



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-340/17407-17409

October 23, 2017

**Subject: Decision of the Authority in the matter of Suo Moto Proceedings regarding Periodical Adjustments on account of Power Purchase Price (PPP) including Impact of T&D Losses on FCA) and Prior Year Adjustment (PYA) pertaining to the FY 2016-17 in the Consumer End Tariff of Hyderabad Electric Supply Company Ltd. (HESCO) [Case # NEPRA/TRF-340]**

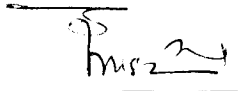
Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with Annexure-I-A, II & III (11 pages).

2. The Decision 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).

3. The Order of the Authority along with Annexure-I-A, II & III attached to this Decision are to be notified in the official Gazette.

Enclosure: As above

  
23/10/17  
( Syed Safer Hussain )

Secretary  
Ministry of Energy  
'A' Block, Pak Secretariat  
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



*Decision of the Authority in the matter of suo moto proceedings regarding periodical adjustments on account of Power Purchase Price (PPP), Impact of T&D losses and Prior Year Adjustment (PYA) pertaining to the FY 2016-17 in the consumer end tariff of Hyderabad Electric Supply Company Limited (HESCO)*

**DECISION OF THE AUTHORITY IN THE MATTER OF SUO MOTO PROCEEDINGS REGARDING PERIODICAL ADJUSTMENTS ON ACCOUNT OF POWER PURCHASE PRICE (PPP) (INCLUDING IMPACT OF T&D LOSSES ON FCA) AND PRIOR YEAR ADJUSTMENT (PYA) PERTAINING TO THE FY 2016-17 IN THE CONSUMER END TARIFF OF HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED (HESCO)**

1. Pursuant to the directions of the Honorable Islamabad High Court, Islamabad, vide judgment dated June 22, 2017, re-determination of the Authority in the matter of request for reconsideration filed by the GoP, in the matter of Single Year Tariff of Hyderabad Electric Supply Company Limited (HESCO), pertaining to the FY 2015-16, was issued vide decision dated September 18, 2017.
2. The Authority, while re-determining the GoP reconsideration request, considered the fact that the period of FY 2015-16, for which tariff was being re-determined, had already elapsed, therefore, decided to include the impact of any over/under recovery on account of PPP, assessed Distribution Margin & previously allowed prior year adjustment along-with other relevant adjustments pertaining to the FY 2015-16 in the re-consideration decision. Accordingly, the impact of all prudently incurred costs by HESCO till June 2016 were included in the consumer end tariff of HESCO for the FY 2015-16.
3. As per para 48(7) of the NEPRA guidelines for determination of consumer end tariff (Methodology and Process), 2015 notified vide SRO 34 (I)/2015 dated January 16, 2015 (the Methodology), the Power Purchase Price (PPP) is a pass through item and is subject to periodic adjustments. The scope of quarterly/ biannual adjustments as prescribed in the methodology, at para 49, is as under;
  - The adjustments pertaining to the capacity and transmission charges
  - The impact of T&D losses
  - Adjustment of Variable O&M
4. Similarly, regarding Prior Year Adjustment, para 53 of the Methodology states that Under-recovery or over-recovery of the cost-of-service incurred during the previous year shall be accounted for going forward during the current year under the head of prior period adjustment. This may also include impact of delayed notifications and impact of consumer mix variance.
5. The Authority being cognizant of the fact that the FY 2016-17 has already lapsed and variations on account of PPP (*including impact of T&D losses on FCA*) and PYA pertaining to HESCO for the FY 2016-17, have not yet been recovered/ passed on to the consumers. The Authority believes that any such variations needs to be passed on to the consumers in order to ensure financial viability of the sector, which otherwise would result in huge prior period adjustments, thus, resulting in consumer end tariff distortions.





*Decision of the Authority in the matter of suo moto proceedings regarding periodical adjustments on account of Power Purchase Price (PPP), Impact of T&D losses and Prior Year Adjustment (PYA) pertaining to the FY 2016-17 in the consumer end tariff of Hyderabad Electric Supply Company Limited (HESCO)*

6. In view thereof, the Authority, as per rule 3 (1) of the NEPRA (Tariff Standards and Procedure) Rules, 1998 and in line with para 48 (7), 49 and 53 of the Methodology and relevant paras of Tariff Determinations / Redeterminations of XWDISCOs for the FY 2015-16, decided to initiate suo moto proceedings for recovery of pending costs adjustments pertaining to the FY 2016-17.
7. Consequent thereupon, a notice of hearing along-with XWDISCO wise financial impact of the proposed adjustments was published in the newspapers on September 26, 2017. A subsequent corrigendum to the extent of correction in the adjustment amount of FESCO was also published on September 30, 2017. Separate notices were also sent to the parties which were considered to be affected or interested. Comments /replies and filing of intervention requests were desired from any interested person. Written comments were received from Anwar Kamal Law Associates (AKLA) vide letter dated October 3, 2017.

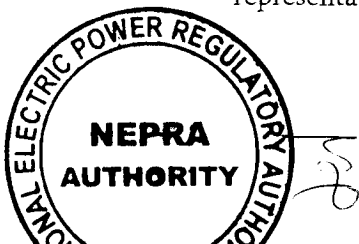
**8. AKLA**

A brief of the submission made by AKLA relevant to the instant adjustments is as under;

- ✓ Time period of 7 days to file Intervention Request is not sufficient.
- ✓ No verifiable data / back-up documents regarding the proposed adjustments are available on NEPRA's website.
- ✓ Hearing be held in different cities to facilitate the consumers of the respective DISCO.
- ✓ Audio Recording and transcript of the proceedings of hearing be provided.
- ✓ The tariff control period of all XWDISCOs except three has already lapsed on June 30, 2016.
- ✓ NEPRA is not following its own guidelines in terms of timelines for submission of Tariff petition by XWDISCOs.
- ✓ The Tariff for 2016-17 has been determined but has not yet been notified, then how the proposed adjustments for the FY 2016-17 in the Tariff of all the Ten XWDISCOs will be made.
- ✓ The T&D losses of 2015-16 have not been notified yet, then how will the T&D losses be adjusted/revised.
- ✓ In the absence of a Notified Tariff for FY 2015-16, no adjustment is legally possible.

**Hearing**


9. Hearing in the matter was held as per the schedule i.e. October 10, 2017 at NEPRA Tower Islamabad. The hearing was attended by the representatives of XWDISCOs and CEO CPPA-G. The XWDISCOs were represented by their legal counsel Mr. Munawar-us-Salam. Representative from Ufone, PTA, and media were also present, however, there was no representation from Ministry of Water & Power and NTDC despite serving of notice.

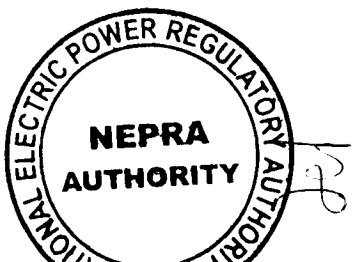




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10. The Authority's response on the concerns raised by AKLA are as under;

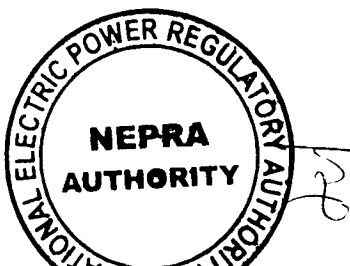
- ✓ On the point regarding insufficient time period, the Authority noted that notice of hearing for the proposed adjustment was published on September 26, 2017 whereby hearing was scheduled On October 10, 2017, thus, a period of more than 15 days was provided by the Authority for filing of Intervention Requests or comments.
- ✓ Regarding non-availability of the back-up documents, the Authority observed that detail break-up of the proposed adjustment was presented during the hearing.
- ✓ AKLA has very rightly mentioned that hearings should have been conducted in different cities to ensure maximum participation of the stakeholders, however, owing to the paucity of time and busy schedule of the Authority, the Authority decided to conduct the hearing at NEPRA Tower Islamabad.
- ✓ The Authority, regarding expiry of the tariff control period of DISCOs, under the SYT regime, noted that since the FY 2016-17 has already lapsed and variations on account of PPP (*including impact of T&D losses on FCA*) and PYA for the FY 2016-17 have not yet been recovered/ passed on to the consumers, therefore, such variations needs to be passed on to the consumers in a timely manner in order to ensure financial viability of the sector, which otherwise would result in huge prior period adjustments, and would not be in the interest of the consumers.
- ✓ On the issue of non-submission of Tariff petition by XWDISCOs, the Authority had already directed XWDISCOs vide letters dated February 15 and March 07, 2017 to file tariff petitions for the FY 2016-17 and FY 2017-18. However, despite the Authority's repeated directions, only three DISCOs submitted their tariff petitions. Thus, the assertion that the Authority is not following its own guidelines is not correct.
- ✓ Regarding the issue that tariff determination for the FY 2015-16 is still pending for notification then how come adjustments for the FY 2016-17 be made, the Authority considers that instant adjustments are being made based on the tariff that remained notified during the FY 2016-17.
- ✓ On the point that T&D losses of 2015-16 have not yet been notified, the Authority observed that the assessed regulatory targets do not become binding on the utility unless it is notified with an exception to the assessed Distribution Margin and prior year adjustment as both represent the fixed cost pertaining to the specific Financial Year.
- ✓ Regarding point of AKLA that adjustments are not legally possible as tariff for the FY 2015-16 has not yet been notified, the Authority observed that the proposed adjustments for the FY 2016-17, have been worked out based on tariff that remained notified during the FY 2016-17. 





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11. The XWDISCOs, agreed with the proposed adjustments worked out by the Authority, however, CEO CPPA-G, during the hearing, requested the Authority that while working out the impact of T&D losses on FCA, sales of life line, Agriculture and domestic consumers consuming up-to 300 units shall also be adjusted from the units lost. The Authority considers that the monthly FCA references are assessed by the Authority without taking into account the impact of T&D losses and as per the methodology in-vogue, the Authority considers the impact of T&D losses as a separate cost item for adjustment. The Authority's decision of not allowing the negative FCA impact on life line, Agriculture and domestic consumer having consumption up to 300 units was to the extent of monthly FCA adjustments only and with the condition that the said amount would be adjusted against the subsidy provided by the GoP to these specific categories. Here it is also pertinent to mention that CPPA-G did not submit any detailed workings / calculations in support of its request. Therefore, in view of aforementioned the Authority is constrained not to accept the request of CPPA-G.
12. In view of the above discussion, the Authority, in line with the Methodology, para 26 of the HESCO's Tariff determination dated April 01, 2016 and para 16 of the Authority's redetermination in the matter of GoP's reconsideration request of HESCO, dated September 18, 2017, has decided to include the impact of variation in PPP (*including impact of T&D losses on FCA*) and PYA pertaining to the FY 2016-17 in the consumer end tariff of HESCO in order to ensure recovery of the said costs i.e. during the FY 2017-18. Thus, making the tariff more predictable both for the consumers' as well as for the utility as provided in under rule 17(3) of the Tariff Standards and Procedures, Rules 1998.
13. As explained at para 11.3 to 11.8 of the consumer end Tariff determination of HESCO dated April 01, 2016 (*in accordance with Federal Government's policy guidelines dated May 21, 2015 with regard to fuel charges adjustment and subsidy rationalization of XWDISCOs*), the Authority decided not to adjust the impact of negative FCA of Rs.2,747 Million, for the FY 2014-15, pertaining to the lifeline consumers, domestic consumers (consuming up-to 300 units) and Agriculture Consumers, across different consumer categories while determining the consumer end tariff for the FY 2015-16, as it was doing in the past. The Authority in line with the objective of guideline, mentioned at para 5 of the letter No. 5-PF/02/2013-Subsidy dated 21<sup>st</sup> May 2015, decided that negative FCA impact of Rs.2,747 Million, lying with the HESCO, is to be adjusted by Federal Government, against the Tariff Differential Subsidy claim in the matter of HESCO pertaining to the FY 2014-15. Thus, eventually reducing Federal Government's overall Tariff Differential Subsidy burden for the FY 2014-15.
14. Accordingly, for the FY 2015-16, the Authority as explained at para 13.18 to 13.19 of its redetermination, dated September 18, 2017, in the matter of GoP's reconsideration request of HESCO, decided to adjust an amount of Rs.5,970 million pertaining to the FCA in the matter of lifeline consumers, domestic consumers (consuming up-to 300 units) and Agriculture consumers in the consumer end tariff of HESCO for the FY 2015-16.

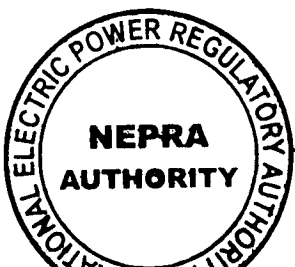




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15. In accordance with its aforementioned decisions, the Authority calculated the impact of FCA pertaining to the FY 2016-17, retained by HESCO, in the matter of lifeline consumers, domestic consumers (consuming up-to 300 units) and Agriculture Consumers. The Authority also considered the relevant clauses of the S.R.O. 189 (I)/2015 dated March 05, 2015 issued by GoP and the amount of subsidy claims filed by HESCO for the FY 2016-17.
16. After considering all the aforementioned factors, the Authority has decided that out of the total amount of Rs.5,226 Million on account of FCA for the period from July, 2016 to June, 2017 pertaining to the lifeline consumers, domestic consumers (consuming up-to 300 units) and Agriculture Consumers, lying with the HESCO, an amount of Rs.3,915 million is to be adjusted by Federal Government, against the Tariff Differential Subsidy claim pertaining to the FY 2016-17 and the remaining amount of Rs.1,310 million has been adjusted in the PYA. Here it is pertinent to mention that the above figures have been worked on the basis of information provided by the HESCO.
17. Accordingly, the Authority, based on the available actual data for the FY 2016-17, has worked out the following PPP (including impact of T&D losses on FCA) and Prior Year Adjustments of HESCO for the FY 2016-17;

		FY 2016-17
Description		HESCO
		Mln.Rs.
<b>A: Power Purchase Price (PPP) Adjustment</b>		
	PPP cost billed by CPPA-G	52,214
Less;	PPP cost disallowed by the Authority	(926)
	Net PPP cost to be charged to consumers	51,288
Less;	PPP Recovered through notified Tariff	46,705
	<b>Under recovered PPP Cost, to be recovered from the consumers</b>	<b>4,583</b>
<b>B: Prior Year Adjustment (PYA)</b>		
	PYA to be recovered / (passed on) as per re-determination Sep. 18, 2017	5,189
Less;	PYA recovered / (Passed on) during FY 2016-17	(11,309)
	<b>Under Recovered PYA, to be recovered from the consumers</b>	<b>16,498</b>
<b>C: Impact of Negative Monthly FCA's</b>		
	Negative FCA Retained ( Life Line, Agri and Domestic Consumers upto 300 units)	(5,226)
Less;	Net Subsidy, if any	(3,915)
	<b>FCA amount to be passed on to the consumers</b>	<b>(1,310)</b>
<b>Total Adjustment = A+B+C</b>		<b>19,771</b>



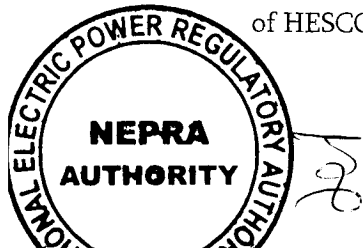


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18. The impact of PYA amount of Rs.5,189 million already built in the HESCO's re-determination dated September 18, 2017, shall be replaced with the aforementioned amount of Rs.19,771 million, thus resulting in an overall adjustment of Rs.14,582 million in the consumer-end tariff of HESCO.
19. Here it is pertinent to mention that the aforementioned adjustment has been worked out based on the data provided by CPPA-G. In case any discrepancy is observed by the Authority subsequently, in the data submitted by CPPA-G, the same may be adjusted accordingly.
20. **Order**
- I. Based on the above assessment, the Authority hereby determines the following adjustments on account of PPP (including impact of T&D losses on FCA) and Prior Year Adjustments for the FY 2016-17;

		FY 2016-17
<b>Description</b>		<b>HESCO</b>
		Mln.Rs.
<b>A: Power Purchase Price (PPP) Adjustment</b>		
	PPP cost billed by CPPA-G	52,214
Less;	PPP cost disallowed by the Authority	(926)
	Net PPP cost to be charged to consumers	51,288
Less;	PPP Recovered through notified Tariff	46,705
	<b>Under recovered PPP Cost, to be recovered from the consumers</b>	<b>4,583</b>
<b>B: Prior Year Adjustment (PYA)</b>		
	PYA to be recovered / (passed on) as per re-determination Sep. 18, 2017	5,189
Less;	PYA recovered / (Passed on) during FY 2016-17	(11,309)
	<b>Under Recovered PYA, to be recovered from the consumers</b>	<b>16,498</b>
<b>C: Impact of Negative Monthly FCA's</b>		
	Negative FCA Retained ( Life Line, Agri and Domestic Consumers upto 300 units)	(5,226)
Less;	Net Subsidy, if any	(3,915)
	<b>FCA amount to be passed on to the consumers</b>	<b>(1,310)</b>
<b>Total Adjustment = A+B+C</b>		<b>19,771</b>

- II. The impact of PYA amount of Rs.5,189 million already built in the HESCO's re-determination dated September 18, 2017, shall be replaced with the aforementioned amount of Rs.19,771 million, thus resulting in an overall adjustment of Rs.14,582 million in the consumer-end tariff of HESCO.






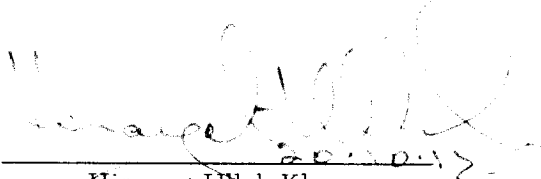
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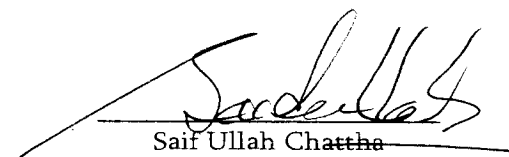
- III. After incorporating the above amount in the Authority's re-determination dated September 18, 2017, in the matter of the GoP's reconsideration request for HESCO, the Estimated Sales Revenue and Schedule of Tariff (SoT) have been revised and are attached as Annex-II and Annex-III respectively to this decision, which will supersede the earlier estimated sales revenue and SoT attached with the Authority's redetermination dated September 18, 2017, in the matter of GoP's Reconsideration request for HESCO. Remaining annexures would remain the same.
- IV. Tariff under Colum A and F of Annex-III shall remain applicable for one year from the date of notification. Colum C, D, E and F of Annex-III shall cease to exist after one year and only Colum A and B of Annex-III shall remain applicable, till the same is superseded by next notification.
- V. The Authority in its redetermination dated September 18, 2017, in the matter of the GoP's reconsideration request prescribed the mechanism for calculation of the quarterly/ biannual adjustments which is attached as Annex-IA with the instant decision.
- VI. In term of Section 31(4) of the NEPRA Act, order of the Authority along with Annex-IA, II and III attached to this decision are being intimated to the Federal Govt. for notification in the official gazette.

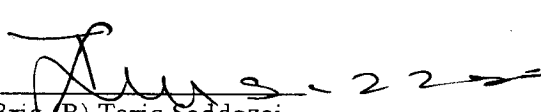
**AUTHORITY**

  
Syed Masood-ul-Hassan Naqvi  
Member

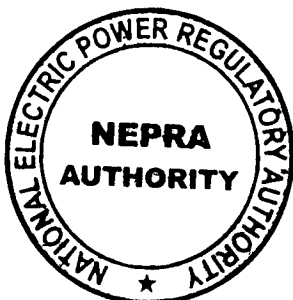
  
Maj (R) Haroon Rashid  
Member

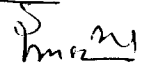
  
Himayat Ullah Khan  
Member

  
Saif Ullah Chattha  
Vice Chairman

  
Brig (R) Tariq Saddozai  
Chairman

20.10.2017



  
23 x 17



**QUARTERLY/BIANNUAL ADJUSTMENT MECHANISM**

Quarterly/ Biannual adjustment shall be the Actual variation in Power Purchase Price (PPP), excluding Fuel Cost Component, against the reference Power Purchase Price component and the impact of T&D losses on FCA, for the corresponding months and shall be determined according to the following formula;

$$\text{Quarterly/Biannual PPP}_{(Adj)} = \frac{\text{PPP}_{(Act)} (\text{excluding FCC}) - \text{PPP}_{(Ref)} (\text{excluding FCC})}{(1 - \text{T\&D Loss \%}) - (\text{Life line Consumption \%})}$$

Where;

$\text{PPP}_{(Act)}$  is the actual cost in Rs./kWh, excluding FCC, invoiced by CPPA-G to XWDISCOs, adjusted for any cost disallowed by the Authority.

$\text{PPP}_{(Ref)}$  is the reference cost in Rs./kWh as per the Annex-IV of the XWDISCOs determination that remained notified during the period.


T&D Loss % is percentage of T&D losses that remained notified during the period.

Quarterly/Biannual impact of T&D losses on FCA  $_{(Adj)}$

$$= \left[ \frac{\text{FCA}_{(Allowed)}}{(1 - \text{T\&D Loss \%}) - (\text{Life line Consumption \%})} \right] - \text{FCA}_{(Allowed)}$$

Where;

$\text{FCA}_{(allowed)}$  is the FCA allowed by the Authority for the respective months of the concerned period.

T&D Loss % is percentage of T&D losses that remained notified during the period. 



HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED (HESCO)  
Estimated Sales Revenue on the Basis of New Tariff

Description	Sales		Revenue			Base Tariff		PYA 2016		Write off		PYA 2017		Total Tariff	
	GWh	% Mix	Fixed Charge	Variable	Total	Fixed Charge	Variable	Amount	Variable	Amount	Variable	Amount	Variable	Fixed Charge	Variable
				Charge			Charge		Charge		Charge		Charge		Charge
			Min. Rs.	Rs./kWh		Rs./kWh	Rs./kWh	Min. Rs.	Rs./kWh	Min. Rs.	Rs./kWh	Min. Rs.	Rs./kWh	Rs./kWh	Rs./kWh
<b>Residential</b>															
Up to 50 Units	110	2.55%	-	440	440	-	4.00	-	-	-	-	-	-	-	4.00
For peak load requirement less than 5 kW															
01-100 Units	880	20.41%	-	9,912	9,912	-	11.27	1,082	1.23	431	0.49	3,053	3.47	-	16.46
101-200 Units	409	9.48%	-	6,035	6,035	-	14.77	503	1.23	200	0.49	1,418	3.47	-	19.96
201-300 Units	396	9.18%	-	6,004	6,004	-	15.17	487	1.23	194	0.49	1,373	3.47	-	20.36
301-700 Units	265	6.15%	-	4,180	4,180	-	15.77	326	1.23	130	0.49	922	3.48	-	20.97
Above 700 Units	159	3.69%	-	2,663	2,663	-	16.76	197	1.24	78	0.49	553	3.48	-	21.97
For peak load requirement exceeding 5 kW															
Time of Use (TOU) - Peak	14	0.34%	-	242	242	-	16.76	18	1.24	7	0.49	50	3.47	-	21.96
Time of Use (TOU) - Off-Peak	63	1.46%	-	709	709	-	11.26	78	1.24	31	0.49	219	3.47	-	16.46
Temporary Supply	0	0.00%	-	-	-	-	17.06	-	1.24	-	0.49	-	3.47	-	22.26
<b>Total Residential</b>	<b>2,296</b>	<b>53.26%</b>	<b>-</b>	<b>30,185</b>	<b>30,185</b>	<b>-</b>	<b>12.66</b>	<b>169</b>	<b>1.24</b>	<b>67</b>	<b>0.49</b>	<b>474</b>	<b>3.47</b>	<b>-</b>	<b>21.26</b>
<b>Commercial - A2</b>															
For peak load requirement less than 5 kW	137	3.17%	-	2,195	2,195	-	16.06	169	1.24	67	0.49	474	3.47	-	21.26
For peak load requirement exceeding 5 kW															
Regular	7	0.16%	11	95	106	400	14.06	8	1.24	3	0.49	23	3.47	400	19.26
Time of Use (TOU) - Peak	37	0.85%	-	617	617	-	16.76	46	1.24	18	0.49	128	3.47	-	21.96
Time of Use (TOU) - Off-Peak	139	3.23%	269	1,568	1,837	400	11.26	173	1.24	68	0.49	483	3.47	400	16.46
Temporary Supply	1	0.02%	-	11	11	-	16.06	0	1.24	0	0.49	2	3.47	-	21.26
<b>Total Commercial</b>	<b>320</b>	<b>7.43%</b>	<b>280</b>	<b>4,486</b>	<b>4,766</b>	<b>-</b>	<b>12.86</b>	<b>160</b>	<b>1.24</b>	<b>63</b>	<b>0.49</b>	<b>449</b>	<b>3.47</b>	<b>-</b>	<b>17.88</b>
<b>General Services-A3</b>															
	129	3.00%	-	1,637	1,637	-	12.86	160	1.24	63	0.49	449	3.47	-	17.88
<b>Industrial</b>															
B1	164	3.80%	-	2,220	2,220	-	13.56	203	1.24	80	0.49	568	3.47	-	18.76
B1 Peak	12	0.28%	-	203	203	-	16.76	15	1.24	6	0.49	42	3.47	-	21.96
B1 Off-Peak	58	1.35%	-	654	654	-	11.26	72	1.24	28	0.49	202	3.47	-	16.46
B2	14	0.33%	24	187	211	400	13.06	18	1.24	7	0.49	50	3.47	400	18.26
B2 - TOU (Peak)	47	1.09%	-	788	788	-	16.76	58	1.24	23	0.49	163	3.47	-	21.96
B2 - TOU (Off-peak)	257	5.96%	661	2,840	3,501	400	11.06	318	1.24	126	0.49	891	3.47	400	16.26
B3 - TOU (Peak)	38	0.89%	-	643	643	-	16.76	48	1.24	19	0.49	133	3.47	-	21.96
B3 - TOU (Off-peak)	214	4.96%	458	2,322	2,779	380	10.86	265	1.24	105	0.49	742	3.47	380	16.06
B4 - TOU (Peak)	19	0.43%	-	311	311	-	16.76	23	1.24	9	0.49	64	3.47	-	21.96
B4 - TOU (Off-peak)	108	2.51%	122	1,165	1,287	360	10.76	134	1.24	53	0.49	376	3.47	360	15.96
Temporary Supply	0	0.00%	-	1	1	-	13.56	0	1.24	0	0.49	0	3.47	-	18.76
<b>Total Industrial</b>	<b>931</b>	<b>21.80%</b>	<b>1,264</b>	<b>11,335</b>	<b>12,598</b>	<b>-</b>	<b>11.85</b>	<b>486</b>	<b>1.24</b>	<b>181</b>	<b>0.49</b>	<b>1,321</b>	<b>3.47</b>	<b>-</b>	<b>18.76</b>
<b>Single Point Supply for further distribution</b>															
C1(a) Supply at 400 Volts-less than 5 kW	2	0.06%	-	35	35	-	14.06	3	1.24	1	0.49	9	3.47	-	19.26
C1(b) Supply at 400 Volts-exceeding 5 kW	29	0.68%	36	396	431	400	13.56	36	1.24	14	0.49	101	3.47	400	18.76
Time of Use (TOU) - Peak	5	0.11%	-	79	79	-	16.76	6	1.24	2	0.49	16	3.47	-	21.96
Time of Use (TOU) - Off-Peak	22	0.50%	31	243	274	400	11.26	27	1.24	11	0.49	75	3.47	400	16.46
C2 Supply at 11 kV	21	0.49%	19	280	299	380	13.36	26	1.24	10	0.49	73	3.47	380	18.56
Time of Use (TOU) - Peak	4	0.10%	-	70	70	-	16.76	5	1.24	2	0.49	14	3.47	-	21.96
Time of Use (TOU) - Off-Peak	18	0.42%	25	200	225	380	11.06	22	1.24	9	0.49	63	3.47	380	16.26
C3 Supply above 11 kV	3	0.07%	4	41	44	360	13.26	4	1.24	2	0.49	11	3.47	360	18.46
Time of Use (TOU) - Peak	0	0.00%	-	-	-	-	16.76	-	1.24	-	0.49	-	3.47	-	21.96
Time of Use (TOU) - Off-Peak	0	0.00%	-	-	-	360	10.86	-	1.24	-	0.49	-	3.47	360	16.06
<b>Total Single Point Supply</b>	<b>104</b>	<b>2.42%</b>	<b>113</b>	<b>1,343</b>	<b>1,487</b>	<b>-</b>	<b>12.9</b>	<b>81</b>	<b>1.24</b>	<b>31</b>	<b>0.49</b>	<b>362</b>	<b>3.47</b>	<b>-</b>	<b>19.26</b>
<b>Agricultural Tube-wells - Tariff D</b>															
Scarp	248	5.75%	-	3,361	3,361	-	13.56	307	1.24	121	0.49	860	3.47	-	18.76
Time of Use (TOU) - Peak	9	0.20%	-	146	146	-	16.76	11	1.24	4	0.49	30	3.47	-	21.96
Time of Use (TOU) - Off-Peak	43	1.01%	29	472	501	200	10.86	54	1.24	21	0.49	151	3.47	200	16.06
Agricultural Tube-wells	84	1.96%	46	1,102	1,148	200	13.06	105	1.24	41	0.49	293	3.47	200	18.26
Time of Use (TOU) - Peak	23	0.53%	-	385	385	-	16.76	28	1.24	11	0.49	80	3.47	-	21.96
Time of Use (TOU) - Off-Peak	78	1.80%	55	844	899	200	10.86	96	1.24	38	0.49	270	3.47	200	16.06
<b>Total Agricultural</b>	<b>485</b>	<b>11.26%</b>	<b>130</b>	<b>6,318</b>	<b>6,440</b>	<b>-</b>	<b>13.06</b>	<b>602</b>	<b>1.24</b>	<b>238</b>	<b>0.49</b>	<b>1,683</b>	<b>3.47</b>	<b>-</b>	<b>20.26</b>
Public Lighting - Tariff G	41	0.94%	-	612	612	-	15.06	50	1.24	20	0.49	141	3.47	-	20.26
Residential Colonies	4	0.10%	-	62	62	-	15.06	5	1.24	2	0.49	14	3.47	-	20.26
<b>Sub-Total</b>	<b>45</b>	<b>1.04%</b>	<b>-</b>	<b>674</b>	<b>674</b>	<b>-</b>	<b>15.06</b>	<b>55</b>	<b>1.24</b>	<b>22</b>	<b>0.49</b>	<b>155</b>	<b>3.47</b>	<b>-</b>	<b>20.26</b>
<b>Special Contract - Tariff-J</b>															
J-1 For Supply at 66 kV & above	-	0.00%	-	-	-	360	13.26	-	1.24	-	0.49	-	3.47	360	18.46
Time of Use (TOU) - Peak	-	0.00%	-	-	-	360	16.76	-	1.24	-	0.49	-	3.47	360	21.96
Time of Use (TOU) - Off-Peak	-	0.00%	-	-	-	360	10.86	-	1.24	-	0.49	-	3.47	360	16.06
J-2 (a) For Supply at 11, 33 kV	-	0.00%	-	-	-	380	13.36	-	1.24	-	0.49	-	3.47	380	18.56
Time of Use (TOU) - Peak	-	0.00%	-	-	-	380	16.76	-	1.24	-	0.49	-	3.47	380	21.96
Time of Use (TOU) - Off-Peak	-	0.00%	-	-	-	380	11.06	-	1.24	-	0.49	-	3.47	380	16.26
J-2 (b) For Supply at 66 kV & above	-	0.00%	-	-	-	360	13.26	-	1.24	-	0.49	-	3.47	360	18.46
Time of Use (TOU) - Peak	-	0.00%	-	-	-	360	16.76	-	1.24	-	0.49	-	3.47	360	21.96
Time of Use (TOU) - Off-Peak	-	0.00%	-	-	-	360	10.86	-	1.24	-	0.49	-	3.47	360	16.06
J-3 (a) For Supply at 11, 33 kV	-	0.00%	-	-	-	380	13.36	-	1.24	-	0.49	-	3.47	380	18.56
Time of Use (TOU) - Peak	-	0.00%	-	-	-	380	16.76	-	1.24	-	0.49	-	3.47	380	21.96
Time of Use (TOU) - Off-Peak	-	0.00%	-	-	-	380	11.06	-	1.24	-	0.49	-	3.47	380	16.26
J-3 (b) For Supply at 66 kV & above	-	0.00%	-	-	-	360	13.26	-	1.24	-	0.49	-	3.47	360	18.46
Time of Use (TOU) - Peak	-	0.00%	-	-	-	360	16.76	-	1.24	-	0.49	-	3.47	360	21.96
Time of Use (TOU) - Off-Peak	-	0.00%	-	-	-	360	10.86	-	1.24	-	0.49	-	3.47	360	16.06
<b>Total Revenue</b>	<b>4,310</b>	<b>100.00%</b>	<b>1,787</b>	<b>55,969</b>	<b>67,755</b>	<b>-</b>	<b>12.69</b>	<b>518</b>	<b>1.24</b>	<b>209</b>	<b>0.49</b>	<b>1,482</b>	<b>3.47</b>	<b>-</b>	<b>20.26</b>

Tariff mentioned under Column "Total Tariff" shall remain applicable for a period of one year from the date of notification. After one year PYA 2016, Write-off and PYA 2017 shall cease to exist and only tariff mentioned under Column "Base Tariff" shall remain applicable till the same is superseded by next notification.



**SCHEDULE OF ELECTRICITY TARIFFS  
FOR HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED (HESCO)**

**A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M A	VARIABLE CHARGES Rs/kWh B		FYA 2016 Rs/kWh C	Write-off Charges Rs/kWh D		FYA 2017 Rs/kWh E	Total Variable Charges Rs/kWh F	
			Peak	Off-Peak		Peak	Off-Peak		Peak	Off-Peak
a)	For Sanctioned load less than 5 kW			4.00						4.00
i	Up to 50 Units									
ii	For Consumption exceeding 50 Units									
iii	001 - 100 Units			11.27	1.24					16.46
iv	101 - 200 Units			14.77	1.24					19.96
v	201 - 300 Units			15.17	1.23					20.36
vi	301 - 700 Units			15.77	1.23					20.97
vii	Above 700 Units			16.76	1.24					21.97
b)	For Sanctioned load 5 kW & above									
	Time Of Use									
				16.76	1.24	1.24	0.49	0.49	3.47	3.47
				11.26	1.24	1.24	0.49	0.49	3.47	3.47

As per Authority's decision residential consumers will be given the benefit of only one previous slab. Under tariff A-1, 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

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**A-2 GENERAL SUPPLY TARIFF - COMMERCIAL**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M A	VARIABLE CHARGES Rs/kWh B		FYA 2016 Rs/kWh C	Write-off Charges Rs/kWh D		FYA 2017 Rs/kWh E	Total Variable Charges Rs/kWh F	
			Peak	Off-Peak		Peak	Off-Peak		Peak	Off-Peak
a)	For Sanctioned load less than 5 kW	400.00		16.06	1.24		0.49		3.47	21.26
b)	For Sanctioned load 5 kW & above			14.06	1.24		0.49		3.47	19.26
c)	Time Of Use	400.00		16.76	1.24	1.24	0.49	0.49	3.47	16.46

Under tariff A-2, 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

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**A-3 GENERAL SERVICES**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M A	VARIABLE CHARGES Rs/kWh B	FYA 2016 Rs/kWh C	Write-off Charges Rs/kWh D	FYA 2017 Rs/kWh E	Total Variable Charges Rs/kWh F
a)	General Services		12.56	1.24	0.49	3.47	17.86

Under tariff A-3, 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

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**B INDUSTRIAL SUPPLY TARIFFS**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M A	VARIABLE CHARGES Rs/kWh B		FYA 2016 Rs/kWh C	Write-off Charges Rs/kWh D		FYA 2017 Rs/kWh E	Total Variable Charges Rs/kWh F	
			Peak	Off-Peak		Peak	Off-Peak		Peak	Off-Peak
B1	Up to 25 kW (at 400/230 Volts)	400.00	13.56	1.24	1.24	0.49	0.49	3.47	3.47	18.76
B2(a)	exceeding 25-500 kW (at 400 Volts)		13.06	1.24	1.24	0.49	0.49	3.47	3.47	18.26
	Time Of Use									
B1 (b)	Up to 25 kW		16.76	1.24	1.24	0.49	0.49	3.47	3.47	16.46
B2(b)	exceeding 25-500 kW (at 400 Volts)	400.00	11.06	1.24	1.24	0.49	0.49	3.47	3.47	21.96
B3	For All Loads up to 5000 kW (at 11.33 kV)	380.00	16.76	1.24	1.24	0.49	0.49	3.47	3.47	16.06
B4	For All Loads (at 66/132 kV & above)	360.00	10.76	1.24	1.24	0.49	0.49	3.47	3.47	15.96

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 there shall be a fixed minimum charge of Rs. 500,000 per month.

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**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 A	VARIABLE CHARGES Rs/kWh B		FYA 2016 Rs/kWh C	Write-off Charges Rs/kWh D		FYA 2017 Rs/kWh E	Total Variable Charges Rs/kWh F	
			Peak	Off-Peak		Peak	Off-Peak		Peak	Off-Peak
C-1	For supply at 400/230 Volts									
a)	Sanctioned load less than 5 kW	400.00	14.06	1.24	1.24	0.49	0.49	3.47	3.47	18.26
b)	Sanctioned load 5 kW & up to 500 kW		13.56	1.24	1.24	0.49	0.49	3.47	3.47	16.76
C-2(a)	For supply at 11.33 kV up to and including 5000 kW	380.00	13.36	1.24	1.24	0.49	0.49	3.47	3.47	18.56
C-3(a)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00	13.26	1.24	1.24	0.49	0.49	3.47	3.47	16.46
	Time Of Use									
C-1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	16.76	1.24	1.24	0.49	0.49	3.47	3.47	21.96
C-2(b)	For supply at 11.33 kV up to and including 5000 kW	380.00	16.76	1.24	1.24	0.49	0.49	3.47	3.47	21.96
C-3(b)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00	16.76	1.24	1.24	0.49	0.49	3.47	3.47	21.96

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.



**SCHEDULE OF ELECTRICITY TARIFFS  
FOR HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED (HESCO)  
D - AGRICULTURE TARIFF**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES		FYA 2016		Write-off Charges		FYA 2017		Total Variable Charges	
		Rs/kW/M	Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh	
		A	B		C		D		E		F	
D-1(a)	SCARP less than 5 kW	-	13.56		1.24		0.49		3.47		18.76	
D-2 (a)	Agricultural Tube Wells	200.00	13.06		1.24		0.49		3.47		18.26	
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
D-1(b)	SCARP 5 kW & above	200.00	16.76	10.86	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.06
D-2 (b)	Agricultural 5 kW & above	200.00	16.76	10.86	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.06

Under this tariff, there shall be minimum monthly charges Rs.2000/- per consumer per month, even if no energy is consumed.  
Note: The consumers having sanctioned load less than 5 kW can opt for TOU metering.

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**E - TEMPORARY SUPPLY TARIFFS**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES		FYA 2016		Write-off Charges		FYA 2017		Total Variable Charges
		Rs/kW/M	Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh
		A	B		C		D		E		F
E-1(I)	Residential Supply	-	17.06		1.24		0.49		3.47		22.26
E-1(II)	Commercial Supply	-	16.06		1.24		0.49		3.47		21.26
E-2	Industrial Supply	-	13.56		1.24		0.49		3.47		18.76

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.

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**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	VARIABLE CHARGES		FYA 2016		Write-off Charges		FYA 2017		Total Variable Charges
		Rs/kW/M	Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh
		A	B		C		D		E		F
	Street Lighting	-	15.06		1.24		0.49		3.47		20.26

Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES		FYA 2016		Write-off Charges		FYA 2017		Total Variable Charges
		Rs/kW/M	Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh
		A	B		C		D		E		F
	Residential Colonies attached to industrial premises	-	15.06		1.24		0.49		3.47		20.26

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

**J - SPECIAL CONTRACTS UNDER NEPRA (SUPPLY OF POWER) REGULATIONS 2015**

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES		FYA 2016		Write-off Charges		FYA 2017		Total Variable Charges	
		Rs/kW/M	Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh		Rs/kWh	
		A	B		C		D		E		F	
J-1	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	13.26		1.24		0.49		3.47		18.46	
J-2	(a) For supply at 11,33 kV	380.00	13.56		1.24		0.49		3.47		18.56	
	(b) For supply at 66 kV & above	360.00	13.26		1.24		0.49		3.47		18.46	
J-3	(a) For supply at 11,33 kV	380.00	13.56		1.24		0.49		3.47		18.56	
	(b) For supply at 66 kV & above	360.00	13.26		1.24		0.49		3.47		18.46	
Time Of Use			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
J-1(b)	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	16.76	10.86	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.06
J-2 (c)	For supply at 11,33 kV	380.00	16.76	11.06	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.26
J-2 (d)	For supply at 66 kV & above	360.00	16.76	10.86	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.06
J-3 (e)	For supply at 11,33 kV	380.00	16.76	11.06	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.26
J-3 (d)	For supply at 66 kV & above	360.00	16.76	10.86	1.24	1.24	0.49	0.49	3.47	3.47	21.96	16.06

Note: Tariff under Column A and F of Annex-III shall remain applicable for one year from the date of notification. Column C, D, E and F of Annex-III shall cease to exist after one year and only Column A and B of Annex-III shall remain applicable, till the same is superseded by a next notification.

