

F. No Tariff/Cabinet-2018

Government of Pakistan

Ministry of Energy

(Power Division)

Islamabad, the July 19, 2023

The Registrar

National Electric Power Regulatory Authority

NEPRA Tower, Attaturk Avenue (East)

Sector G-5/1, Islamabad

Subject: **FEDERAL GOVERNMENT MOTION WITH RESPECT TO RECOMMENDATION OF CONSUMER END TARIFF FOR K-ELECTRIC LIMITED, UNDER SECTION 31 OF REGULATION, GENERATION, TRANSMISSION AND DISTRIBUTION OF ELECTRIC POWER ACT, 1997 (THE “ACT”) READ WITH RULE 17 OF THE NEPRA TARIFF (STANDARDS AND PROCEDURES) RULES, 1998 (THE “RULES”)**

National Electric Power Regulatory Authority (the “Authority”) determined the Multi Year Tariff vide its decision dated July 05, 2018, for K-Electric Limited (KE) duly notified by the Federal Government on May 22, 2019 modified from time to time to maintain uniform tariff in the country.

2. It is important to mention that during the period from July 2019 to September 2020, the consumer tariff of KE was not increased uniformly as compared to XWDISCOs due to pending decisions at various forums. Due to this pendency, the impact of such adjustment was not passed on to the consumers of K-Electric resulting in an impact of Rs. 24.5 billion.

3. Section 31, sub-section (8) of the Act provides that "Notwithstanding anything contained in this Act and in addition to the tariff, rates and charges notified under sub-sections (7) and this sub-section, each electric power supplier shall collect such surcharges from any or all categories of consumers, as the Federal Government may charge and notify in the official Gazette from time to time, in respect of each unit of electric power sold to any or all categories of consumers and deposit the amount so collected in such manner as may be prescribed. The amount of such surcharges shall be deemed as a cost incurred by the electric power supplier and included in the tariff notified under sub-section (7):

Provided that such surcharges shall be levied for the following purposes, namely: —

(a) funding of any public sector project of public importance to the extent decided by the Federal Government; and

(b) fulfilment of any financial obligation of the Federal Government with respect to electric power services to the extent decided by the Federal Government.

4. In accordance with the National Electricity Policy, 2021, the Government may maintain a uniform consumer-end tariff for K-Electric and state-owned distribution companies (even after privatization) through incorporation of direct / indirect subsidies. Accordingly, KE’s consumer tariff is also required to be modified so as to recover the revenue requirements of KE, determined by the Authority, consistent with the uniform

national tariff of XWDISCOs. The same has been approved by the Federal Government and it was decided that the same be submitted to the Authority for consideration in terms of the provisions of the Act. Once considered and approved, the same will also lead to notification by the Federal Government in the official gazette in pursuance of Section 31 of the Act.

5. In light of the above, instant Motion is being filed by the Federal Government with respect to Consumer End Tariff Recommendations of KE, so as to consider surcharge of Rs. 1.52/unit to be recovered in 12 months, in terms of section 31, sub-section 8 of NEPRA Act, for recovery of Rs. 24.5 billion from consumers of K-Electric.

6. The Authority is, accordingly, requested to incorporate the surcharge in the Schedule of Tariff (SoT) determined for the Quarter April to June 2022 or incorporate in the latest Schedule of Tariff being determined by NEPRA or it may be issued as a separate SoT as enclosed (Annexure A).

7. That for the purposes of this motion it is requested that a hearing opportunity be provided for detailed submissions.


(Syed Mateen Ahmed)
Section Officer (Tariff)

Tarrif Rationalization - K-Electric

Description	Surcharge
A-1 General Supply Tariff - Residential	(Rs./kWh)
Up to 50 Units (Life Line)	1.52
51 - 100 Units (Life Line)	1.52
001 - 100 Units (Protected)	1.52
101 - 200 Units (Protected)	1.52
1- 100 Units	1.52
101- 200 Units	1.52
201- 300 Units	1.52
301 - 400 Units	1.52
401 - 500 Units	1.52
501 - 600 Units	1.52
601 - 700 Units	1.52
Above 700 Units	1.52
Time of Use	
Peak	1.52
Off-Peak	1.52
E-1 (i) Temporary Residential	1.52
A-2 General Supply Tariff - Commercial	
For sanctioned load less than 5kW	1.52
For sanctioned load 5kW & Above	1.52
Peak	1.52
Off-Peak	1.52
E-1 (ii) Temporary Commercial	1.52
Electric Vehicle Charging Station (EVCS)	1.52
A3 General Services	1.52
B - Industrial Supply Tariff	
B-1 less than 5kW / 25 kW (at 400/230 volts)- Note	1.52
Peak	1.52
Off-Peak	1.52
B-2 5-500 kW / 25-500 kW (at 400 volts) - Note	1.52
Peak	1.52
Off-Peak	1.52
B-3 for all loads upto 500kW (at 11, 33kV)	1.52
Peak	1.52
Off-Peak	1.52
B-4 for all loads (at 66kV, 132kV and above)	1.52
Peak	1.52
Off-Peak	1.52
B-5 for all loads (at 220kV & above)	1.52
Peak	1.52
Off-Peak	1.52
E-2 (i) Temporary Industrial	1.52
C - Bulk Supply Tariff	
C-1 For supply at 400/230 Volts	
a) Sanctioned load less than 5kW	1.52
b) Sanctioned load 5kW and upto 500kW	1.52
Peak	1.52
Off-Peak	1.52
C-2 For supply at 11,33kV upto and including 5000kW	1.52
Peak	1.52
Off-Peak	1.52
C-3 For supply at 132 kV and above upto and including 5000kW	1.52
Peak	1.52
Off-Peak	1.52
E-2 (ii) Temporary Bulk Supply	
(a) at 400Volts	1.52
(b) at 11kV	1.52
D - Agriculture Tariff	
D-1 For all loads	1.52
D-2 For all loads - Time of Use	
Peak	1.52
Off-Peak	1.52
sub-total	
G- Public Lighting	
Street Lighting	1.52
H - Residential Colonies attached to Industrial Premises	1.52

Note: Such surcharge shall be recovered from consumers for twelve months starting from the effective date of notification.