



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-332/MEPCO-2015/6378-80
May 11, 2016

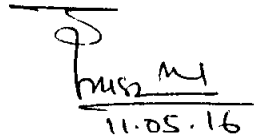
Subject: Decision of the Authority in the matter of Motion for Leave for Review filed by Multan Electric Power Company Ltd. (MEPCO) against the Determination of the Authority pertaining to the Financial Year 2015-2016 Dated February 29, 2016 [Case # NEPRA/TRF-332/MEPCO-2015]

Dear Sir,

This is in continuation of this office letter No. NEPRA/TRF-332/MEPCO-2015/2697-2699 dated February 29, 2016 whereby Determination of the Authority in the matter of Petition filed by Multan Electric Power Company Ltd. (MEPCO) for the Determination of its Consumer end Tariff pertaining to Financial Year 2015-2016 was sent to the Federal Government for notification in the official Gazette.

2. Please find enclosed herewith the subject Decision of the Authority along with Annexure- III (15 pages) in the matter of Motion for Leave for Review filed by Multan Electric Power Company Ltd.
3. 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).
4. The Order part along with Annexure-III of the Decision needs to be notified in the official Gazette.

Enclosure: As above


11.05.16
(Syed Safeer Hussain)

Secretary
Ministry of Water & Power
'A' Block, Pak Secretariat
Islamabad

CC:

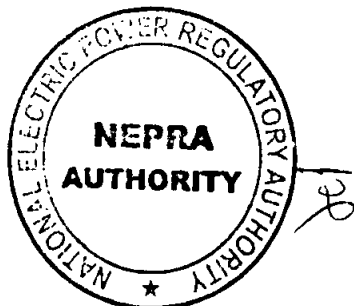
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF MOTION FOR LEAVE FOR
REVIEW FILED BY MULTAN ELECTRIC POWER COMPANY LIMITED (MEPCO)
AGAINST THE DETERMINATION OF THE AUTHORITY PERTAINING TO THE FY 2015-
16 DATED FEBRUARY 29, 2016**

1. Background
 - 1.1 Multan Electric Power Company Limited (MEPCO) hereinafter called "the Petitioner", being a Distribution Licensee of NEPRA filed motion for leave for review vide letter no. FDM/BS/Tariff/23000 dated March 10, 2016 against the decision of the Authority in the matter of determination of its consumer-end tariff pertaining to the FY 2015-16, dated February 29, 2016.
 - 1.2 The Petitioner has sought relief on the following issues ;
 - i) To allow T&D losses as requested i.e. 16.23%;
 - ii) To allow increase in the Distribution Margin (Salary, Wages and O&M);
 - iii) To allow increase in RoRB;
 - iv) To revise the amount of Prior Year Adjustment.
2. Proceedings
 - 2.1 The Review motion was admitted by the Authority on 30th March, 2016. In order to provide a fair opportunity to the Petitioner to present its case, a hearing in the matter was held on 7th April, 2016 at NEPRA Tower Islamabad. Notices of admission & hearing were sent to the Petitioner and the Intervener. During hearing, the Petitioner was represented by its Chief Executive Officer along-with his Technical and Financial Team.
3. Intervention Request
 - 3.1 In response to the notices, the Intervener i.e. Anwar Kamal Law Associates (AKLA) filed the following contentions;
 - 3.2 AKLA
 - 3.2.1 A brief of the contentions submitted by AKLA are as under;
 - i. The Authority did not provide sufficient time to respond to the Notice and the data provided.

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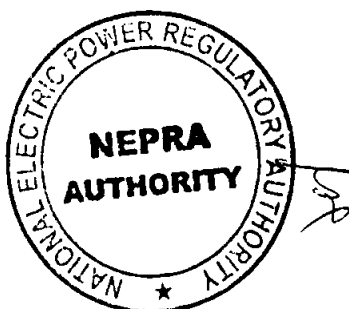
- ii. The Petitioner's tariff should have been determined in July 2015 whereas the same has been issued in February 2016 to give undue benefits to the DISCOs & their owners in terms of time value of money.
- ii. Neither the observations given in the Intervention Request were fully and truly reflected in the Determination nor have been addressed on merits.
- iii. NEPRA has not provided AKLA a copy of the transcript of the hearing despite the request made for it.

3.3 Rejoinder by the Petitioner

3.3.1 The Petitioner filed the following rejoinder on the points raised by AKLA;

3.4 Authority's Response

- 3.4.1 Regarding provision of sufficient time to respond to the Notice and the data provided, the Authority observed that as per Section 16 (7) of the NEPRA (Tariff Standards & Procedure Rules 1998, Parties to the proceedings shall be afforded a reasonable opportunity, orally or in writing as deemed fit by the Authority, to respond to a motion for leave for review. As per the available record, the Intervener was emailed the notice of hearing well before the hearing date i.e. on 1st April, 2016. In view thereof, the Authority considers that sufficient time was allowed to the parties to respond to the MLR.
 - 3.4.2 AKLA raised the issue of delayed submission of tariff petition and late determination of consumer end tariff by the Authority. The same is already addressed at para 5.4.1 of the determination dated February 29, 2016.
 - 3.4.3 AKLA while claiming that its contentions are not been addressed, has not referred any specific issue. The Authority considers that it has discussed observations of AKLA in detail under para 4.3, 4.4 and 5.4 of the determination dated February 29, 2016.
 - 3.4.4 Copy of the transcript of hearing can be obtained from the office Registrar after completion of due process and payment of the requisite fee.
4. Transmission & Distribution Losses
- 4.1 The Petitioner has requested that its T&D losses target to be determined at 16.23% against the Authority's assessed target of 15.00% in order to enable it to cater for the load on the system. The Petitioner justifying its request has stated that a third party study of its Distribution Losses was carried out by M/s BARQAB in the year 2012-13 and accordingly submitted to the Authority. During the period from 2012-13 to 2014-





15, its network has expanded due to village electrification, development of private residential colonies and substantial increase in number of connections specially of agricultural category, which resulted in increase in Distribution Losses. The Petitioner also stated that it has made its best efforts to reduce its losses and has been successful to bring them down from 17.94% to 16.7%.

4.2 The Authority, while going through the submissions of the Petitioner, has observed that no new information, evidence / rationale has been provided by the Petitioner which would form the basis for the Authority to reconsider its earlier decision in this regard; all the submissions of the Petitioner have already been addressed by the Authority under para 11.8 to 11.1 of its Determination dated 29th February, 2016. In view thereof, the request of the Petitioner to revise its T&D losses target is declined.

5. Distribution Margin (O&M Portion)

5.1 The Petitioner regarding the O&M cost has stated that it has been allowed Rs. 10,607 million for the FY 2015-16 against the requested amount of Rs.17,453 million which included the salary and wages of existing employees and new induction made during current year, provision for retirement benefits, maintenance of network, travelling expenses, Vehicle expenses and other expenses, which as per the Petitioner is insufficient to meet with bare minimum expenses of establishment nature.

5.2 Salaries Wages and Benefits

5.2.1 The Petitioner stated that the Authority has allowed Rs. 7,865 million (including Post Retirement) for the FY 2015-16 against the requested amount of Rs. 13,619 million (including Post Retirement), thereby disallowing the following cost;

5.2.2 The requested amount of Salaries wages and employees cost of Rs. 13,619 million including provision for retirement benefits for Rs. 6,739 million (including Rs. 2390/- million with respect to WAPDA retired employees *(transferred to the Petitioner and have become the liability of the Petitioner since July 01, 2014 as per decision of the Authority in the determination of the FY 2014-15)*), whereas, the Authority has determined/assessed Rs.7,865/-million, disallowing the cost of new induction (Rs. 370/- M) and provision for retirement benefits as assessed by actuaries.

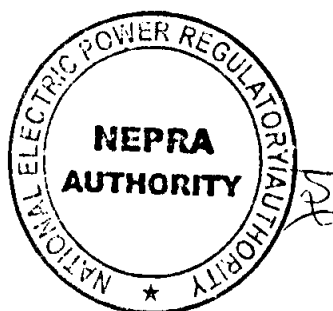
5.2.3 The Petitioner, regarding the Provision of Post Retirement Benefit, has stated that as per directions of the Authority, it created designated fund account named "Employees Retirement Benefit Fund" in 2014 and deposited Rs100/- million. Further the Petitioner has stated that since the allowed O&M expenses in the tariff is at bare minimum level, there remains no cushion to spare more funds for placing in the pension/retirement fund. Based on the aforementioned, the Petitioner has requested to

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allow provision of Rs. 6,739/- million for post-retirement benefit in tariff and if the Petitioner fails to transfer the recovered amount into the Fund, the Authority may deduct the same in Prior Year Adjustment for next year.

- 5.2.4 The Petitioner has also stated that in the determination for the FY 2015-16, the Authority mentioned that it had been allowing the post-retirement benefits till FY 2011-12. However, as in the previous years the determinations have not been notified/implemented in time, thus it could not recover the Post-Retirement Benefits. The Petitioner further stated that the Authority has directed it to deposit the full amount of provision for retirement benefits, which it is constrained to do so because it has to invest funds for its development works in addition to providing counterpart funding required for ADB Loans. Thus, as per the Petitioner, there remains no further space to deposit that much amount of funds in the post retirement account.
- 5.2.5 The Petitioner while justifying additional recruitment has stated that it has an area of service of approx. 105,000 km sq. and in order to serve the consumer better, its Board of Directors have approved bifurcation of overloaded Circles/ Divisions and subdivisions thus the management planned to induct staff against vacant posts but the Authority has rejected this with the remarks that it has never accepted WAPDA's approved yard stick and international references should have been given. The Petitioner further stated that in the absence of any approved yardstick by NEPRA, it has to follow certain criteria like those set by WAPDA/PEPCO which in its opinion have been developed after a long period of practical experience and adopted by the Petitioner's Board of Directors after the numerous brainstorming sessions. Based on the aforementioned the Petitioner requested Rs. 370 million be allowed for new recruitment.
- 5.2.6 The Authority after going through the submission of the Petitioner regarding provision for postretirement benefits has noted that the Petitioner failed to present new information, evidence / rationale to substantiate its aforementioned request, which could form any basis for the Authority to reconsider its earlier decision in this regard; therefore, the request of the Petitioner to allow provision for postretirement benefits for the FY 2015-16 is declined. The Authority has already discussed this issue in detail and with reasonable clarity under para 16.6 of the Petitioner's determination for the FY 2015-16.
- 5.2.7 On the issue of additional recruitment due to creation of new circles, divisions and subdivisions, the Authority considers that allowing upfront O&M cost in this regard, without taking into account the actual expenditure and the benefits achieved, is not justified and will be against the interest of the consumers. The Authority further understands that it will be in a better position to adjudicate on the issue once the Petitioner provides details of the actual cost incurred in respect





of creation of new circles, divisions and sub-divisions and substantiates the same with the quantified benefits achieved. Accordingly, the Petitioner is directed to bring its request regarding O&M cost due to creation of new circles, divisions and subdivisions to the Authority, once actual cost is incurred along-with the benefits achieved with its next tariff petition and in case the Petitioner proves the prudence of the cost, the Authority may consider allowing the same.

5.3 Maintenance Expenses

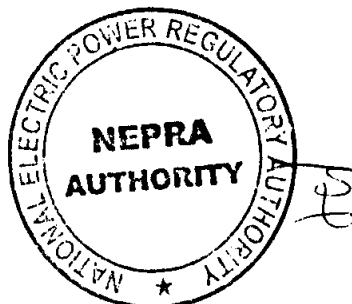
5.3.1 The Petitioner has stated that it requested Rs. 2,007 million in the tariff petition for FY 2015-16 for maintenance expenses and explained full justification that its area of service is spread over 13 districts of the Punjab province having 5.2 million consumers where the network becomes constrained due to severe hot weather conditions in summer coupled with wind storm. The Petitioner accordingly has again requested to allow Rs. 2,007 million as requested in tariff petition for FY 2015-16 under Maintenance head.

5.3.2 The Authority while going through the submission of the Petitioner has observed that the Petitioner has neither raised any new arguments nor provided any new evidence/ rationale in support of its request. The Authority while doing the assessment has already considered the points which are raised by the Petitioner under this head and the submissions of the Petitioner have already been addressed by the Authority under para 16.7.3 to 16.7.6 of its decision dated February 29, 2016. Hence, the request of the Petitioner to revise the Repair & maintenance cost is declined.

5.4 Other Expenses

5.4.1 The Petitioner has stated that it requested Rs. 1,054 million for Other Expenses in its tariff petition which included collection charges, rent of offices, office supplies, telephone and postages outside services employed (bill distribution), out of which only collection charges cost is Rs. 331 million. The Petitioner further stated that the amount of Rs. 834 million allowed by the Authority under this head is quite on lower side and will not cater for the actual requirement and has therefore requested for an amount of Rs. 1,054 million under "Other Expenses".

5.4.2 The Authority while assessing the other expenses has allowed an inflationary increase on the reported actual expense for the FY 2014-15 under the same head. Since the Petitioner has failed to give any new rationale in support of its claim, therefore, the request of the Petitioner to revise the other expenses cost is declined.





6 Regulatory Asset Base

- 6.2 The Petitioner has stated that it had calculated Rs. 34,245 million as Regulatory Asset Base (RAB) in the petition for the FY 2015-16, which included total Investment of Rs. 14,781 million for the FY 2015-16. The Petitioner further stated that the Authority allowed investment of Rs.10,546 million and the same was included in the RAB, however, while calculating RAB, the Authority reduced it by receipt against deposit works, whereas, it should have been treated as a liability only and not a component of deferred credits. The Petitioner provided its calculation of RAB on the basis of investment allowed by the Authority and requested to consider its submission and increase its Asset Base as mentioned hereunder;

Rs. In Million

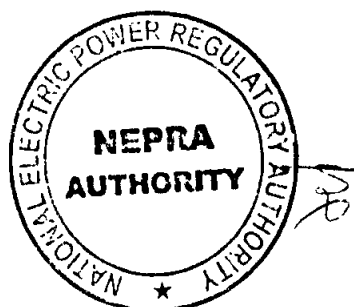
Description	FY 2015-16 (Assessed)	FY 2014-15 (Audited)	FY 2015-16 Required to be Revised	FY 2014-15 (Audited)
Opening Fixed Assets in operation	95,785	87,282	95,785	87,282
Assets addition during the year	9,156	8,506	9,156	8,506
Closing Fixed Assets in operation	104,941	95,785	104,941	95,785
Less Accumulated depreciation	33,738	30,019	33,738	30,019
Net Fixed Assets in Operation	71,203	65,766	71,203	65,766
Plus Capital Work in Progress	10,624	9,234	10,624	9,234
Total Fixed Assets	81,828	75,000	81,828	75,000
Less Deferred Credit	57,492	55,278	43,569	41,355
Total Regulatory Assets	24,336	19,722	38,259	33,645





Average Regulatory Asset Base	22,029	18,388.03	35,952	
Return on Rate Base @ 11.83%	2,606	@11.83%	4,253	

- 6.3 The Petitioner on the issue of WACC has submitted that the Authority has allowed WACC of 11.83% post tax by giving the reason that the DISCOs are not in profit and do not pay income Tax. The Petitioner further stated that it is recording profit for the last three years as reported in its books of accounts duly audited by a reputed Chartered Accountant firm and Income Tax Department has assessed the tax amounting to Rs. 1.7 billion for the tax year 2013-14.
- 6.4 Regarding the Rate of Return the Petitioner has stated that interest rate on existing foreign loans and CDL is between 15% - 17%. Further the Petitioner has requested to allow WACC pre-tax and to consider the existing interest rate agreed between W.B., ADB, GOP and the Petitioner.
- 6.5 Based on the above mentioned working the Petitioner has requested to allow Rs.4,253 million on account of Return on Regulatory Asset Base (RORB). The Petitioner has also prayed to enhance the RORB by adding pretax portion into Rate of return
- 6.6 The issue regarding incorporation of receipts against deposit work in the deferred credits, has been discussed in detail by the Authority in its determination under Para 18.17, wherein, the Petitioner was also asked to provide rational / justification in this regard. Since the Petitioner has failed to justify the concerns raised by the Authority, therefore, the request of the Petitioner to exclude receipts against deposit work while calculating RAB is declined.
- 6.7 Petitioner's contention that it is allowed post tax WACC is incorrect. The Authority under para 18.5 of its determination has clarified that since the Authority uses Plain Vanilla WACC, hence the impact of tax shield is taken as zero, and in case any tax is paid it is treated as pass through for the Petitioner.
- 6.8 The Authority after careful review of the Petitioner's argument with respect to the actual cost of debt is of the view that the Petitioner fails to comprehend the concept for the assessment of WACC. The Authority's assessed WACC has always been an "assessment" from which the actual capital structure of the Petitioner and its relevant cost components may differ. WACC assessed at different points of time would reflect the market conditions which are different at respective points of times. The plea of the Petitioner to consider the existing interest rate agreed between W.B, ADB, GOP is therefore not maintainable since out of total debt assumed for calculating WACC, 58%





loan carries the interest rate applicable to CDL and ADB. The remaining loan amount is just a notional number which also includes liabilities pertaining to employee's retirement benefits having zero interest rate. It is also to be noted that actual financial charges to be paid will be much less than the assessed financial charges

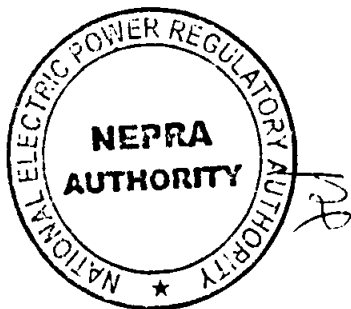
- 6.9 The Authority, while going through the aforementioned submissions of the Petitioner has observed that issues raised by the Petitioner have already been deliberated in detail under para 18 of its determination dated February 29, 2016, wherein, detailed reasoning / justification has been provided. Here it is pertinent to mention Since the Petitioner has failed to substantiate its aforementioned request with any new rationale / evidence, therefore, the request of the Petitioner is declined.

7 Prior Year Adjustment

- 7.2 The Petitioner has stated that the Authority in its determination for the FY 2015-16 has adjusted (Rs. 25,051 million) from Revenue Requirement as PYA which also includes LPS amounting to Rs.1,476 million as a part of other Income, whereas, as per the determination for the FY 2014-15, the Late payment Surcharge (LPS) is not adjustable (deductible) from Other Income as it has to offset the supplemental charges. The Petitioner also submitted that the Supplemental charges of Rs.11,451 million for the period from 2010 to 2014, has already been debited by CPPA, the same has not been allowed in PYA. The Petitioner also mentioned that it has been demanding it for the last three years because eventually this cost would have to be incorporated in books of accounts and non-allowing of this cost would result into high accounting loss. Hence, the Petitioner requested the Authority to consider the same.
- 7.3 The Petitioner has also requested an amount of Rs. 1,761 million in PYA under the head of RORB, which was less allowed in tariff determined for the FY 2014-15.
- 7.4 The Petitioner provided the following calculation of PYA for the Authority's consideration:

PPP reference 2014-15	143,035
Assessed D.M 2014-15	13,003
Assessed PYA 2014-15	<u>(19,736)</u>
	136,302
Add:	
1st Qtr. Adjustment	5,419
2nd Qtr. Adjustment	2,238
3rd Qtr. Adjustment	(712)
4th Qtr. Adjustment	<u>5,332</u>
	148,579

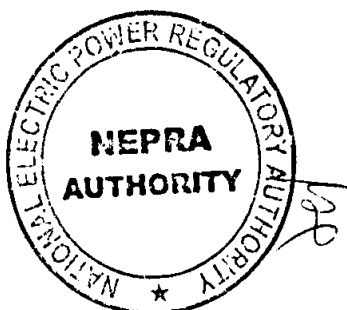
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Less Recovered	
PPP	158,514
D.M	10,928
PYA	4,745
Sales Mix	(2,457)
Previous Year Adjustment	<u>(382)</u>
	<u>171,348</u>
Excess Recovered	<u>(22,769)</u>
Supplemental charges	11,451
DM 2014-15	<u>1,764</u>
Net	<u>(9,554)</u>

- 7.5 The Authority after careful evaluation of the provided working, considers that it has not commented anything on the working provided by the Authority at para 13.2 of its determination dated February 29, 2016 for the FY 2015-16. Rather provided its own working based on some assumptions which are not correct. On the issue of supplementary charges pertaining to the period 2010-2014, the Authority has already adjudicated on the issue of supplemental charges in detail and with sufficient clarity in its previous determinations. The Petitioner has failed to provide any new evidence or reason to substantiate its aforementioned claim, which could formulate the basis for the Authority to reconsider its earlier decision in this regard; therefore, the request of the Petitioner is declined.
- 7.6 On the issue of LPS pertaining to the FY 2014-15, the Authority, in accordance to its decision, while assessing the PYA of the Petitioner for FY 2014-15, deducted an amount Rs.1,335 million on account of LPC due to non-provision of supplemental charges invoice from CPPA (G).
- 7.7 Since the Petitioner has now submitted the supplemental charges invoice raised by CPPA (G) amounting to Rs.1,230 million for the FY 2014-15, therefore, the Authority in line with its earlier decision, has decided to allow the amount of supplemental charges to the extent of Rs.1,230 million to the Petitioner.





8. Order

8.1 Having gone through the arguments raised by the Petitioner in its review petition and the submission made during hearing, the Authority has decided as under;

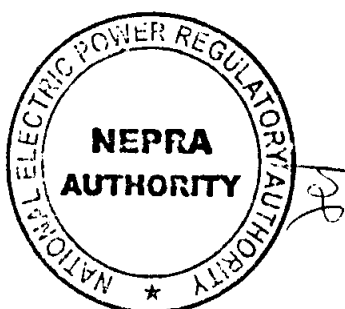
- i. Prior year adjustment of Rs.1,230 million on account LPC is hereby allowed.
- ii. After incorporating the above changes in the original determination, the Estimated Sales Revenue and Schedule of Tariff (SoT) have been revised and are attached as Annex-II and Annex-III respectively to this order, which will supersede the earlier Estimated Sales Revenue and SoT attached with the original determination as Annex-II & III respectively.

8.2 The Authority hereby determines the following for the Petitioner for the Financial Year 2015-16

8.3 Revenue requirement for FY 2015-16 is assessed as follows;

	Description	As per determination dated Dec. 31, 2015 Mln. Rs.	Revised as per the MLR Mln. Rs.
1	POWER PURCHASE PRICE	122,751	122,751
	Fuel Cost	78,376	78,376
	Variable O&M	4,346	4,346
	Capacity Charges	35,512	35,512
	Use of System Charges	4,517	4,517
2	DISTRIBUTION MARGIN [net]	14,302	14,302
	Operation and Maintenance Cost (O&M)	10,607	10,607
	Deprecation	3,719	3,719
	Return on Rate Base (RORB)	2,606	2,606
	GROSS DISTRIBUTION MARGIN	16,932	16,932
	Other Income	(2,630)	(2,630)
3	PRIOR YEAR ADJUSTMENT	(25,051)	(23,821)
	TOTAL REVENUE REQUIREMENT	112,002	113,231

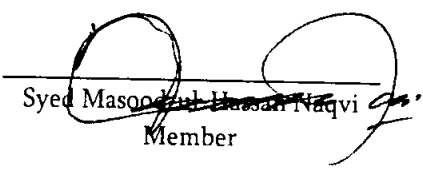
- i. In term of Section 31(4) of the NEPRA Act, order of the Authority along with Annex-III attached to this decision is being intimated to the Federal Govt. for notification in the official gazette.




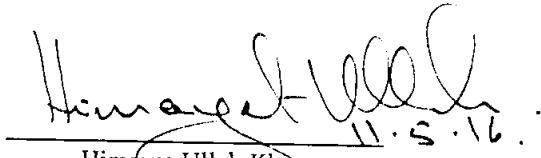


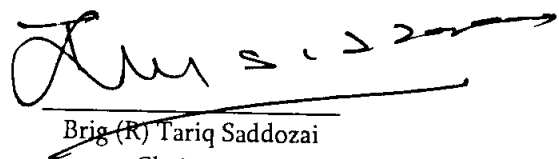
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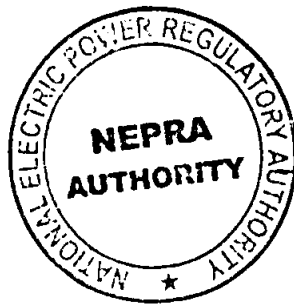
AUTHORITY

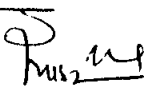

Syed Masoodul Hasan Naqvi
Member


Maj (R) Haroon Rashid
Member


Himayat Ullah Khan
Vice Chairman


Brig (R) Tariq Saddozai
Chairman




11.05.16

Multan Electric Power Company Limited (MEPCO)
Estimated Sales Revenue on the Basis of New Tariff

Description	Sales		Tariff		Revenue		
	GWh	% Mix	Fixed Charge	Variable Charge	Fixed Charge	Variable Charge	Total
			Rs./kWh	Rs./kWh		Min. Rs.	
Residential							
Up to 50 Units	1012	8.37%		4.00	-	4,047	4,047
For peak load requirement less than 5 kW							
01-100 Units	2311	19.11%		7.10	-	16,403	16,403
101-200 Units	977	8.08%		11.20	-	10,946	10,946
201-300 Units	860	7.12%		11.20	-	9,636	9,636
301-700 Units	472	3.90%		13.50	-	6,372	6,372
Above 700 Units	114	0.94%		14.50	-	1,655	1,655
For peak load requirement exceeding 5 kW							
Time of Use (TOU) - Peak	19	0.16%		14.70	-	276	276
Time of Use (TOU) - Off-Peak	79	0.65%		7.30	-	578	578
Temporary Supply	1	0.01%		14.00	-	15	15
Total Residential	5,845	48.35%				49,926	49,926
Commercial - A2							
For peak load requirement less than 5 kW	372	3.08%		14.00	-	5,213	5,213
For peak load requirement exceeding 5 kW							
Regular	1	0.01%	400.00	12.00	1	8	9
Time of Use (TOU) - Peak	68	0.56%		14.70	-	999	999
Time of Use (TOU) - Off-Peak	236	1.95%	400.00	7.30	639	1,723	2,361
Temporary Supply	2	0.01%		14.00	-	24	24
Total Commercial	679	5.61%			640	7,966	8,607
General Services-A3							
	363	3.00%	-	11.15	-	4,044	4,044
Industrial							
B1	39	0.33%		11.50	-	453	453
B1 Peak	61	0.50%		14.70	-	890	890
B1 Off Peak	220	1.82%		7.30	-	1,605	1,605
B2	3	0.02%	400.00	11.00	7	30	37
B2 - TOU (Peak)	194	1.61%		14.70	-	2,858	2,858
B2 - TOU (Off-peak)	719	5.95%	400.00	7.10	1,828	5,108	6,935
B3 - TOU (Peak)	269	2.22%		14.70	-	3,951	3,951
B3 - TOU (Off-peak)	1215	10.05%	380.00	7.00	1,181	8,507	9,688
B4 - TOU (Peak)	87	0.72%		14.70	-	1,280	1,280
B4 - TOU (Off-peak)	362	2.99%	360.00	6.90	298	2,497	2,795
Temporary Supply	0	0.00%		11.50	-	5	5
Total Industrial	3,170	26.22%			3,313	27,164	30,497
Single Point Supply for further distribution							
C1(a) Supply at 400 Volts-less than 5 kW	0	0.00%		12.00	-	2	2
C1(b) Supply at 400 Volts-exceeding 5 kW							
Time of Use (TOU) - Peak	2	0.02%	400.00	11.50	2	24	26
Time of Use (TOU) - Off-Peak	8	0.06%		14.70	-	113	113
C2 Supply at 11 kV	22	0.18%	400.00	7.30	40	159	199
Time of Use (TOU) - Peak	4	0.03%	380.00	11.30	4	41	45
Time of Use (TOU) - Off-Peak	37	0.30%		14.70	-	538	538
C3 Supply above 11 kV	102	0.85%	380.00	7.10	107	728	835
Time of Use (TOU) - Peak	0	0.00%	360.00	11.20	-	-	-
Time of Use (TOU) - Off-Peak	5	0.04%		14.70	-	77	77
Time of Use (TOU) - Off-Peak	27	0.22%	360.00	7.00	26	189	216
Total Single Point Supply	207	1.71%			180	1,871	2,051
Agricultural Tube-wells - Tariff D							
Scarp	4	0.03%		12.15	-	51	51
Time of Use (TOU) - Peak	14	0.12%		14.70	-	210	210
Time of Use (TOU) - Off-Peak	80	0.66%	200.00	7.00	83	557	640
Agricultural Tube-wells	1	0.01%	200.00	11.65	4	10	14
Time of Use (TOU) - Peak	342	2.83%		14.70	-	5,031	5,031
Time of Use (TOU) - Off-Peak	1360	11.25%	200.00	7.00	2,343	9,523	11,867
Total Agricultural	1,802	14.90%			2,431	15,382	17,813
Public Lighting - Tariff G							
Residential Colonies	17	0.14%		12.00	-	200	200
Railway Traction	8	0.07%		12.00	-	102	102
	0	0.00%		12.00	-	-	-
Sub-Total	25	0.21%				302	302
Special Contract - Tariff-J							
J-1 For Supply at 66 kV & above	-	0.00%	360.00	11.20	-	-	-
Time of Use (TOU) - Peak	-	0.00%		14.70	-	-	-
Time of Use (TOU) - Off-Peak	-	0.00%	360.00	7.00	-	-	-
J-2 (a) For Supply at 11, 33 kV	-	0.00%	380.00	11.30	-	-	-
Time of Use (TOU) - Peak	-	0.00%		14.70	-	-	-
Time of Use (TOU) - Off-Peak	-	0.00%	380.00	7.10	-	-	-
J-2 (b) For Supply at 66 kV & above	-	0.00%	360.00	11.20	-	-	-
Time of Use (TOU) - Peak	-	0.00%		14.70	-	-	-
Time of Use (TOU) - Off-Peak	-	0.00%	360.00	7.00	-	-	-
J-3 (a) For Supply at 11, 33 kV	-	0.00%	380.00	11.30	-	-	-
Time of Use (TOU) - Peak	-	0.00%		14.70	-	-	-
Time of Use (TOU) - Off-Peak	-	0.00%	380.00	7.10	-	-	-
J-3 (b) For Supply at 66 kV & above	-	0.00%	360.00	11.20	-	-	-
Time of Use (TOU) - Peak	-	0.00%		14.70	-	-	-
Time of Use (TOU) - Off-Peak	-	0.00%	360.00	7.00	-	-	-
Total Revenue	12,090	100.00%			6,564	106,667	113,231



SCHEDULE OF ELECTRICITY TARIFFS
MULTAN ELECTRIC POWER COMPANY LIMITED (MEPCO)

A-1 GENERAL SUPPLY TARIFF - RESIDENTIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW			
i	Up to 50 Units	-		4.00
	For Consumption exceeding 50 Units			
ii	001 - 100 Units	-		7.10
iii	101 - 200 Units	-		11.20
iv	201 - 300 Units	-		11.20
v	301 - 700 Units	-		13.50
vi	Above 700 Units	-		14.50
b)	For Sanctioned load 5 kW & above			
	Time Of Use	-	Peak	Off-Peak
			14.70	7.30

As per Authority's decision residential consumers will be given the benefits 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

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW			14.00
b)	For Sanctioned load 5 kW & above	400.00		12.00
			Peak	Off-Peak
c)	Time Of Use	400.00	14.70	7.30

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

A-3 GENERAL SERVICES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh
a)	General Services	-	11.15

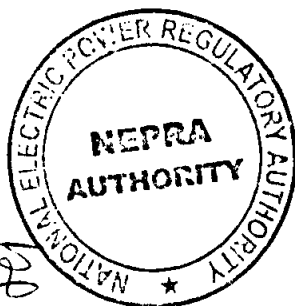
Under tariff A-3, there shall be minimum monthly charges at the following rates even if no energy is

a) Single Phase Connections;

Rs. 175/- per consumer per month

b) Three Phase Connections:

Rs. 350/- per consumer per month



SCHEDULE OF ELECTRICITY TARIFFS
MULTAN ELECTRIC POWER COMPANY LIMITED (MEPCO)
B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
B1	Upto 25 kW (at 400/230 Volts)	-	11.50	
B2(a)	exceeding 25-500 kW (at 400 Volts)	400.00	11.00	
	Time Of Use		Peak	Off-Peak
B1 (b)	Up to 25 KW		14.70	7.30
B2(b)	exceeding 25-500 kW (at 400 Volts)	400.00	14.70	7.10
B3	For All Loads up to 5000 kW (at 11,33 kV)	380.00	14.70	7.00
B4	For All Loads (at 66,132 kV & above)	360.00	14.70	6.90

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.

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

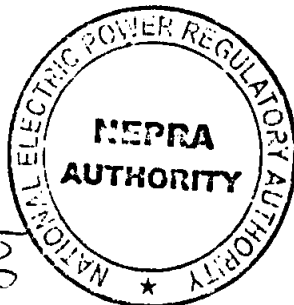
Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
C-1	For supply at 400/230 Volts			
a)	Sanctioned load less than 5 kW		12.00	
b)	Sanctioned load 5 kW & up to 500 kW	400.00	11.50	
C-2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00	11.30	
C-3(a)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00	11.20	
	Time Of Use		Peak	Off-Peak
C-1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	14.70	7.30
C-2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	14.70	7.10
C-3(b)	For supply at 66 kV & above and sanctioned load above 5000 kW	360.00	14.70	7.00

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
D-1(a)	SCARP less than 5 kW	-		12.15
D-2 (a)	Agricultural Tube Wells	200.00		11.65
			Peak	Off-Peak
D-1(b)	SCARP 5 kW & above	200.00	14.70	7.00
D-2 (b)	Agricultural 5 kW & above	200.00	14.70	7.00

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.



SCHEDULE OF ELECTRICITY TARIFFS
MULTAN ELECTRIC POWER COMPANY LIMITED (MEPCO)
E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES
		Rs/kW/M	Rs/kWh
E-1(i)	Residential Supply	-	14.00
E-1(ii)	Commercial Supply	-	14.00
E-2	Industrial Supply	-	11.50

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

F - SEASONAL INDUSTRIAL SUPPLY TARIFF

125% of relevant Industrial tariff

Note:

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

G- PUBLIC LIGHTING

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES
		Rs/kW/M	Rs/kWh
	Street Lighting	-	12.00

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

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES
		Rs/kW/M	Rs/kWh
	Residential Colonies attached to industrial premises	-	12.00

I - RAILWAY TRACTION

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES
		Rs/kW/M	Rs/kWh
	Railway Traction	-	12.00

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

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES	VARIABLE CHARGES	
		Rs/kW/M	Rs/kWh	
J-1	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	11.20	
J-2	(a) For supply at 11,33 kV	380.00	11.30	
	(b) For supply at 66 kV & above	360.00	11.20	
J-3	(s) For supply at 11,33 kV	380.00	11.30	
	(b) For supply at 66 kV & above	360.00	11.20	
	Time Of Use		Peak	Off-Peak
J-1(b)	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	14.70	7.00
J-2 (c)	For supply at 11,33 kV	380.00	14.70	7.10
J-2 (d)	For supply at 66 kV & above	360.00	14.70	7.00
J-3 (c)	For supply at 11,33 kV	380.00	14.70	7.10
J-3 (d)	For supply at 66 kV & above	360.00	14.70	7.00

