

Ph # 022-9260197

Fax # 022-9260361

Email:dgmirad@hesco.gov.pk

No.CEO/HESCO/DG(MIRAD)/DM(F)/144-47

Office of the Director General (MIRAD),
2nd Floor, WAPDA Offices Complex,
Hussainabad, Hyderabad.

Dated: 27.03.2024

✓ The Director,
Registrar Office NEPRA,
NEPRA Tower, Attaturk Avenue (East), G-5/1,
ISLAMABAD.

F/A

Subject:-

Petition for Revision of Security Deposit Rates on Current Tariff Rate and Increase in Temporary Connection Tariff Rates

Reference: NEPRA's letter No.NEPRA/R/TRF-100/3417 dated 18.03.2024.

This is with reference to the NEPRA's above referred letter, vide which the following documents / information along-with fee has been required for the subject Petitions under Rule-3 of NEPRA (Tariff Standards and Procedure) Rules, 1998;


- i. Affidavit
- ii. Authorization

In this regard, the above mentioned documents / information along-with fee of **Rs.1,031,933/-** (Cheque No.62450605 dated 27.03.2024) are being enclosed for your information and further necessary action please.

DA / As above

C.C to:-

1. General Manager (C&CS) HESCO, Hyderabad.
2. Chief Financial Officer HESCO, Hyderabad.
3. PSO to CEO HESCO, Hyderabad.
- Master File.


(ENGR. BASHIR AHMED),
Chief Executive Officer,
HESCO, Hyderabad.

Forwarded please:


☒ For nec action ☐ for information

1. DG (Lic.)	2. DG (Admn./HR)
3. DG (M&E)	4. DG (CAD)
5. ADG (Trf.)	6. Dir. (Fin.)
7. Dir. (Tech.)	8. Consultant
9. LA	10. Dir. (IT)

For kind information please

- | | |
|-------------|-------------------|
| 1. Chairman | 2. M (Tech.) |
| 3. M (Lic.) | 4. M (Trf. & Fin) |
| 5. M (Law) | |

REGISTRAR OFFICE
Diary No: 3551
Date: 24.4.24





National Bank of Pakistan

F/A-2
Annex 2

Cheque No. 62450605

Date 27 03 2024

NATIONAL BANK OF PAKISTAN
0045-SHAHBAZ BUILDING BRANCH
SHAHBAZ BUILDING HYDERABAD

Pay M/S NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA) or bearer

Rupees One million thirty one thousand Nine hundred
thirty three only — * — * — * — * —

PKR 1,031,933/-

PK94NBPA0045004002731008

HYDERABAD ELECTRIC CITY SUPPLY

Please do not write below this line.

[Signature]
Hyderabad Electric Supply C
(HESCO)

⑈62450605⑈0700045⑈0045004002731008⑈000⑈



HYDERABAD ELECTRIC SUPPLY COMPANY

Office of the Company Secretary HESCO

Phone No.022-9260017

Exch.022-9260161/172

Fax No.022-9260361

Email:csecretary@hesco.gov.pk

HESCO Headquarters, 3rd floor, Room No.301,
WAPDA Offices Complex, Hussainabad, Hyderabad

No. HESCO/BoD/CS/Notifications/Vol.III/345/1054-57

Date: 12th March, 2024

Sub: EXTRACT OF THE DRAFT MINUTES OF 240TH MEETING OF BOARD OF DIRECTORS HESCO HELD ON WEDNSDAY, THE 6TH MARCH, 2024.

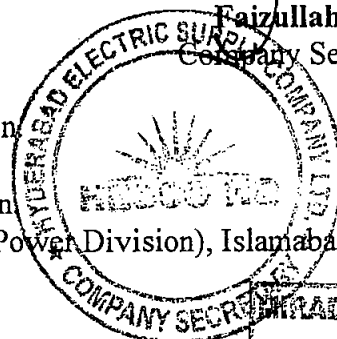
Extract of the Board Resolution/Decision in the captioned BoD meeting, which was duly convened and where proper quorum was present, is reproduced as under for information and further necessary action, please:

Item No.	Addl. Agenda Item No. 3
Item Contents:	REQUEST FOR AUTHORIZATION OF CEO HESCO FOR SIGNING OF PETITION FILED BEFORE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA), ISLAMABAD REGARDING ENHANCEMENT IN THE TARIFF RATES OF TEMPORARY CONNECTION
Board Resolution:	The Board considered the submission of the management and RESOLVED to authorize the Chief Executive Officer HESCO for signing of petition filed before National Electric Power Regulatory Authority (NEPRA), Islamabad, regarding enhancement in the tariff rates of temporary connection, being regulatory requirement, and to do all the actions, representations and approvals necessary for and ancillary to the proceedings of the said petition till determination thereof.

The detailed Discussions / Decisions are contained in the draft minutes which are subject to confirmation in coming BoD meeting(s).

DISTRIBUTION:

1. The Chairman / Members HESCO Board, for information.
2. The Chief Executive Officer, HESCO, for information.
- ✓ 3. The DG MIRAD, HESCO, for information and f/n action.
4. The Section Officer (DISCOs-III), Ministry of Energy (Power Division), Islamabad.



Faizullah Dahri
Company Secretary

AMCF
15/03/24

MIRAD (HESCO) HQ	
Diary No:	48
Dated:	15-03-24
Manager (P&F)	
Manager (CNRA)	
Manager (L&C)	
DM (DF)	
DM (TF)	
DM (CA)	
DM (RA)	
DM (Legal)	
AD (Admin)	



HYDERABAD ELECTRIC SUPPLY COMPANY

Office of the Company Secretary HESCO

Phone No.022-9260017

Exch.022-9260161/172

Fax No.022-9260361

Email:csecretary@hesco.gov.pk

HESCO Headquarters, 3rd floor, Room No.301,
WAPDA Offices Complex, Hussainabad, Hyderabad

No. HESCO/BoD/CS/Notifications/Vol.III/346/1058-61

Date: 12th March, 2024

Sub: - EXTRACT OF THE DRAFT MINUTES OF 240TH MEETING OF BOARD OF DIRECTORS HESCO HELD ON WEDNSDAY, THE 6TH MARCH, 2024.

Extract of the Board Resolution/Decision in the captioned BoD meeting, which was duly convened and where proper quorum was present, is reproduced as under for information and further necessary action, please:

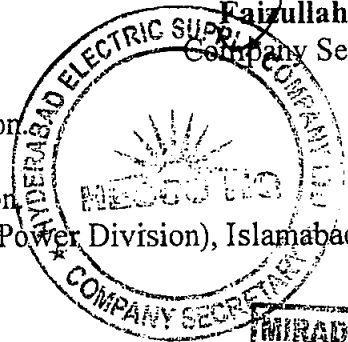
Item No.	Addl. Agenda Item No. 4
Item Contents:	REQUEST FOR AUTHORIZATION OF CEO HESCO FOR SIGNING OF PETITION FILED BEFORE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA), ISLAMABAD REGARDING DETERMINATION OF SECURITY DEPOSITS RATES
Board Resolution:	The Board considered the submission of the management and RESOLVED to authorize the Chief Executive Officer HESCO for signing of petition filed before National Electric Power Regulatory Authority (NEPRA), Islamabad, regarding determination of security deposits rates, being regulatory requirement, and to do all the actions, representations and approvals necessary for and ancillary to the proceedings of the said petition till determination thereof.

The detailed Discussions / Decisions are contained in the draft minutes which are subject to confirmation in coming BoD meeting(s).


Faizullah Dahri
Company Secretary

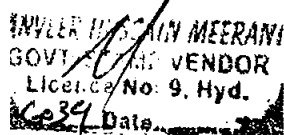
DISTRIBUTION:

1. The Chairman / Members HESCO Board, for information.
2. The Chief Executive Officer, HESCO, for information.
- ✓ 3. The DG MIRAD, HESCO, for information and f/n action.
4. The Section Officer (DISCOs-III), Ministry of Energy (Power Division), Islamabad.



Amc(F)
15/03/24

MIRAD (HESCO) NO	
Diary No:	49
Dated:	15-03-24
Manager (P&F)	
Manager (C&M)	
Manager (I&C)	
DM (DF)	
DM (TP)	
DM (CM)	
DM (RC)	
DM (Legal)	
AD (Admin)	



A ESCO

F/ΔL

25 MAR 2024

I, **Engr. Bashir Ahmed S/o Khushi Muhammad, Chief Executive Officer**, Hyderabad Electric Supply Company (HESCO) having CNIC No.**36103-1586756-5**, being duly authorized by HESCO BoD, do hereby, solemnly affirm and testify that the contents of the Petitions for Determination of Security Deposit Rates and Enhancement in Tariff Rates of Temporary Connections are in accordance with the directions from the Ministry of Energy (Power Division) GoP, received through PPMC, Islamabad and that the Annexed documents are true and correct to the best of my knowledge, belief on the basis of provided confirmations by the concerned formations put before me; and further declare that:

1. I am the Chief Executive Officer of the Hyderabad Electric Supply Company (HESCO) and fully aware of the affairs of the Company particularly to the Petitions for Determination of Security Deposit Rates and Enhancement in Tariff Rates of Temporary Connections.
2. Whatsoever stated in the Petitions and accompanied documents is true and nothing has been concealed.

(Engr. Bashir Ahmed)
Chief Executive Officer,
HESCO, Hyderabad.



SYED ANWAR ALI
Advocate High Court
& Notary Public
Hyderabad Sindh.

Ph # 022-9260197
Fax # 022-9260361
Email: dgmirad@hesco.gov.pk

Office of the Director General (MIRAD),
2nd Floor, WAPDA Offices Complex,
Hussainabad, Hyderabad.

No.CEO/HESCO/DG(MIRAD)/DM(F)/2291-2300

Dated: 21.02.2024

The Director,
Registrar Office NEPRA,
NEPRA Tower, Attaturk Avenue (East), G-5/1,
ISLAMABAD.

Subject:-

Petition for Determination of Security Deposit Rates for FY 2023-24

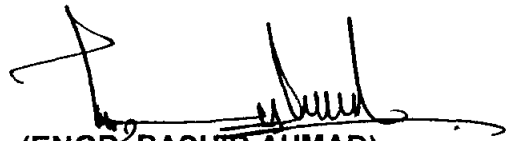
- Reference: 1. SO (DISCO-II) MoE (PD), GoP, letter No.12(35)/2018-DISCO-II (Part-III) dated 12.01.2024.
2. NEPRA letter No.NEPRA/DG(CAD)/TCD-10/159-160 dated 03.01.2024.
3. DS (DISCOs) MoE (PD), GoP, letter No.12(35)/2021-DISCO-II dated 27.11.2023.

This is with reference to the directions received from MoE (Power Division), GoP, Islamabad vide letter referred above at Sr. No.1, whereby, referring to the NEPRA's letter referred above at Sr. No.2, it has been desired to submit the Petition for determination of Security Deposit Rates, as per the methodology contained in MoE (PD), GoP letter referred above at Sr. No.3.

Accordingly, in compliance of the MoE (PD), GoP, Islamabad directions enclosed please find the Petition for determination of Security Deposit Rates for FY 2023-24 for consideration of the honorable Authority.

DA / As above

C.C to:-


(ENGR. BASHIR AHMAD),
Chief Executive Officer,
HESCO, Hyderabad.

- Deputy Secretary (DISCOs) Ministry of Energy (Power Division) GoP, A-Block, Pak Secretariat, Islamabad w.r.to above.
- General Manager (R&CO) PPMC, Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad w.r.to letter No.2539-50/GM(R&CO) dated 30.01.2024.
- Section Officer (DISCO-II) Ministry of Energy (Power Division) GoP, A-Block, Pak Secretariat, Islamabad w.r.to above.
- General Manager (C&CS) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
- General Manager (Operation) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
- Addl. DG (L&L) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
- Chief Financial Officer HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
- Chief Engineer (P&E) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
- PSO to CEO HESCO, Hyderabad w.r.to above.
- Master File.

SPP-60

Forwarded please:

☒ For nec action ☐ for information

1. DG (Lic.)	2. DG (Admn./HR)
3. DG (M&E)	4. DG (CAD)
5. DG (Trf.)	6. Dir. (Fin.)
7. Dir. (Tech.)	8. Consultant
9. LA	10. Dir. (IT)

For kind information please

1. Chairman
2. M (Tech.)
3. M (Lic.)
4. M (Trf. & Fir.)
5. M (Law)

PRO-2

REGISTRAR OFFICE

213e
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Annex A

**PETITION
FOR DETERMINATION OF
SECURITY DEPOSIT RATES
FOR
FY 2023-24**



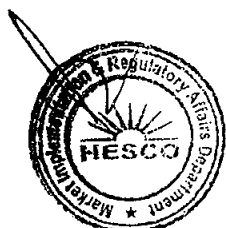
HYDERABAD ELECTRIC SUPPLY COMPANY

WAPDA OFFICES COMPLEX HUSSAINABAD HYDERABAD

HESCO
PETITION FOR DETERMINATION OF SECURITY DEPOSIT RATES FOR FY 2023-24

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1. Background:

As a result, of restructuring, Hyderabad Electric Supply Company (HESCO) was incorporated on 23rd April 1998 and obtained Certificate for Commencement of Business on 26th May, 1998. The HESCO is responsible for Supply of Electricity to almost 1.22 Million Consumers of different categories of 13 Districts (namely Hyderabad, Thatta, Sujawal, Jamshoro, Matiari, Nawab Shah, Sanghar, Umarkot, Mirpur Khas, Tharparkar, Badin, Tando Muhammad Khan & Tando Allah Yar) Sindh Province, as set out in HESCO's Distribution License No.05/DL/2002, granted by National Electric Power Regulatory Authority (NEPRA) on April 04, 2002 under the NEPRA Act, 1997 (as amended from time to time) and after the expiry of said Distribution Licence, the new Licence No.DL/05/2023 was granted by NEPRA on 09.05.2023. The Company is Headed by a Chief Executive Officer (CEO) and HESCO Board of Directors.

Under the Provisions of Regulation of Generation, Transmission & Distribution of Electric Power (Amendment) Act, 2018, HESCO is deemed to hold a license for Supply of Electric Power to perform the function of Sale of Electric Power in addition to existing Licensee as Distribution Company. The Distribution function now shall, under Section 20, be limited to ownership, operation, management or control of Distribution Facilities for the movement or delivery to Consumers of electric power. The deemed licensee status was expired on May 01, 2023 and, accordingly, NEPRA vide letter No.NEPRA/DG(LIC)/LAS-10/38801-21 dated 27.12.2023 granted Electric Power Supply Licence No.SOLR/05/2023 to HESCO.

In order to perform its obligatory duties as per NEPRA Performance Standards (Distribution) Rules 2005, the Petitioner is need to recover all Security Deposit while providing electricity connections to the consumers of its Service Territory. Currently HESCO is recovering Security Deposit as per approved / determined rates by Authority vide letter No.NEPRA/R/TRF-100/3685-3687 dated 04.11.2010.

The matter, among other items, was raised by Ministry of Energy (Power Division), GoP, Islamabad through Letter bearing No.12(35)/2021-DISCO-II dated 27.11.2023 (**Annex-A**). In response thereto, the honorable Authority, vide letter bearing No.NEPRA/DG/(CAD)/TCD-10/159-160 dated 03.01.2024 (**Annex-B**) was pleased to request the MoE (PD), GoP, to direct DISCOs to file petitions for determination of Security Deposit rates and enhancement in tariff rates of temporary connections.



2. Grounds of Petition:

The HESCOs supply electricity to its consumers on credit basis requiring a Security Deposit from new connection applicant to cover potential arrears in case of default.

Since, NEPRA determined the current deposit rates in 2010, whereas the average tariff rate has significantly increased from 2010 to 2023. It is evident that the existing Deposit Amounts are insufficient and not adequate to safeguard HESCO against the risk of possible default by the Consumers.

This surge in billing rates necessitates a revision of Security Deposit rates to offset arrears caused by tariff hikes and prevent the annual rise in arrears from disconnected defaulters contributing to circular debt accumulation.

To avoid this financial loss to HESCO in relation to Security Deposit, it is requested to honorable Authority to revise said rates as for then submitted herein after.

i. Comparison of Rates (2010 vs 2023):

A Comparison of average tariff rates is given as under;

Particulars	2010	2023	Increase
Average Tariff Rs./kWh	10.97	41.41	277%

ii. Reference Clause for Petition:

As per clause 5.1.1 of Consumer Service Manual, 2021, read as "For all service connections, a demand notice for security deposit as per the rate approved by NEPRA shall be issued to the applicant for depositing the same in the designated bank branch. The Security Deposit rates are as per Annexure-IV" (*Annex-C*).



3. Proposed Structure:

As per recommendations of Ministry of Energy (Power Division), GoP, Islamabad vide its letter No.12(35)/2021-DISCO-II dated 27.11.2023 (Annex-A). The proposed Security Deposit rates are as under;

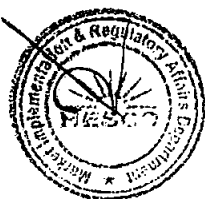
- a) For all consumers excluding Urban domestic consumers, the Security deposit rates are recommended to be set at two and a half months based on average billing.
- b) For Urban Domestic Consumers:
 - i. Security Deposit rates equal to three months on average billing are proposed for properties up to 10 Marlas.
 - ii. Security Deposit rates equivalent to one percent of the land value, as per the rate fixed by the Federal Board of Revenue (FBR) for properties above 10 Marlas.

Tariff	Tariff Description	Existing Rates Rs./kW	1-Month Basis Rs./kW	2.5 & 3-Months Basis Rs./kW
A-1 (Residential)	Urban (10 Marla & below)	1,220	7,057	21,170
	Urban (Above 10 Marla)	1,220	As per b(ii) above	
	Rural	610	6,509	16,273
A-2 (Commercial)	Urban	1,810	11,002	27,505
	Rural	920	10,822	27,055
A-3	General Service	1,220	6,798	16,996
B-1	Small Industries	1,580	20,433	51,083
B-2	Middle Industries	2,010	21,105	52,762
B-3 (11kV)	Large Industries	2,890	14,897	37,244
B-4 (132kV)	Large Industries	3,560	15,078	37,696
C	Other Bulk Power supply	2,080	6,017	15,042
D	Agriculture Tubewells	15,000 (Lumpsum)	11,705	29,263
G	Street Lights (G)	3,240	15,613	39,033
H	Tariff H for Housing Colonies	1,560	5,502	13,755

The Security Deposit Rates per kW has been calculated based on tariff category-wise average monthly bill per kW using load factor given in the NEPRA Consumer Service Manual, 2021 and latest tariff rates, as determined by honorable Authority vide letter bearing No.NEPRAR/DG(Trf)/TRF-575 & TRF-576/HESCO-2022/18209-15 dated 14.07.2023. The detailed working is attached at **Annex-D**.

4. Method for Recovery of Security Deposit:

- i. A customer will be required to pay the HESCO, an amount as approved by the Authority before provision of a new connection, restoration of the connection or approval of extension of load against connection charges and Security Deposit.
- ii. If the customer no longer wishes to continue its electric power connection, HESCO shall be liable to refund the Security Deposit to the consumer on demand.
- iii. In case the customer does not pay the electricity dues, HESCO may adjust the Security Deposit against the outstanding amount billed to the consumers.



5. Mechanism for Annual Adjustment / Indexation of Security Deposit:

It is proposed that Authority may devise a suitable mechanism / parameters for adjustment / indexation of above said Security Deposit Rates for DISCOs.

6. Applicable Categories:

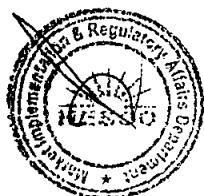
The Security Deposit rates provided in the Instant Petition shall be applicable for all tariff category.

7. Prayer:

In view of the above submissions, it is humbly requested that the Authority may kindly consider and determine as follows;

- A. Security Deposit under all tariff Categories as submitted at Section-3 above. However, the same is also tabulated as below;
- B. HESCO may be allowed the requested additional Security Deposit from the existing consumers based on their Sanctioned Load with the approval of the Authority to the condition that the total Security Deposit does not exceed the equivalent amount as per approved rates.
- C. A suitable mechanism for Periodic Adjustment / Indexation in the Security Deposit.

Tariff	Tariff Description	Existing Rates Rs./kW	1-Month Basis Rs./kW	2.5 & 3-Months Basis Rs./kW
A-1 (Residential)	Urban (10 Marla & below)	1,220	7,057	21,170
	Urban (Above 10 Marla)	1,220	As per b(ii) above	
	Rural	610	6,509	16,273
A-2 (Commercial)	Urban	1,810	11,002	27,505
	Rural	920	10,822	27,055
A-3	General Service	1,220	6,798	16,996
B-1	Small Industries	1,580	20,433	51,083
B-2	Middle Industries	2,010	21,105	52,762
B-3 (11kV)	Large Industries	2,890	14,897	37,244
B-4 (132kV)	Large Industries	3,560	15,078	37,696
C	Other Bulk Power supply	2,080	6,017	15,042
D	Agriculture Tubewells	15,000 (Lumpsum)	11,705	29,263
G	Street Lights (G)	3,240	15,613	39,033
H	Tariff H for Housing Colonies	1,560	5,502	13,755



Annex-A

No.12(35)/2021-DISCO-II
GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY
(POWER DIVISION)



Islamabad, the November 27, 2023

Chairman NEPRA,
NEPRA Tower, Ataturk Avenue (EAST), G-5/1,
Islamabad.

Subject: - **PROPOSAL FOR REVISION OF SECURITY DEPOSIT RATES ON CURRENT TARIFF RATE, URGENT FEES FOR NEW ELECTRICITY CONNECTION AND INCREASING THE TEMPORARY CONNECTIONS TARIFF RATE**

The DISCOs supply electricity on credit basis requiring a security deposit from new connection applicants to cover potential arrears in case of default. NEPRA set the current deposit rates in 2010, whereas the average tariff rate has been increased over 400 % per Kwh from June 2010 to September 2023. It is evident that the existing deposit amounts are insufficient keeping in view tariff increase. This surge in billing rates necessitates a revision of security deposit rates to offset arrears caused by tariff hikes and prevent the annual rise in arrears from disconnected defaulters contributing to circular debt accumulation. Therefore, it is proposed that NEPRA may revise the existing security deposit rates along with the following modifications.

Security Deposit

- a) For all consumers excluding urban domestic consumers, the security deposit rates are recommended to be set at two and a half months based on average billing.
- b) For urban domestic consumers:
 - i. Security deposit rates equal to three months on average billing are proposed for properties up to 10 Marlas.
 - ii. Security deposit rates equivalent to one percent of the land value, as per the rates fixed by the Federal Board of Revenue (FBR) for properties above 10 Marlas.
- c) Modify existing rules to permit DISCOs for filing of common petitions for the determination of 'Security Deposit' rates concurrently with tariff determination. This adjustment aims to streamline the process, eliminating the necessity for separate petitions for security and tariff determinations.

Urgent Fee for New Electricity Connection

To expedite the process of providing new electricity connections to applicants in need of immediate service, a new urgent fee structure is proposed. This aims to prioritize and fast-track the installation of electricity connections, specifically in those cases where only energy meter and cable are involved, and no distribution transformer is required. It seeks to improve efficiency in service delivery with strict adherence to regulatory standards, thereby establishing a streamlined process for urgent electricity connections required by such consumers.

The detailed implementation plan is proposed as follows:

- a) An additional urgent fee will be charged in conjunction with the standard connection installation charges, aligning with the existing rates in DISCOs:
 - i. Rs. 15,000 for single-phase connections
 - ii. Rs. 30,000 for three-phase connections

11/27



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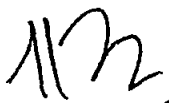
- b) This will apply to both domestic and commercial connections up to 15 kW, as well as industrial and agricultural connections up to 8 kW.
- c) A dedicated priority and record-keeping system will be maintained at the Divisional level to ensure timely installation of urgent fee connections.
- d) Upon the applicant's selection of the urgent connection option, a 'Demand Notice' will be issued on the next working day from the date of application. The connection will be installed within two working days from the payment date of demand notice by the applicant.
- e) DISCOs will uphold an adequate inventory of spare meters and cables to facilitate the prompt installation of urgent fee connections.
- f) If a DISCO fails to install an urgent fee connection within the stipulated period, the DISCO will be held accountable to refund the urgent fees. Disciplinary action will be initiated against the officer/official responsible for any delay(s).
- g) DISCOs will be responsible for effectively communicating the details of this urgent fee connection to the public through appropriate channels, ensuring widespread awareness and understanding.

Increasing the temporary connections tariff rate

The existing tariff rates for temporary residential, commercial, and industrial connections are lower than standard rates, even falling below residential rates for consumption exceeding 700 units. Some consumers exploit this by reselling electricity illegally due to delayed infrastructure completion. To address this, tariff rates need an increase, coupled with Maximum Demand Indicator (MDI) adjustments. This encourages timely completion of infrastructure, reducing illegal resale. These adjustments will notably impact commercial plazas and residential colonies with long-standing temporary connections. Based on these observations, the following proposed adjustments in tariff rates for temporary connections are recommended for review.

- a) The tariff rates for temporary connections should be set at 1.5 times higher than the maximum tariff rate of the corresponding regular tariff rates.
- b) Fixed charges should be applied for load requirements exceeding 5 KW;
- c) Instead of basing fixed charges on actual Maximum Demand Indicator (MDI) readings or 50% of the sanctioned load, it is suggested that these charges be determined based on the sanctioned load. This approach is advisable because some prospective consumers seeking temporary connections often request higher loads to cover up delayed establishment of the necessary infrastructure.

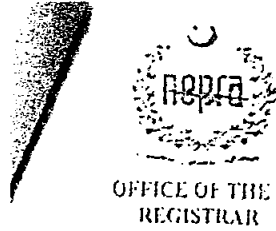
2. It is requested to please consider the above proposals and necessary amendments may kindly be made in the relevant rules.


 (Akbar Azam Rajar)
 Deputy Secretary (DISCOs)
 Tele: 051-9214273

Copy to:

- SO to the Secretary, Ministry of Energy (Power Division), Islamabad.
- SPS to the Additional Secretary-I, Ministry of Energy (Power Division), Islamabad.





NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
ISLAMIC REPUBLIC OF PAKISTAN
NEPRA Tower, Ataturk Avenue (East) G-5/1, Islamabad
Phone: 2013200, Fax: 2600026
Website: www.nepra.org.pk, Email: info@nepra.org.pk

No. NEPRA/DG(CAD)/TCD-10/ 159-160

January 03, 2024

Mr. Albar Azam Rajar,
Deputy Secretary (DISCOs)
Ministry of Energy (Power Division),
Block A, Pak Secretariat,
Islamabad.

Subject: PROPOSAL FOR REVISION OF SECURITY DEPOSIT RATES ON CURRENT
TARIFF RATE, URGENT FEES FOR NEW ELECTRICITY CONNECTION AND
INCREASE IN THE TEMPORARY CONNECTION TARIFF RATE.
Misc. 62/12/2023

The Ministry of Energy (Power Division) vide letter No. 12(35) 2021-DISCO-II dated November 27, 2023 has suggested amendments in Consumer Service Manual (CSM) and other relevant applicable documents regarding the following:

- i. Urgent fee for new electricity connection.
- ii. Revision of Security Deposit rates.
- iii. Increasing the temporary connections tariff rates.

2. The Authority considered the matter of provision of connection on urgent fee basis and in this regard, a public hearing has already been held on December 19, 2023 for amendments in Consumer Service Manual (CSM).

3. Moreover, regarding revision of security deposit rates and increase in tariff rates for temporary connections; Ministry of Energy (Power Division) is requested to direct the DISCOs to file petitions for determination of security deposit rates and enhancement in tariff rates of temporary connections for deliberation by the Authority.

(Masroor Khan)
Director

Copy to:

PS to Secretary,
Ministry of Energy (Power Division),
Block A, Pak Secretariat,
Islamabad.



CHAPTER 5 SECURITY DEPOSIT

5.1 SECURITY DEPOSIT

5.1.1 For all service connections, a demand notice for security deposit as per the rate approved by NEPRA shall be issued to the applicant for depositing the same in the designated bank branch. The Security Deposit rates are as per Annexure – IV.

5.1.2 A period of thirty days for payment of Demand Notice is given. A grace period of thirty days may be allowed for payment of the demand notice on the request of the applicant.

5.2 UPDATION OF SECURITY DEPOSIT

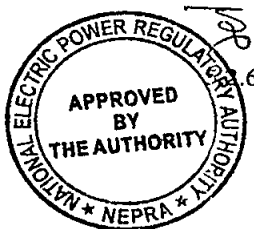
5.2.1 In case of change of name due to any reason the Security Deposit shall be updated at prevailing rates subject to adjustment of already paid Security Deposit.

5.2.2 In case of change of tariff category, shifting of connection and reconnection (if period of disconnection is more than 365 days), the Security Deposit shall be updated at prevailing rates subject to adjustment of already paid Security Deposit.

5.2.3 In case of extension of load, the amount of security deposit shall be updated at prevailing rates for the entire load subject to adjustment of already paid Security Deposit.

5.2.4 In case of reduction of load, the Security Deposit shall be updated at prevailing rates and the difference of the Security Deposit shall be refunded/charged, as the case may be.

5.2.5 For the purpose of calculating the security deposit, the fraction of a kilowatt (for loads above one kilowatt) which is equal to or more than half kilowatt, shall be taken as one kilowatt, and the fraction which is less than half a kilowatt shall be ignored.



The security deposit paid by the consumer shall be refunded at the time of permanent disconnection if applied by the consumer for refund after getting approval from the load sanctioning officer provided that there is no outstanding dues against the consumer. The process of refund shall be carried out within thirty (30) days of receipt of such request.

5.3 BANK GUARANTEE

5.3.1 The option of Bank Guarantee in lieu of security deposit shall be available to the industrial consumers under B-3 and B-4 as defined in Tariff terms and conditions categories only. The existing B-3 and B-4 category consumers can also avail option of Bank Guarantee by withdrawing their previous security deposit from



Annex-D

The working of One Month's Security Deposit/kw as per load factor given in Consumer Service Manual is as under:

Tariff	Description	Load Factor	Sanction Load kW	No. of Consumers	Sanction Load per Customer kW	kWhs per Customer	One Month Bill (Excl. taxes)	One Month Bill (incl. taxes)	Estimated One Month Security per kW (incl Taxes)
A	B	C	D	E	F=(D/E)	G=(C*D*730/E)	H	I	J
A-1	Single Phase (R)	20%	607,561	527,406	1.15	168	3,051	4,052	3,518
A-1	Single Phase (U)	20%	707,354	465,199	1.52	222	5,069	6,651	4,374
A-1	Three Phase (R)	25%	15,191	1,536	9.89	1,805	73,838	93,963	9,501
A-1	Three Phase (U)	25%	51,192	9,779	5.23	955	39,057	50,981	9,739
A-2	Single Phase (R)	20%	69,221	58,341	1.19	173	7,537	11,598	9,775
A-2	Single Phase (U)	20%	137,270	107,363	1.28	187	8,139	12,536	9,805
A-2	Three Phase (R)	25%	53,773	3,145	17.10	3,120	140,866	202,947	11,870
A-2	Three Phase (U)	25%	109,038	6,274	17.38	3,172	142,876	212,013	12,199
A-3	General Service	18%	182,085	13,934	13.07	1,717	72,612	88,840	6,798
B-1	Small Industries	53%	107,299	11,784	9.11	3,523	123,455	186,056	20,433
B-2	Middle Industries	57%	511,898	3,815	134.18	55,832	2,086,296	2,831,836	21,105
B-3	Large Industries	50%	342,022	249	1,373.58	501,358	15,821,243	20,462,865	14,897
B-4	Large Industries	50%	161,019	9	17,891.00	6,530,215	217,183,271	269,769,390	15,078
C	Other BPC	15%	81,969	351	233.53	25,571	1,113,000	1,405,110	6,017
D	Agriculture / Tube wells	40%	219,473	15,907	13.80	4,029	130,184	161,498	11,705
G	Street Lights (G)	40%	9,913	114	86.96	25,392	1,083,316	1,357,694	15,613
H	Housing Colonies	15%	24,144	587	41.13	4,504	185,793	226,300	5,502



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No.CEO/HESCO/DG(MIRAD)/DM(F)/2282-90

Office of the Director General (MIRAD),
2nd Floor, WAPDA Offices Complex,
Hussainabad, Hyderabad.

Dated: 21.02.2024

The Director,
Registrar Office NEPRA,
NEPRA Tower, Attaturk Avenue (East), G-5/1,
ISLAMABAD.

Subject:-

Petition for Enhancement in the Tariff Rates of Temporary Connection for FY 2023-24

- Reference: 1. SO (DISCO-II) MoE (PD), GoP, letter No.12(35)/2018-DISCO-II (Part-III) dated 12.01.2024.
2. NEPRA letter No.NEPRA/DG(CAD)/TCD-10/159-160 dated 03.01.2024.
3. DS (DISCOs) MoE (PD), GoP, letter No.12(35)/2021-DISCO-II dated 27.11.2023.

This is with reference to the directions received from MoE (Power Division), GoP, Islamabad vide letter referred above at Sr. No.1, whereby, referring to the NEPRA's letter referred above at Sr. No.2, it has been desired to submit the Petition for Enhancement in the Tariff Rates of Temporary Connection, as per the methodology contained in MoE (PD), GoP letter referred above at Sr. No.3.

Accordingly, in compliance of the MoE (PD), GoP, Islamabad directions enclosed please find the Petition for Enhancement in the Tariff Rates of Temporary Connection for FY 2023-24 for consideration of the honorable Authority.

DA / As above

C.C to:-

(ENGR. BASHIR AHMAD)
Chief Executive Officer,
HESCO, Hyderabad.

- Deputy Secretary (DISCOs) Ministry of Energy (Power Division) GoP, A-Block, Pak Secretariat, Islamabad w.r.to above.
 - General Manager (R&CO) PPMC, Office # 112, Evacuee Trust Complex, Agha Khan Road, Islamabad w.r.to letter No.2539-50/GM(R&CO) dated 30.01.2024.
 - Section Officer (DISCO-II) Ministry of Energy (Power Division) GoP, A-Block, Pak Secretariat, Islamabad w.r.to above.
 - General Manager (C&CS) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
 - General Manager (Operation) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
 - Addl. DG (L&L) HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
 - Chief Financial Officer HESCO, Hyderabad w.r.to above along-with copy of subject Petition.
 - PSO to CEO HESCO, Hyderabad w.r.to above.
- Master File.

Forwarded please:

☒ For nec action ☐ for information

1. DG (Lic.)	2. DG (Admn./HR)
3. DG (M&E)	4. DG (CAD)
5. A. DG (Trf.)	6. Dir. (Fin.)
7. Dir. (Tech.)	8. Consultant
9. LA	10. Dir. (IT)

For kind information please

1. Chairman
2. M (Tech.)
3. M (Lic.)
4. M (Trf. & Fin.)
5. M (Law)

2801

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**PETITION
FOR ENHANCEMENT IN THE
TARIFF RATES OF
TEMPORARY CONNECTION
FOR
FY 2023-24**



HYDERABAD ELECTRIC SUPPLY COMPANY

WAPDA OFFICES COMPLEX HUSSAINABAD HYDERABAD

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1. Background:

As a result, of restructuring, Hyderabad Electric Supply Company (HESCO) was incorporated on 23rd April 1998 and obtained Certificate for Commencement of Business on 26th May, 1998. The HESCO is responsible for Supply of Electricity to almost 1.22 Million Consumers of different categories of 13 Districts (namely Hyderabad, Thatta, Sujawal, Jamshoro, Matiari, Nawab Shah, Sanghar, Umarkot, Mirpur Khas, Tharparkar, Badin, Tando Muhammad Khan & Tando Allah Yar) Sindh Province, as set out in HESCO's Distribution License No.05/DL/2002, granted by National Electric Power Regulatory Authority (NEPRA) on April 04, 2002 under the NEPRA Act, 1997 (as amended from time to time) and after the expiry of said Distribution Licence, the new Licence No.DL/05/2023 was granted by NEPRA on 09.05.2023. The Company is Headed by a Chief Executive Officer (CEO) and HESCO Board of Directors.

Under the Provisions of Regulation of Generation, Transmission & Distribution of Electric Power (Amendment) Act, 2018, HESCO is deemed to hold a license for Supply of Electric Power to perform the function of Sale of Electric Power in addition to existing Licensee as Distribution Company. The Distribution function now shall, under Section 20, be limited to ownership, operation, management or control of Distribution Facilities for the movement or delivery to Consumers of electric power. The deemed licensee status was expired on May 01, 2023 and, accordingly, NEPRA vide letter No.NEPRA/DG(LIC)/LAS-10/38801-21 dated 27.12.2023 granted Electric Power Supply Licence No.SOLR/05/2023 to HESCO.

The HESCO is charging NEPRA's approved tariff rates to its consumers. As existing tariff rates for temporary residential, commercial and industrial connections are lower than standard rates, therefore some consumers exploit this by reselling electricity illegally due to delayed infrastructure completion. Accordingly, tariff rates for temporary categories need to be revised to stop the misuse of tariff.

The matter, among other items, was raised by Ministry of Energy (Power Division), GoP, Islamabad through Letter bearing No.12(35)/2021-DISCO-II dated 27-11-2023 (**Annex-A**). In response thereto, the honorable Authority, vide letter bearing No.NEPRA/DG/(CAD)/TCD-10/159-160 dated 03.01.2024 (**Annex-B**) was pleased to request the MoE (PD), GoP, to direct DISCOs to file petitions for determination of Security Deposit rates and enhancement in tariff rates of temporary connections.



2. Grounds of Petition:

The existing tariff rates for temporary residential (E-1(i)), commercial (E-1(ii)) and industrial (E-2) connections are lower than standard rates of comparable regular categories of consumer, even falling below residential rates for consumption exceeding 700 units. This provides incentive to some consumers to exploit by reselling electricity illegally due to delayed infrastructure completion. To address this, tariff rates need an increase, coupled with Maximum Demand Indicator (MDI) adjustments.

To discourage delaying tactics regarding infrastructure completion and reselling electricity illegally, temporary connection tariff under category E-1(i), E-1(ii) and E-2, needs to be reviewed and, accordingly, increased as well as Fixed charges should also be recovered from E-1(ii) and E-2 as per Sanctioned load of such consumers. It is emphasized that fundamental purpose of this request is not to gain additional revenue.

3. Tariff Rates:

The tariff rates, as determined by honorable Authority vide letters bearing No.NEPRAR/DG (Trf)/TRF-575 & TRF-576/HESCO-2022/18209-15 dated 14.07.2023 & Applicable tariff rates vide No.NEPRAR/DG(Trf)/TRF-100/19271-19290 dated 25.07.2023 of relevant regular and temporary consumers are reproduced as below:

TARIFF CATAGORIES		Fixed Charges	HESCO Determined Variable Charges	GoP Applicable Variable Charges
		Rs./kW/M	Rs./kWh	Rs./kWh
A1 (a)	A-1 General Supply Tariff – Residential			
I	Up to 50 Units Life line		7.0	3.95
li	51-100 units Life line		11.74	7.74
lii	01-100 Units		18.20	7.74
iv	101-200 Units		20.52	10.06
V	01-100 Units		34.86	16.48
Vi	101-200 Units		40.33	22.95
Vii	201-300 Units		43.52	27.14
Viii	301-400Units		46.91	32.03
Ix	401-500Units		49.12	35.24
X	501-600Units		50.54	36.66
Xi	601-700Units		51.68	37.80
Xii	Above 700 Units		56.60	42.72
A1(b)	Time of Use (ToU) – Peak		55.79	41.89
	Time of Use (ToU) - Off-Peak		49.47	35.57
A2	A-2 General Supply Tariff – Commercial			
(a)	For Sanctioned load less than 5 kW		51.65	37.75
(b)	For Sanctioned load 5 kw and above	500	53.33	39.43
(c)	Time of Use (ToU) – Peak	500	55.25	41.35
	Time of Use (ToU) - Off-Peak		49.28	35.38



(d)	Electric Vehicles		55.14	39.43
B	B Industrial Supply Tariff			
B1(a)	B1		48.09	34.33
B1(b)	B1- ToU (Peak)		51.65	37.89
	B1 - ToU (Off-peak)		46.09	32.33
B2 (a)	B2	500	47.59	33.83
B2 (b)	B2 - ToU (Peak)	500	51.59	37.83
	B2 - ToU (Off-peak)		45.88	32.12
B3	B3 - ToU (Peak)	460	51.59	37.83
	B3 - ToU (Off-peak)		45.79	32.03
B4	B4 - ToU (Peak)	440	51.59	37.83
	B4 - ToU (Off-peak)		45.59	31.93
E	E – Temporary Supply Tariff			
E-1(i)	Residential Supply		55.93	42.03
E-1 (ii)	Commercial Supply		52.04	38.14
E-2	Industrial Supply		49.17	35.41

4. Comparison of Base Tariff Rates:

Comparison of Maximum Determined Tariff of the relevant category and Temporary tariff of that category, as notified applicable tariff rates Rs./kWh is given as under;

Particulars	*Maximum Tariff of the Relevant Regular Category Rs./kWh	Temporary Tariff Rs./kWh	Difference Rs./kWh
A	B	C	D=(B-C)
Residential - E-1(i)	56.60	55.93	0.67
Commercial - E-1(ii)	55.25	52.04	3.21
Industrial - E-2	51.65	49.17	2.48

*For Residential Maximum Tariff Category is A-1(a)vi Above 700 units.

For Commercial Maximum Tariff Category is A-2 (c) Peak.

For Industrial Maximum Tariff Category is B1(b) Peak.

5. Proposed Structure:

As per recommendations of Ministry of Energy (Power Division), GoP, Islamabad vide its letter No.12(35)/2021-DISCO-II dated 27.11.2023 (Annex-A). The proposed adjustments in tariff rates for temporary connections rates are as under;

- The tariff rates for temporary connections should be set at 1.5 times higher than the maximum tariff rate of the corresponding regular tariff rates.
- Fixed charges should be applied for load requirement exceeding 5kW.
- Instead of basing fixed charges on actual Maximum Demand Indicator (MDI) readings or 50% of the sanctioned load, Sanctioned load is used for determination of fixed charges.



Particulars	Maximum Regular Tariff of the Category Rs./kWh	Proposed	
		Fixed Charges Rs./kW	Variable Rs./kWh
A	B	C	D=(Bx1.5)
Residential - E-1(i)	56.60	-	84.90
Commercial - E-1(ii) (Up to 5kW)	55.25	-	82.88
Commercial - E-1(ii) (Above 5kW)	55.25	500	82.88
Industrial - E-2 (Up to 5kW)	51.65	-	77.48
Industrial - E-2 (Above 5kW)	51.65	500	77.48

- The Fixed charge shall be charged based on the Sanctioned Load.
- The rates determined through FPA and AQTA shall remain applicable.

6. Revenue Analysis:

Category	Average Sanctioned Load (kW)	Annual kWh	FC Rs./kW	Increase Tariff (Proposed- Determined) Rs./kWh	Incremental Revenue (FC+VC)
A	B	C	D	E	F=(CxDxE)
E-1(i)	157	5,746	0	28.97	166,462
E-1(ii) (up to 5kW)	246	92,945	0	30.84	2,866,424
E-1(ii) (Above 5kW)	3,098	1,992,126	500	30.84	62,986,063
E-2 (Up to 5kW)	13	0	0	28.31	0
E-2 (Above 5kW)	750	110,624	500	28.31	3,507,005
Total	4,264	2,201,441			69,525,953

Incremental Revenue (Rs.)	A	69,525,953
Total Sales (kWh) FY 2022-23	B	3,565,290,000
Temporary Consumers Sales (kWh) FY 2022-23	C	2,201,441
Net Sales (kWh)	D=(B-C)	3,563,088,559
Decrease in Tariff for Remaining Categories, other than mentioned above, (Rs./kWh)	E=(A/D)	0.020

Note:

- Above Analysis is based on the FY 2022-23 data.
- Assumed that Total Temporary Connections Sales (kWh) and No. of Consumers remain constant.

7. Applicable Categories:

- E-1(i) Residential.
- E-1(ii) Commercial (Up to 5kW & Above 5kW)
- E-2 Industrial (Up to 5kW & Above 5kW)

The rates proposed at Section 5 above are based on determined tariff for HESCO, however, the changes shall be based on notified tariffs.



8. Prayer:

In view of the above submissions, it is humbly requested that the Authority may kindly consider and determine as follows;

Temporary Tariff rates under Tariff Categories E-1(i), E-1(ii) and E-2 as well as Fixed Charges under tariff category E-1(ii) and E-2 as submitted at Section 5 above. However, the same is also tabulated as below;

Particulars	Maximum Regular Tariff of the Category Rs./kWh	Proposed	
		Fixed Charges Rs./kW	Variable Rs./kWh
A	B	C	D=(Bx1.5)
Residential - E-1(i)	56.60	-	84.90
Commercial - E-1(ii) (Up to 5kW)	55.25	-	82.88
Commercial - E-1(ii) (Above 5kW)	55.25	500	82.88
Industrial - E-2 (Up to 5kW)	51.65	-	77.48
Industrial - E-2 (Above 5kW)	51.65	500	77.48



No.12(35)/2021-DISCO-II
GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY
(POWER DIVISION)

Annex-A

Islamabad, the November 27, 2023

Chairman NEPRA,
NEPRA Tower, Ataturk Avenue (EAST), G-5/1,
Islamabad.

Subject: - PROPOSAL FOR REVISION OF SECURITY DEPOSIT RATES ON CURRENT TARIFF RATE, URGENT FEES FOR NEW ELECTRICITY CONNECTION AND INCREASING THE TEMPORARY CONNECTIONS TARIFF RATE

The DISCOs supply electricity on credit basis requiring a security deposit from new connection applicants to cover potential arrears in case of default. NEPRA set the current deposit rates in 2010, whereas the average tariff rate has been increased over 400 % per Kwh from June 2010 to September 2023. It is evident that the existing deposit amounts are insufficient keeping in view tariff increase. This surge in billing rates necessitates a revision of security deposit rates to offset arrears caused by tariff hikes and prevent the annual rise in arrears from disconnected defaulters contributing to circular debt accumulation. Therefore, it is proposed that NEPRA may revise the existing security deposit rates along with the following modifications.

Security Deposit

- a) For all consumers excluding urban domestic consumers, the security deposit rates are recommended to be set at two and a half months based on average billing.
- b) For urban domestic consumers:
 - i. Security deposit rates equal to three months on average billing are proposed for properties up to 10 Marlas.
 - ii. Security deposit rates equivalent to one percent of the land value, as per the rates fixed by the Federal Board of Revenue (FBR) for properties above 10 Marlas.
- c) Modify existing rules to permit DISCOs for filing of common petitions for the determination of 'Security Deposit' rates concurrently with tariff determination. This adjustment aims to streamline the process, eliminating the necessity for separate petitions for security and tariff determinations.

Urgent Fee for New Electricity Connection

To expedite the process of providing new electricity connections to applicants in need of immediate service, a new urgent fee structure is proposed. This aims to prioritize and fast-track the installation of electricity connections, specifically in those cases where only energy meter and cable are involved, and no distribution transformer is required. It seeks to improve efficiency in service delivery with strict adherence to regulatory standards, thereby establishing a streamlined process for urgent electricity connections required by such consumers.

The detailed implementation plan is proposed as follows:

- a) An additional urgent fee will be charged in conjunction with the standard connection installation charges, aligning with the existing rates in DISCOs:
 - i. Rs. 15,000 for single-phase connections
 - ii. Rs. 30,000 for three-phase connections

11/27



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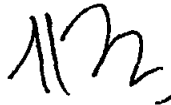
- b) This will apply to both domestic and commercial connections up to 15 kW, as well as industrial and agricultural connections up to 8 kW.
- c) A dedicated priority and record-keeping system will be maintained at the Divisional level to ensure timely installation of urgent fee connections.
- d) Upon the applicant's selection of the urgent connection option, a 'Demand Notice' will be issued on the next working day from the date of application. The connection will be installed within two working days from the payment date of demand notice by the applicant.
- e) DISCOs will uphold an adequate inventory of spare meters and cables to facilitate the prompt installation of urgent fee connections.
- f) If a DISCO fails to install an urgent fee connection within the stipulated period, the DISCO will be held accountable to refund the urgent fees. Disciplinary action will be initiated against the officer/official responsible for any delay(s).
- g) DISCOs will be responsible for effectively communicating the details of this urgent fee connection to the public through appropriate channels, ensuring widespread awareness and understanding.

Increasing the temporary connections tariff rate

The existing tariff rates for temporary residential, commercial, and industrial connections are lower than standard rates, even falling below residential rates for consumption exceeding 700 units. Some consumers exploit this by reselling electricity illegally due to delayed infrastructure completion. To address this, tariff rates need an increase, coupled with Maximum Demand Indicator (MDI) adjustments. This encourages timely completion of infrastructure, reducing illegal resale. These adjustments will notably impact commercial plazas and residential colonies with long-standing temporary connections. Based on these observations, the following proposed adjustments in tariff rates for temporary connections are recommended for review.

- a) The tariff rates for temporary connections should be set at 1.5 times higher than the maximum tariff rate of the corresponding regular tariff rates.
- b) Fixed charges should be applied for load requirements exceeding 5 KW;
- c) Instead of basing fixed charges on actual Maximum Demand Indicator (MDI) readings or 50% of the sanctioned load, it is suggested that these charges be determined based on the sanctioned load. This approach is advisable because some prospective consumers seeking temporary connections often request higher loads to cover up delayed establishment of the necessary infrastructure.

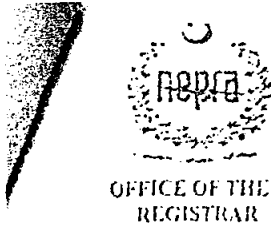
2. It is requested to please consider the above proposals and necessary amendments may kindly be made in the relevant rules.


 (Akbar Azam Rajar)
 Deputy Secretary (DISCOs)
 Tele: 051-9214273

Copy to:

- SO to the Secretary, Ministry of Energy (Power Division), Islamabad.
- SPS to the Additional Secretary-I, Ministry of Energy (Power Division), Islamabad.





NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
ISLAMIC REPUBLIC OF PAKISTAN
NEPRA Tower, Ataturk Avenue (East) G-5/1, Islamabad
Phone: 2013200. Fax: 2600026
Website: www.nepra.org.pk. Email: info@nepra.org.pk

No. NEPRA/DG(CAD)/TCD-10/ 159-160

January 03, 2024

Mr. Albar Azam Rajar,
Deputy Secretary (DISCOs)
Ministry of Energy (Power Division),
Block A, Pak Secretariat,
Islamabad.

Subject: PROPOSAL FOR REVISION OF SECURITY DEPOSIT RATES ON CURRENT TARIFF RATE, URGENT FEES FOR NEW ELECTRICITY CONNECTION AND INCREASE IN THE TEMPORARY CONNECTION TARIFF RATE.
Misc. 62/12/2023

The Ministry of Energy (Power Division) vide letter No. 12(35)/2021-DISCO-II dated November 27, 2023 has suggested amendments in Consumer Service Manual (CSM) and other relevant applicable documents regarding the following:

- i. Urgent fee for new electricity connection.
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- iii. Increasing the temporary connections tariff rates.

2. The Authority considered the matter of provision of connection on urgent fee basis and in this regard, a public hearing has already been held on December 19, 2023 for amendments in Consumer Service Manual (CSM).

3. Moreover, regarding revision of security deposit rates and increase in tariff rates for temporary connections; Ministry of Energy (Power Division) is requested to direct the DISCOs to file petitions for determination of security deposit rates and enhancement in tariff rates of temporary connections for deliberation by the Authority.

(Masroor Khan)
Director

Copy to:

PS to Secretary.
Ministry of Energy (Power Division),
Block A, Pak Secretariat,
Islamabad.

