-08 have been determined as 7,065 GWh.
 - iv) Financing cost of working capital will be allowed on actual basis.
 - v) Annual adjustment on account of PPP for 2006-07 has been made.
 - vi) Distribution margin for FY 2007-08 has been assessed as Rs. 0.6496 per kWh.
 - vii) Average sale rate of Rs. 4.6365/kWh is allowed for FY 2007-08.
 - viii) TOU charges for peak hours have been revised.
 - ix) Modification has been made in the schedule of tariff for minimum charges for B1, B2 and B3 industrial consumers.
43. Based upon the above decisions the Authority hereby revised the tariff of Islamabad Electric Supply Company (IESCO). Revised Order is given here below;

ORDER

- I. Islamabad Electric Supply Company (IESCO) is allowed to charge its consumers such tariff as set out in the schedule of tariff for IESCO as per **Annex-II**; subject to the variation allowed due to adjustment of tariff on account of variation in power purchase price at **Annex-III** and estimated sales revenue on the basis of new tariff for FY 2006-07 attached as **Annex-I**.





II. IESCO shall submit its calculation for adjustment in average sale rate due to variation in PPP billed by CPPA according to the prescribed transfer price mechanism attached as **Annex-IV** by 20th of next month immediately after the period as laid down in the prescribed mechanism for adjustment for which such adjustment would be required along with the proposed adjustment in consumer-class rate. The Authority will determine the revised tariff within 10 working days of receipt of information from IESCO. The variation in average sale rate will be distributed between the various consumer classes such that cross-subsidization is minimized as far as possible. Any tariff adjustment so determined by the Authority shall be deemed to have been notified by the Federal Government through the notification of this order.

III. The terms and conditions related to the schedule of tariff shall be those as attached to this determination as **Annex-V**.

IV. IESCO is allowed to charge the users of its system a use of system charge (UOSC) equal to:

i) Where only 132kV system is involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.0358)} \text{ Paisa / kWh}$$

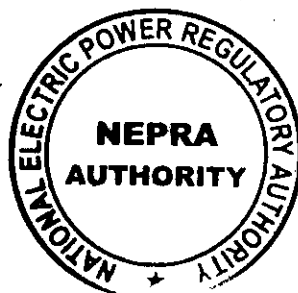
ii) Where only 11 kV distribution system is involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.05)} \text{ Paisa / kWh}$$

iii) Where both 132 kV and 11 kW distribution systems are involved.

$$UOSC = DM \times \frac{(1-L)}{(1-0.0858)} \text{ Paisa / kWh}$$

Where:





Distribution charge for the FY 07-08 is set as paisa 64.96/kWh. 'L' will be the overall percentage loss target for the year as 12% for FY 07-08.

- V. The tariff set out at **Annex-II**, the mechanisms for adjustment of average sale rate on account of variation in power purchase price (**Annex-III**) and terms and conditions (**Annex-V**) related to the proposed tariff be sent to the Federal Government for notification under Section 31(4) of the Act.

Authority

Nasiruddin Ahmed
Member

Nasiruddin Ahmed
19/1/08

Maqbool Ahmed Khawaja
Member

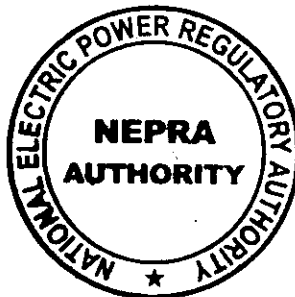
Maqbool Ahmed Khawaja
19/1/08

Abdul Rahim Khan
Member

Agreed with the Final determination as proposed by the case officer and signed by the three members, except to the extent of the points mentioned in the additional note attached.
Abdul Rahim Khan

Zafar Ali Khan
Acting Chairman

Zafar Ali Khan
10/1/08



**Additional note of Member Abdul Rahim Khan in the matter of
Review motion in respect of Decision of 23-2-2007/9-3-2007 on Tariff Petition filed by
Islamabad Electric Supply Company (IESCO) Case No.NEpra/TRF-35/IESCO-2005**

The final determination as proposed by the case officer and already signed by the three members is agreed, except to the extent mentioned in the following points:

1. Annual kWh sale losses (Unit losses)

IESCO has performed well by achieving an annual Unit loss level of 12.17% in Financial year 2007 (FY 07), against a target of 13.41%. IESCO should be encouraged to maintain such improvement in performance by allowing it to retain the benefit accruing to it on account of the reduction in Unit losses, therefore ex post adjustment should not be made to retrench the associated benefit. Instead, IESCO, as well as its consumers will benefit by providing an incentive to IESCO to retain the benefit of reduction below the target and passing on the reduction capability to the next year by allowing a realistic target on the basis of its demonstrated performance. The annual unit loss level for FY 08 should be fixed as 11.8 % and ex-post adjustment should not be made for any achievement in reduction below the target level at the end of FY 08.

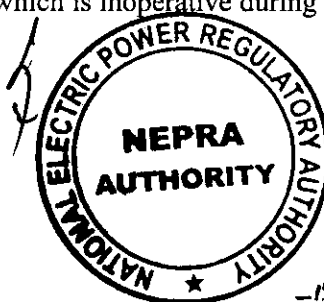
2. Minimum Charges

The Minimum charge (MC) (as per definition 2 of the T&C) is meant to recover the cost for providing customer service to consumers even if no consumption is recorded during the month. Since the cost for customer service is already included in the O&M cost allowed as a part of the revenue requirement and the revenue accrual expected is based on the overall annual units sold (which includes the low or nil consumption recorded in a month), there is no justification for any increase in Minimum charges for residential and commercial consumers or introducing new industrial classes which were not paying MC prior to the determination of March 9, 2007. Allowing increase in the Minimum charge, without any justification or analysis to support attribution to customer service cost (not covered under O&M), would give an undue advantage to the DISCO at the cost of consumers.

The increase in MC is particularly unfair in case of "life line consumers" consuming up to 50 units in a month declared to be protected from any reduction of cross subsidization as advised in the Policy guidelines communicated by the Ministry of Water & Power vide letter of March 31, 2001. The protection afforded to such consumers as a poverty alleviation measure should not be diluted by increase in MC to the extent that it equates to the application of a charge for almost the whole of 50 units. By way of illustration a life line consumer who consumes 20 units in a month is made to pay Rs 3.5 per kWh instead of the intended rate of Rs 1.4 per kWh. In this manner a life line consumer is charged more than a normal consumer consuming 100 units a month at Rs 2.7 per kWh. In the case of such consumers the Government is already paying Rs 0.2 per kWh as subsidy for keeping the rate to the lifeline consumer as Rs 1.40 per kWh which can amount to charging the Rs 0.2 per kWh both from the consumer as well as the Government. **Therefore in view of equity and fairness to the service provider as well as consumers, particularly in respect of life line consumers, the MC should not be increased more than the level applicable prior to March 9, 2007 and MC should not be applied to any new category of consumers other than those who were paying minimum charges prior to March 9, 2007.**

3. Time of use (TOU) charges/metering

TOU charges are based on economic peak load pricing by charging consumers according to the causal responsibility of the burden they impose upon the system as recorded through TOU metering. Consumers who do not impose any burden in the peak are not charged for capacity charges as they do not cause the requirement of additional generation and associated transmission/distribution capacity. The variable charge for off-peak and peak are allocated according to the variable charges (mainly generation fuel cost) that are incurred on the margin due to usage at different time imposing different generation fuel cost. In the instant case the daily usage is split into two time brackets of peak and off-peak hours separately for summer and winter. The main incentive in such pricing is to encourage off-peak and discourage peak usage to achieve a more flat load curve and improved load-factor. The fixed charge for capacity cost is either converted into and added to the variable peak charge or in case of fixed charge only applied to the peak timing. In the instant case, where a fixed charge is applied on the basis of maximum demand recorded in peak as well as off-peak hours, the incentive for usage during off-peak is diluted by recovery of fixed charge for capacity addition not caused by such usage. By way of illustration a two shift industry which is inoperative during peak hours and should not be charged



any fixed capacity charges is penalized (instead of being rewarded) in the shape of recovery of fixed capacity charge for off-peak usage. Such iniquitous treatment becomes evident in the case of forced load shedding when imposed in case of power shortages such as presently being applied to manufacturing industry (being denied power during peak hours). In such cases the peak usage of capacity is denied to the industry but capacity charges for peak are imposed in the shape of fixed charge recovery for off peak usage. If fixed charges are not recovered for usage in off-peak time Industrial consumers would have the incentive of installing and using captive power during the peak and in the process provide vitally needed generation capacity in the next few years. **Therefore in order to dispense an equitable and fair TOU charge which does not dilute the intended incentive and thereby vitiate the objective of TOU tariff, it is essential that the words "during peak timing" be inserted in the definition of "Maximum Demand" after the words demand obtained and before the words in any month appearing in lines two and four respectively in the definition number 6 of GENERAL DEFINITIONS of TERM AND CONDITIONS OF TARIFF (T&C).**

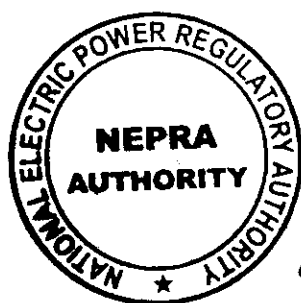
As regards the request of IESCO for increase of peak hour TOU charges, there is no harm in creating a higher differential between peak and off-peak charges and allowing the recovery of the variable charge on the SRMC, however, since the prudent costs of the service provision have already been met through the Revenue requirement allowed, any further change in tariff should be revenue neutral, that is, the increase in peak charges for the consumer should be compensated by a reduction in the fixed charge or reduction in the off-peak charge such that no undue revenue is additionally provided to the service provider at the cost of the consumer. Failure to do so would sacrifice equity in attempting to attenuate an economic distortion. Also, since the TOU charges inherently eliminate any distinction of causal responsibility by consumer type or nature of usage except voltage levels, the TOU charges for all consumer classes should be almost the same for corresponding voltage service levels.

4. Annual adjustment for Return on account of variation of Asset base and depreciation

The tariff mechanism for the Distribution charge allowed to IESCO is not constructed on a formulae based Multi-Year tariff (where tariff is indexed to an inflation index with deduction for an efficiency factor); therefore, so long as IESCO is not allowed a Multi-Year tariff, the distribution charge should not be adjusted annually for return on account of variation in rate base or depreciation. Such adjustments should be considered only on the next prudency review pursuant to a tariff revision petition or suo motto proceedings initiated by the Authority. Periodic adjustments should be allowed only on account of pass through costs extraneous to the Distribution charge over which IESCO has no control and where it has been demonstrated that denial of such adjustments would create liquidity problems not catered for within the allowed revenue requirement, such as the Power Purchase cost.

5. Mechanism for adjustment in tariff due to variation in Power Purchase Price (PPP)

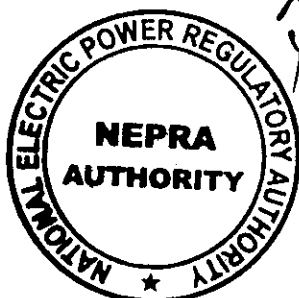
The adjustment on account of PPP on a quarterly basis instead of half yearly basis allowed earlier is agreed, however the mechanism prescribed in Annexure 3 is not acceptable as it is restricted to ex post application to one quarter and does not cater for ex ante application to the succeeding quarters. By introducing differentiated quarterly loss levels and ex post adjustment to annual losses at the end of the year, the mechanism has become un necessarily complicated and involves the risk of impracticability due to non availability of essential information in time, required for the assessment. In my opinion the quarterly adjustment mechanism prescribed for KESC, without any cap or limit in a quarter is a more forward looking and practical arrangement. The KESC mechanism has been tested and has proved to be acceptable to investors interested in acquiring a running distribution facility. Since most of the Ex WAPDA Distribution companies are expected to be put up for open bidding /privatization, it is essential that a more practicable, forward looking and tested mechanism is prescribed for these DISCOs as well. **Therefore the mechanism for adjustment in PPP as per annexure 6 of the Determination for KESC dated September 10, 2002 in case number TRF-4/ KESC-2002 without any cap on quarterly adjustment should also be applied to IESCO.**



January 10, 2008
Abdul Rahim Khan
Member

Islamabad Electric Supply Company (IESCO)
Estimated sales revenue on the basis of new tariff for FY 2007-08

Description	Sales GWh	Sales Mix	Load Factor	New Tariff (NEPRA)		Revenue (as per NEPRA)		
				Fixed Charge	Variable	Fixed	Variable	Total
				Rs./kW/ Month	Charge Rs./ kWh	Charge Rs.Million	Charge Rs.Million	
Residential								
Up to 50 Units	140	1.98%			1.60	-	224	224
For peak load requirement up to 20 kW								
01-100 Units	1,343	19.01%			2.66	-	3,560	3,560
101-300 Units	1,070	15.14%			3.64	-	3,893	3,893
301-1000Units	363	5.14%			6.16	-	2,234	2,234
Above 1000 Units	124	1.76%			7.41	-	921	921
For peak load requirement exceeding 20 kW)								
Time of Use (TOU) - Peak				315.00	6.75			
Time of Use (TOU) - Off-Peak				315.00	3.90			
Total Residential	3,041	43.04%					10,832	10,832
Commercial - A2								
For peak load requirement up to 20 kW	190	2.69%					1,425	1,425
For peak load requirement exceeding 20	345	4.88%					2,625	2,625
Regular	239	3.38%	36.50%	365.00	4.62	327	1,104	1,432
Time of Use (TOU) - Peak				315.00	6.75			
Time of Use (TOU) - Off-Peak				315.00	3.90			
Total Commercial	774	10.95%				327	5,154	5,482
Industrial								
B1	129	1.83%			5.62	-	727	727
B2	280	3.97%	31.00%	315.00	4.25	390	1,192	1,582
B2 - TOU (Peak)	4	0.06%	0.00%	315.00	6.75	-	26	26
B2 - TOU (Off-peak)	57	0.81%	29.50%	315.00	3.90	89	223	312
B3 - TOU (Peak)	86	1.21%	0.00%	305.00	6.50	-	556	556
B3 - TOU (Off-peak)	528	7.48%	62.50%	305.00	3.50	410	1,850	2,260
B4 - TOU (Peak)	46	0.65%	0.00%	295.00	6.25	-	289	289
B4 - TOU (Off-peak)	368	5.21%	48.00%	295.00	3.25	349	1,196	1,545
Total Industrial	1,499	21.22%				1,239	6,059	7,298
Single Point Supply for further distribution								
C1(a) Supply at 400 Volts - Peak load requirement up to 20 kW	3	0.04%			5.68	-	14	14
C1(b) Supply at 400 Volts - Peak load requirement exceeding 20 kW	115	1.62%	55.00%	315.00	5.30	90	608	698
Time of Use (TOU) - Peak				315.00	6.75			
Time of Use (TOU) - Off-Peak				315.00	3.90			
C2 Supply at 11 kV	344	4.87%	37.00%	305.00	4.96	389	1,707	2,096
Time of Use (TOU) - Peak				305.00	6.50			
Time of Use (TOU) - Off-Peak				305.00	3.50			
C3 Supply above 11 kV	107	1.52%	48.50%	295.00	4.86	89	521	610
Time of Use (TOU) - Peak				295.00	6.25			
Time of Use (TOU) - Off-Peak				295.00	3.25			
Total Single Point Supply	569	8.05%				568	2,851	3,419
Agricultural Tube-wells - Tariff D								
D1 Scarp	55	0.79%			5.50	-	305	305
D2 Agricultural Tube-wells	16	0.23%	8.00%	90.00	3.35	12	55	67
Time of Use (TOU) - Peak				305.00	6.75			
Time of Use (TOU) - Off-Peak				305.00	2.75			
Total Agricultural	72	1.02%				12	360	372
Public Lighting - Tariff G	67	0.95%			7.59	-	507	507
Tariff H - Residential Colonies attached to industries	10	0.14%			6.78	-	68	68
Special Contracts - Tariff K (AJK)	1,034	14.63%	77.00%	355.00	3.98	653	4,124	4,777
Time of Use (TOU) - Peak				295.00	6.75			
Time of Use (TOU) - Off-Peak				295.00	3.50			
Special Contracts - Tariff K (Rawat)	0	0.00%			4.94	-	1	1
Sub-Total	7,065	100.00%				2,799	29,957	32,756



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
a)	For Sanctioned load up to 20 kW			
i	Up to 50 Units	-		1.60
	For Consumption exceeding 50 Units			
ii	For first 100 Units	-		2.65
iii	For next 200 Units	-		3.64
iv	For next 700 Units	-		6.15
v	Above 1000 Units	-		7.41
b)	For Sanctioned load exceeding 20 kW	-		
			Peak	Off-Peak
	Time Of Use	315.00	6.75	3.90

Under this tariff, there shall be minimum monthly customer charge at the following rates even if no energy is consumed.

a) Single Phase Connections:

Rs. 75/- per consumer per month

b) Three Phase Connections:

Rs. 150/- per consumer per month

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
a)	For Sanctioned load up to 20 kW			
i	For first 100 Units	-		7.50
ii	Above 100 Units	-		7.61
b)	For Sanctioned load exceeding 20 kW	365.00		4.62
			Peak	Off-Peak
c)	Time Of Use	315.00	6.75	3.90

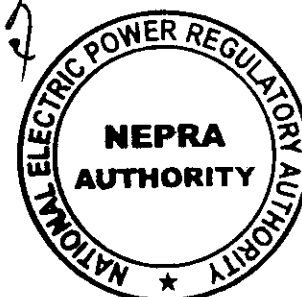
Under this tariff, there shall be minimum monthly charges at the following rates even if no energy is consumed.

a) Single Phase Connections;

Rs. 175/- per consumer per month

b) Three Phase Connections:

Rs. 350/- per consumer per month



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
B1	Up To 20 kW (at 400/230 Volts)	-	5.62	
B2(a)	21-500 kW (at 400 Volts)	315.00	4.25	
	Time Of Use			
B2(b)	21-500 kW (at 400 Volts)	315.00	6.75	3.90
B3	For All Loads up to 5000 kW (at 11,33 kV)	305.00	6.50	3.50
B4	For All Loads (at 66,132 kV & above)	295.00	6.25	3.25

For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.

For B2 consumers there shall be a fixed minimum charge of Rs. 2,000 per month.

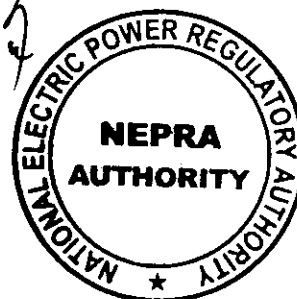
For

B3 consumers there shall be a fixed minimum charge of Rs. 50,000 per month.

For B4 consumers shall be a fixed minimum charge of Rs. 500,000 per month.

**C - SINGLE-POINT SUPPLY FOR PURCHASE IN BULK BY A DISTRIBUTION LICENSEE
AND MIXED LOAD CONSUMERS NOT FALLING IN ANY OTHER CONSUMER CLASS**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
			Peak	Off-Peak
C -1	For supply at 400/230 Volts			
a)	Sanctioned load up to 20 kW	-	5.68	
b)	Sanctioned load above 20 kW & up to 500 kW	315.00	5.30	
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	305.00	4.96	
C -3(a)	For supply at 66 kV & above and sanctioned load above 5000 kW	295.00	4.86	
	Time Of Use (Optional)			
C -1(c)	For supply at 400/230 Volts above 20 kW & up to 500 kW	315.00	6.75	3.90
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	305.00	6.50	3.50
C -3(b)	For supply at 66 kV & above and sanctioned load above 5000 kW	295.00	6.25	3.25



**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
D-1(a)	SCARP less than 20 kW	-		5.50
D-2	Agricultural Tube Wells	90.00		3.35
			Peak	Off-Peak
D-1(b)	SCARP and Agricultural more than 20 kW	305.00	6.75	2.75

Note:- The consumers having sanctioned load less than 20 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
E-1(i)	Residential Supply	-		7.41
E-1(ii)	Commercial Supply	-		7.61
E-2	Industrial Supply	-		5.62

For the categories of E-1(i&ii) above, the minimum bill of the consumers shall be Rs. 50/- per day subject to a minimum of Rs.500/- for the entire period of supply, even if no energy is consumed.

F - SEASONAL INDUSTRIAL SUPPLY TARIFF

125% of relevant industrial tariff

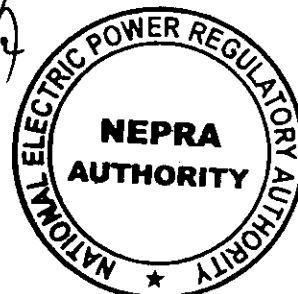
Note:

Tariff-F consumers will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of a new connection or at the beginning of the season. Once exercised, the option remains in force for at least one year.

G- PUBLIC LIGHTING

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES	
			Rs/kWh	
	Street Lighting	-		7.59

There shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.



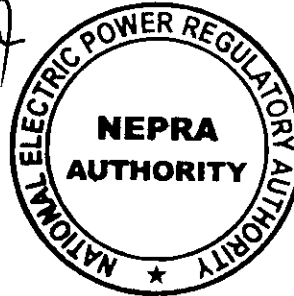
**SCHEDULE OF ELECTRICITY TARIFFS
FOR ISLAMABAD ELECTRIC SUPPLY COMPANY (IESCO)**

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
	Residential Colonies attached to industrial premises	-	6.78	

K - SPECIAL CONTRACTS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
1	Azad Jammu & Kashmir (AJK) Time Of Use	355.00	3.99	
		295.00	Peak	Off-Peak
			6.75	3.25
2	Rawat Lab		4.94	



Adjustment Mechanism for Power Purchase Price (PPP)

In order to adjust variation in PPP, the quarterly target of losses for IESCO for the year 2007-08 have been set as indicated in the following table;

Year	LQ _{2.1}	LQ _{2.2}	LQ _{2.3}	L ₂
2007-08	14.13%	10.26%	12.13%	12%

The mechanism to vary the consumer-end tariff on account of variation in Power Purchase Price shall be:

Year 2007-08

1st Quarterly adjustment effective 1st October 2007

$$\Delta PP_{2.1} = \frac{(PPa_{2.1} - PPa_{1.1})}{(1 - L_{Q2.1})}$$

2nd Quarterly adjustment effective 1st January 2008

$$\Delta PP_{2.2} = \left(\frac{PPa_{2.2} - PPa_{1.2}}{1 - L_{Q2.2}} \right)$$

3rd Quarterly adjustment effective 1st April 2008

$$\Delta PP_{2.3} = \left(\frac{PPa_{2.3} - PPa_{1.3}}{1 - L_{Q2.3}} \right)$$

Annual adjustment effective 1st July 2008

$$\Delta PP_2 = \left[\frac{PPa_2 - PPa_1}{1 - L_2} - (\Delta PP_{2.1} + \Delta PP_{2.2} + \Delta PP_{2.3}) \right]$$

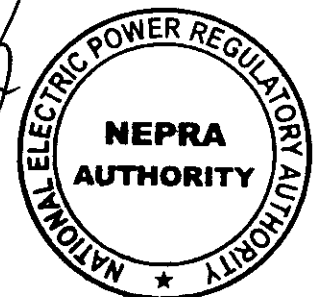
Average sale rate on 1st October 2007 will be $R_{t_{2.1}} = R_{t_1} \pm \Delta PP_{2.1}$

Average sale rate on 1st January 2008 will be $R_{t_{2.2}} = R_{t_{2.1}} \pm \Delta PP_{2.2}$

Average sale rate on 1st April 2008 will be $R_{t_{2.3}} = R_{t_{2.2}} \pm \Delta PP_{2.3}$

Average sale rate on 1st July 2008 will be $R_{t_2} = R_{t_{2.3}} \pm \Delta PP_2$

Average sale rate on 1st July 2007 R_{t_1} will be considered as Rs 4.6365/kWh



Where:

PPa_{1.1} is the actual weighted average power purchase price for the duration of 1st quarter of year 2006-07,

PPa_{1.2} is the actual weighted average power purchase price for the duration of 2nd quarter of year 2006-07,

PPa_{1.3} is the actual weighted average power purchase price for the duration of 3rd quarter of year 2006-07,

PPa₁ is the actual weighted average power purchase price for the duration of year 2006-07,

PPa_{2.1} is the actual weighted average power purchase price for the duration of 1st quarter of year 2007-08,

PPa_{2.2} is the actual weighted average power purchase price for the duration of 2nd quarter of year 2007-08,

PPa_{2.3} is the actual weighted average power purchase price for the duration of 3rd quarter of year 2007-08,

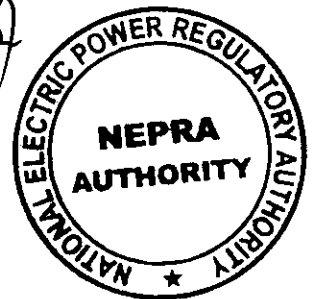
PPa₂ be the actual weighted average power purchase price for the duration of year 2007-08,

LQ_{2.1} be the estimated losses for 1st quarter of year 2007-08,

LQ_{2.2} be the estimated losses for 2nd quarter of year 2007-08,

LQ_{2.3} be the estimated losses for 3rd quarter of year 2007-08,

L₂ be the estimated losses for year 2007-08,



Transfer Price or Transfer Charge to XWDISCOS

NTDC shall charge the DISCOS formed consequent to the unbundling of WAPDA (termed as XWDISCOS), a transfer charge for procuring power from approved generating companies (termed as CPGENCOS) and its delivery to XWDISCOS for a billing period as under:

$$XTC = XCTC + XETC$$

Where:

$$\begin{aligned} XTC &= \text{Transfer charge to XWDISCOS} \\ XCTC &= \text{Capacity Transfer Charge to XWDISCOS} \\ XETC &= \text{Energy Transfer Charge to XWDISCOS} \\ XCTC &= \frac{\text{CpGenCap} + \text{USCF}}{\text{XWD}} \end{aligned}$$

Where:

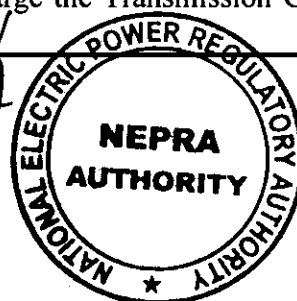
- (i) CPGenCap = the summation of the capacity cost in respect of all CPGencos in Rs for a billing period minus the amount of liquidated damages received during the month.
- (ii) XWD = the sum of the maximum demand of the XWDISCOS in kW recorded during a billing period at all the delivery metering points at which power is received by the XWDISCOS.
- (iii) USCF = the fixed charge part of the use of system charges in Rs per kW per month.

$$XETC = \frac{\text{CpGenE (Rs)} - \text{Us}_{\text{KESC}} \times \text{ERt}_{\text{KESC}}}{\text{XWUs (kWh)}}$$

Where:

- (i) CPGenE = the summation of the variable charge rate (Rs per kWh) approved for each of the CPGENCOS times the energy in kWh procured from the respective CPGENCO during the billing period.
- (ii) ERt_{KESC} = The marginal generation energy charge established during the billing period.
- (iii) Us_{KESC} = Units (kWh) delivered to KESC by NTDC.
- (iv) XWUs = the summation of the energy units (kWh) recorded at the delivery metering point of all the XWDISCOS during a billing period.

The transfer charge is inclusive of the transmission loss charge as the same is rolled in on account of the costs divided on units delivered basis to arrive at the Transfer Charge, therefore NTDC shall, for the purpose of clarity intimate to all DISCOs the generation part of the Transfer Charge during a billing period by deducting from the Transfer Charge the Transmission Charge or Use of System Charges.



TERMS AND CONDITIONS OF TARIFF
(FOR SUPPLY OF ELECTRIC POWER TO CONSUMERS BY DISTRIBUTION LICENSEES)

PART – I

GENERAL DEFINITIONS

The Company, for the purposes of these terms and conditions means Islamabad Electric Supply Company (IESCO) engaged in the business of distribution of electricity within the territory mentioned in the licence granted to it for this purpose.

1. "Month or Billing Period", unless otherwise defined for any particular tariff category, means a billing month of 30 days or less reckoned from the date of last meter reading.
2. "Minimum Charge", means a charge to recover the costs for providing customer service to consumers even if no energy is consumed during the month.
3. "Fixed Charge" means the part of sale rate in a two-part tariff to be recovered on the basis of "Billing Demand" in kilowatt on monthly basis.
4. "Billing Demand" means the highest of maximum demand recorded in a month except in the case of agriculture tariff D2 where "Billing Demand" shall mean the sanctioned load.
5. "Variable Charge" means the sale rate per kilowatt-hour (kWh) as a single rate or part of a two-part tariff applicable to the actual kWh consumed by the consumer during a billing period.
6. "Maximum Demand" where applicable, means the maximum of the demand obtained in any month measured over successive periods each of 30 minutes duration except in the case of consumption related to Arc Furnaces, where "Maximum Demand" shall mean the maximum of the demand obtained in any month measured over successive periods each of 15 minutes duration.
7. "Sanctioned Load" where applicable means the load in kilowatt as applied for by the consumer and allowed/authorized by the Company for usage by the consumer.
8. "Power Factor" means the ratio of kWh to KVAh recorded during the month or the ratio of kWh to the square root of sum of square of kWh and kVARh,.
9. Point of supply means metering point where electricity is delivered to the consumer.
10. Peak and Off Peak hours for the application of Time Of Use (TOU) Tariff shall be the following time periods in a day:

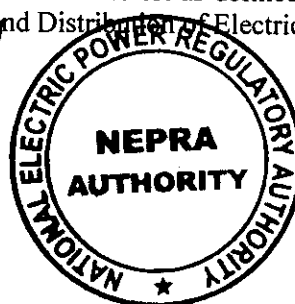
PEAK TIMING

Dec to Feb (inclusive) 5 PM to 9 PM
 Mar to May (inclusive) 6 PM to 10 PM
 Jun to Aug (inclusive) 7 PM to 11 PM
 Sept to Nov (inclusive) 6 PM to 10 PM

OFF-PEAK TIMING

Remaining 20 hours of the day
 -do-
 -do-
 -do-

11. "Supply", means a supply for single-phase/three-phase appliances inclusive of both general and motive loads subject to the conditions that in case of connected or sanctioned load exceeding 4kW supply shall be given at three-phase.
12. "Consumer" means a person or his successor-in-interest as defined under Section 2(iv) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).



13. "Charitable Institution" means an institution, which works for the general welfare of the public on no profit basis and is registered with the Federal or Provincial Government as such and has been issued tax exemption certificate by Central Board of Revenue (CBR).
14. NTDC means the National Transmission and Dispatch Company.
15. CPPA means Central Power Purchasing Agency (CPPA).
16. The "Authority" means "The National Electric Power Regulatory Authority (NEPRA)" constituted under the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

GENERAL CONDITIONS

1. "The Company shall render bills to the consumers on a monthly basis or less on the specific request of a consumer for payment by the due date.
2. The Company shall ensure that bills are delivered to consumers at least seven days before the due date. If any bill is not paid by the consumer is full within the due date, a Late Payment Surcharge of 10% (ten percent) shall be levied on the amount billed excluding Govt. tax and duties etc. In case bill is not served at least seven days before the due date then late payment surcharge will be levied after 7th day from the date of delivery of bill.
3. The supply provided to the consumers shall not be available for resale.
4. In the case of two-part tariff average Power Factor of a consumer at the point of supply shall not be less than 90 percent. In the event of the said Power factor falling below 90 percent, the consumer shall pay a penalty of two percent increase in the fixed charges determined with reference to maximum demand during the month corresponding to one percent decrease in the power factor below 90 percent.

PART – II

(Definitions and Conditions for supply of power specific to each consumer category)

A-1 RESIDENTIAL AND GENERAL SERVICES

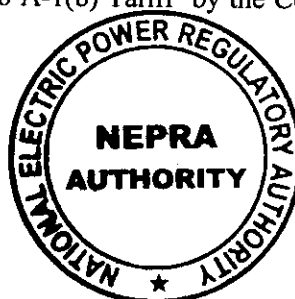
This Tariff is applicable for supply to;

- i) Residences,
- ii) Places of worship,
- iii) Approved religious and charitable institutions,
- iv) Government and Semi-Government Offices and institutions,
- v) Government Hospitals and Dispensaries,
- vi) Educational institutions.

Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. A-1(a) tariff.

All new consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangement and shall be billed on the basis of tariff A-1(b) as set out in the Schedule of Tariff.

All existing consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangement and converted to A-1(b) Tariff by the Company no later than 30 June 2008.



A-2 COMMERCIAL

1. This tariff is applicable for supply to commercial offices and commercial establishments such as;
 - i) Shops,
 - ii) Hotels and Restaurants,
 - iii) Petrol Pumps, Service Stations,
 - iv) Compressed Natural Gas filling stations,
 - v) Private Hospitals/Clinics/Dispensaries,
 - vi) places of Entertainment, Cinemas, Theaters, Clubs;
 - vii) Guest Houses/Rest Houses,
 - viii) Office of Lawyers, Solicitors, Law Associates and Consultants etc.
2. Consumers under tariff A-2 having sanctioned load up to 20 kW shall be billed under a Single-Part kWh rate A-2(a)
3. All existing consumers under tariff A-2 having sanctioned load exceeding 20 kW shall be billed on A-2(b) tariff till such time that they are provided T.O.U metering arrangement; thereafter such consumers shall be billed on T.O.U tariff A-2(c).
4. The existing and prospective consumers having load up to 20 kW can opt for T.O.U metering arrangement and A-2(c) tariff.
5. All existing consumers under tariff A-2(b) shall be provided T.O.U metering arrangement by the Company and converted to A-2 (C) Tariff no later than 30th June 2008.
6. All new connections having load requirement exceeding 20 kW shall be provided T.O.U meters and shall be billed under tariff A-2(c).

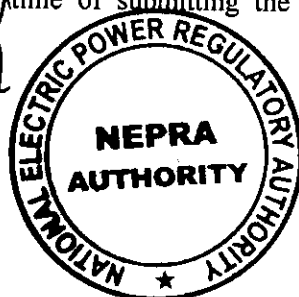
B INDUSTRIAL SUPPLY

Definitions

1. "Industrial Supply", means a supply for bona fide industrial purposes in factories including the supply required for the offices and for normal working of the industry and also for water pumps and tube-wells operating on three phase 400 volts, other than those meant for the irrigation or reclamation of agricultural land.
2. For the purposes of application of this tariff an "Industry" means a bona fide undertaking or establishment engaged in manufacturing, value addition and/or processing of goods.
3. This Tariff shall also be available for consumers having single-metering arrangement such as;
 - i) Poultry Farms,
 - ii) Fish Hatcheries and Breeding Farms; and
 - iii) software houses

Conditions

An industrial consumer shall have the option, to switch over to seasonal tariff-F, provided his connection is seasonal in nature as defined under tariff-F, and he undertakes to abide by the terms and conditions of tariff-F and pays the difference of security deposit rates previously deposited and those applicable to tariff-F at the time of acceptance of option for seasonal tariff. Seasonal tariff will be applicable from the date of commencement of the season, as specified by the customers at the time of submitting the option for Tariff-F. Tariff-F



consumers will have the option to convert to corresponding Regular industrial Tariff category and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised, the option will remain in force for at least one year.

B-1 SUPPLY AT 400 VOLTS THREE-PHASE AND/OR 230 VOLTS SINGLEPHASE

1. This tariff is applicable for supply to Industries having sanctioned load up to and including 20 kilowatts.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate.
3. The existing and prospective consumers having load up to 20 kW can opt for T.O.U metering arrangement and B-1(b) Tariff.

B-2 SUPPLY AT 400 VOLTS

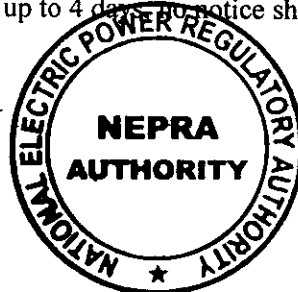
1. This tariff is applicable for supply to Industries having sanctioned load above 20 kW up to and including 500 kW.
2. All new applicants i.e prospective consumers applying for service to the Company after the date of notification of the tariff shall be provided T.O.U metering arrangement and charged according to the applicable T.O.U tariff.
3. All existing consumers under this tariff shall be provided T.O.U metering arrangement by the Company no later than 30th June 2008 and billed accordingly.

B-3 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable for supply to Industries having sanctioned load above 500 kW up to and including 5000 kW and also for Industries having sanctioned load of 500 kW or below who opt for receiving supply at 11 kV or 33 kV.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.
4. All B-3 Industrial Consumers shall be billed on the basis of T.O.U tariff given in the Schedule of Tariff.

B-4 SUPPLY AT 66 kV, 132 kV AND ABOVE

1. This tariff is applicable for supply to Industries for all loads above 5000 kW receiving supply at 66 kV and 132 kV and also for Industries having load 5000 kW or below who opt to receive supply at 66 kV or 132 kV.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration



or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.

3. The Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.
4. All B-4 Industrial Consumers shall be billed on the basis of two-part T.O.U tariff.

C SINGLE-POINT (SINGLE-METERING) SUPPLY

“Single-Point Supply” for the purpose of this Tariff, means a supply given at one point;

- i) to a licensee converted from a bulk supply status (who was procuring power from IESCO as a consumer prior to grant of license to IESCO) for the purpose of further distribution within its respective exclusive territory and jurisdiction.
- ii) to a mix-load consumer not reselling to any other consumer.
- iii) such as residential, commercial, tube-well and others.”

General Conditions

1. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice will be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days the fixed charges shall be assessed on proportionate basis for actual number of days between the date of old reading and the new reading.

C-1 SUPPLY AT 400/230 VOLTS

1. This Tariff is applicable to a consumer having mix-load at a single metering arrangement at 400 volts, having sanctioned load up to and including 500 kW.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. C-1(a) tariff.
3. All new consumers having sanctioned load exceeding 20 kW shall be billed on the basis of Time-of-Use (T.O.U) tariff C-1(b) given in the Schedule of Tariff.
4. All the existing consumers governed by this tariff having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangements by June 30th 2008.

C-2 SUPPLY AT 11 kV AND 33 kV

1. This tariff is applicable to consumers receiving supply at 11 kV or 33 kV at one-point metering arrangement and having sanctioned load up to and including 5000 kW.
2. The supply under this Tariff shall not be available to a prospective consumer unless he provides, to the satisfaction and approval of the Company, his own Transformer, Circuit



Breakers and other necessary equipment as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively pays to the Company for all apparatus and equipment if so provided and installed by the Company. The recovery of the cost of service connection shall be regulated by the NEPRA eligibility criteria.

3. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-2(b) by June 30th 2008.

C-3 SUPPLY AT 66 kV AND ABOVE

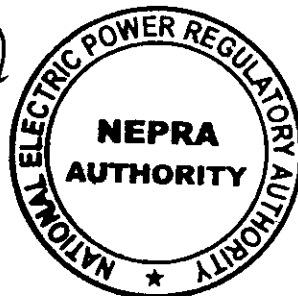
1. This tariff is applicable to consumers having sanctioned load above 5000 kW receiving supply at 66 kV and above.
2. The Grid Station required for provision of supply falls within the purview of the dedicated system under the NEPRA Eligibility Criteria, the supply under this Tariff shall not be available to such a prospective consumer unless he provides, to the satisfaction and approval of the Company, an independent grid station of his own including Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus as part of the dedicated distribution system for receiving and controlling the supply, or, alternatively, pays to the Company for all such Land, Building, Transformers, Circuit Breakers and other necessary equipment and apparatus if so provided and installed by the Company. The recovery of cost of service connection shall be regulated by NEPRA Eligibility Criteria.
3. Existing consumers governed by this tariff shall be provided with T.O.U metering arrangement and converted to C-3(b) by June 30th 2008.

D AGRICULTURAL SUPPLY

“Agricultural Supply” means a supply for Lift Irrigation Pumps and/or pumps installed on Tube-wells intended solely for irrigation or reclamation of agricultural land or forests, and include supply for lighting of the tube-well chamber.

Special Conditions of Supply

1. This tariff shall apply to:
 - i) Reclamation and Drainage Operation under Salinity Control and Reclamation Projects (SCARP),
 - ii) Bonafide forests, agricultural tube-wells and lift irrigation pumps for the irrigation of agricultural land.
 - iii) Tube-wells meant for aqua-culture, viz. fish farms, fish hatcheries and fish nurseries.
 - iv) Tube-wells installed in a dairy farm meant for cultivating crops as fodder and for upkeep of cattle.
2. If for any reason, the meter reading date of a consumer is altered and the acceleration/retardation in the date is up to 4 days, no notice shall be taken of this acceleration or retardation. But if the date is accelerated or retarded by more than 4 days, the fixed charges shall be assessed on proportionate basis for the actual number of days between the date of the old reading and the new reading.
3. The lamps and fans consumption in the residential quarters if any attached to the tube-wells shall be charged entirely under Tariff A-1 for which separate metering arrangements should be installed.



4. The supply under this Tariff shall not be available to consumer using pumps for the irrigation of parks, meadows, gardens, orchards, attached to and forming part of the residential, commercial or industrial premises in which case the corresponding Tariff A-1, A-2 or Industrial Tariff B-1, B-2 shall be respectively applicable.

D – 1 (a)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation having sanctioned load less than 20 kW.
2. Consumers having sanctioned load up to 20 kW shall be billed on single-part kWh rate i.e. D-1(a) tariff given in the Schedule of Tariff.

D – 1 (b)

1. This tariff is applicable to all Reclamation and Drainage Operation pumping under SCARP related installation and other consumers falling under Agriculture Supply having sanctioned load more than 20 kW.
2. All new consumers having sanctioned load exceeding 20 kW shall be billed on the basis of Time-of-Use (T.O.U) tariff D-1(b) given in the Schedule of Tariff.
3. All the existing consumers having sanctioned load exceeding 20 kW shall be provided T.O.U metering arrangements by June 30th 2008 and shall be governed by D-1(a) till that time.

D – 2

1. This tariff is applicable to consumer falling under Agriculture Supply having sanctioned load less than 20 kW excluding SCARP related installations.
2. The fixed charges under this Tariff shall be recovered on the basis of sanctioned load in kilowatt as the billing demand and such charges will be applicable even if no energy is consumed during a month.

E – 1 TEMPORARY RESIDENTIAL/COMMERCIAL SUPPLY

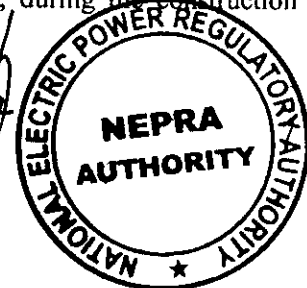
Temporary Residential/Commercial Supply means a supply given to persons temporarily on special occasions such as ceremonial, religious gatherings, festivals, fairs, marriages and other civil or military functions. This also includes supply to touring cinemas and persons engaged in construction works for all kinds of single phase loads. For connected load exceeding 4 kW, supply may be given at 400 volts (3 phase) to allow a balanced distribution of load on the 3 phases. Normally, temporary connections shall be allowed for a period of 3 months however this can be extended on three months basis subject to clearance of outstanding dues.

Special Conditions of Supply

1. This tariff shall apply to Residential and Commercial consumers for temporary supply.
2. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.

E 2 TEMPORARY INDUSTRIAL SUPPLY

“Temporary Industrial Supply” means a supply given to an Industry for the bonafide purposes mentioned under the respective definitions of “Industrial Supply”, during the construction phase prior to the commercial operation of the Industrial concern.



Special Conditions Of Supply

1. Ordinarily the supply under this Tariff shall not be given by the Company without first obtaining security equal to the anticipated supply charges and other miscellaneous charges for the period of temporary supply.
2. Normally, temporary connections shall be allowed for a period of 3 months, however this may be extended on three months basis subject to clearance of outstanding dues.

F SEASONAL INDUSTRIAL SUPPLY

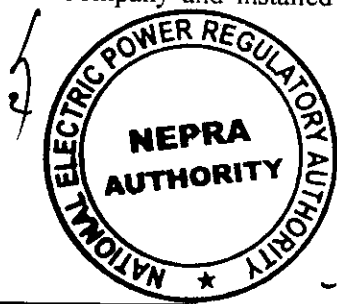
“Seasonal Industry” for the purpose of application of this Tariff, means an industry which works only for part of the year to meet demand for goods or services arising during a particular season of the year. However, any seasonal industry running in combination with one or more seasonal industries, against one connection, in a manner that the former works in one season while the latter works in the other season, thus running throughout the year, will not be classified as a seasonal industry for the purpose of the application of this Tariff.

Definitions

1. “Year” means any period comprising twelve consecutive months.
2. All “Definitions” and “Special Conditions of Supply” as laid down under the corresponding Industrial Tariffs shall also form part of this Tariff so far as they may be relevant.

Special Conditions Of Supply

1. This tariff is applicable to seasonal industry.
2. Fixed Charges per kilowatt per month under this tariff shall be levied at the rate of 125% of the corresponding regular Industrial Supply Tariff Rates and shall be recovered only for the period seasonal industry actually runs subject to minimum period of six consecutive months during any twelve consecutive months. The condition for recovery of Fixed Charges for a minimum period of six months shall not, however, apply to the seasonal industries, which are connected to the Company’s Supply System for the first time during the course of a season.
3. The consumers falling within the purview of this Tariff shall have the option to change over to the corresponding Industrial Supply Tariff, provided they undertake to abide by all the conditions and restrictions, which may, from time to time, be prescribed as an integral part of those Tariffs. The consumers under this Tariff will have the option to convert to Regular Tariff and vice versa. This option can be exercised at the time of obtaining a new connection or at the beginning of the season. Once exercised, the option will remain in force for at least one year.
4. All seasonal loads shall be disconnected from the Company’s Supply System at the end of the season, specified by the consumer at the time of getting connection, for which the supply is given. In case, however, a consumer requires running the non-seasonal part of his load (e.g., lights, fans, tube-wells, etc.) throughout the year, he shall have to bring out separate circuits for such load so as to enable installation of separate meters for each type of load and charging the same at the relevant Tariff.
5. Where a “Seasonal Supply” consumer does not come forward to have his seasonal industry re-connected with the Company’s Supply System in any ensuing season, the service line and equipment belonging to the Company and installed at his premises shall be removed after



expiry of 60 days of the date of commencement of the season previously specified by the consumer at the time of his obtaining new connection/re-connection. However, at least ten clear days notice in writing under registered post shall be necessary to be given to the consumer before removal of service line and equipment from his premises as aforesaid, to enable him to decide about the retention of connection or otherwise. No Supply Charges shall be recovered from a disconnected seasonal consumer for any season during which he does not come forward to have his seasonal industry re-connected with the Company's Supply System.

G PUBLIC LIGHTING SUPPLY

"Public Lighting Supply", means a supply for the purpose of illuminating public lamps.

Definitions

"Month" means a calendar month or a part thereof in excess of 15 days.

Special Conditions Of Supply

The supply under this Tariff shall be used exclusively for public lighting installed on roads or premises used by General Public.

H RESIDENTIAL COLONIES ATTACHED TO INDUSTRIES

This tariff is applicable for one-point-supply to residential colonies attached to the industrial supply consumers having their own distribution facilities.

Definitions

"One Point Supply", for the purpose of this Tariff, means the supply given at one point to Industrial Supply Consumers for general and domestic consumption in the residential colonies attached to their factory premises, for a load of 5 kilowatts and above, for the purpose of further distribution to various persons residing in the attached residential colonies and also for the purpose of perimeter lighting in the attached residential colonies.

"General and Domestic Consumption", for the purpose of this Tariff, means consumption for lamps, fans, domestic applications, including heaters, cookers, radiators, air-conditioners, refrigerators and domestic tube-wells.

"Residential Colony" attached to the Industrial Supply Consumer, means a group of houses annexed with the factory premises constructed solely for residential purpose of the bonafide employees of the factory, the establishment or the factory owners or partners, etc.

Special Conditions of Supply

The supply under this Tariff shall not be available to persons who meet a part of their requirements from a separate source of supply at their premises.

