



MULTAN ELECTRIC POWER COMPANY LIMITED

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OFFICE OF THE
FINANCE DIRECTOR

NO. /FDM/BS/Tariff / 9453

Date: 22 MAR 2023
03/2023

The Registrar,
National Electric Power Regulatory Authority,
NEPRA Tower, Ataturk Avenue,
Sector G-5/1, Islamabad.

Subject: - ANNUAL INDEXATION OF DISTRIBUTION MARGIN (DM) FOR DISTRIBUTION OF POWER & SUPPLY OF POWER BUSINESSES OF MEPCO FOR FY 2023-24

Ref: - This office No. FDM/BS/Tariff/7864 dated: March 07, 2023

In continuation of above whereby Annual Indexation of DM for Distribution of Power & Supply of Power Businesses of MEPCO was submitted, it is apprised that figures of Summary of PYA (Para 3.14.1) at page No.13, Return on Rate Base (Para 4.2.5) at page No. 16, Revenue Requirement (Para 5.1.1) at page No. 17 may please be read as given below & replace the same due to error in previous/initial indexation petition.

Summary of Prior Year Adjustment (PYA).

Sr. No	Description	Rs. In Million
1	Adjustment of PYA -21 Previously Allowed in MYT.	8,713
2	Sales Mix Variance FY 2020-21 & FY 2021-22.	11,302
3	Under/Over Recovery of Quarterly Adjustment.	(931)
4	Under/Over Recovery of DM FY 2021-22.	3,913
5	Post-Retirement Benefits (PRB) charged to OCI	22,133
6	True-up of RORB FY 2020-21 & DM FY 2021-22	2,202
7	Minimum/Turnover Tax	4,182
8	GENCO Employees	3,150
9	GENCO Pensioners	5,450
10	PPMC Overhead Charges	50
11	Power Supply Margin	14,028
12	Excess Supplemental Charges than LPS FY 2021 & 2022	9,413
13	Cost of Meters (R&M) FY 2020-21 & FY 2021-22	1,287
14	Fuel Cost Adjustment (Nov-19 to June-20) not Recovered	3,262
Total		88,154

Tariff Division Record
Dy No. 1937
Dated: 28-3-23

REGISTRAR OFFICE
Diary No: 3607
Date: 29/3/23

For information & n.a. please.
• ADG (Tariff)
Copy to:
- DG (M&E) CC: Chairman
- M/F - M (Tariff)

TARIFF (DEPARTMENT)
Dir (T-I)..... Dir (T-II).....
Dir (T-III)..... Dir (T-IV).....
Dir (T-V)..... Addl. Dir (RE).....
Date: 28-03-23

Return on Rate Base.

Rs. In Million

Description	FY 2021-22	FY 2022-23	FY2023-24
	Actual	Actual/Projected	Adjusted/Indexe
Gross Fixed Assets (Opening Balance)	163,152	172,294	188,574
Addition	9,142	16,280	16,280
Gross Fixed Assets (Closing Balance)	172,294	188,574	204,854
Accumulated Depreciation	(62,635)	(68,876)	(75,656)
Net Fixed Assets	109,659	119,698	129,198
Capital WIP	19,754	23,824	27,894
Net Fixed Assets Inc CWIP	129,413	143,522	157,092
Less Deferred Credit	(65,582)	(69,656)	(74,156)
Total	63,831	73,866	82,936
Avg Regulatory Rate Base (RAB)		68,849	78,401
Rate of Return/WACC		19.38%	19.38%
Return on Rate Base		13,345	15,196


Revenue Requirement

Rs. In Million

FY 2023-24				
Description	Units	DOP	SOP	Total
Energy Charges			197,666	197,666
Capacity Charges			210,743	210,743
UoS & MoF			19,335	19,335
Power Purchase Price	[Mln. Rs.]		427,744	427,744

O&M Cost

Pay & Allowance		14,684	3,223	17,907
Post Retirement Benefit		14,036	3,081	17,117
Repair & Maintenance		2,073	-	2,073
Travelling Allowance		1,060	233	1,293
Vehicle Maintenance		930	-	930
Other Expenses		2,573	565	3,138
Total O&M Cost	[Mln. Rs.]	35,356	7,102	42,458
Depreciation Expense		6,780	-	6,780
RORB		15,196	-	15,196
Supply Margin		-	7,058	7,058
Other Income		(4,656)	(2,176)	(6,832)
Margin	[Mln. Rs.]	52,677	11,984	64,660
Prior Year Adjustment		70,523	17,631	88,154
Revenue Requirement	[Mln. Rs.]	123,200	457,359	580,558


 Finance Director
 MEPCO, Multan.