

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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> No. NEPRA/R/ADG(Tariff)/TRF-100/4216-18 March 18, 2022

Subject: Decision of the Authority in the matter of Incentive Package announced by the Prime Minister regarding reduction in Price of Electricity

Dear Sir,

Enclosed please find herewith the subject decision of the Authority (02 Pages) in the matter of Incentive Package announced by the Prime Minister regarding reduction in Price of Electricity.

2. The instant Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above

(Syed Safeer Hussain)

Secretary
Ministry of Energy (Power Division)
'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 INCENTIVE PACKAGE ANNOUNCED BY THE PRIME MINISTER REGARDING REDUCTION IN PRICE OF ELECTRICITY

- 1. The Ministry of Energy vide letter dated March 18, 2022 has requested the Authority to approve the Incentive Package announced by the Prime Minister regarding reduction in price of electricity.
- 2. The Ministry in this regard has submitted that a summary on the above subject was considered by the ECC of the Cabinet and ECC vide decision dated March 07, 2022 decided as under;
 - a) Approved "XWDISCOs and K-Electric commercial consumers having sanctioned load less than 5 kW and domestic non-TOU consumers having monthly consumption up-to 700 units (except lifeline consumers)" as eligible consumers for PM Relief Package.
 - b) Approved PM Relief Package of Rs.5 per unit by way of reduction in consumer bill for eligible consumers for PM relief package, which will be worked out based on the applicable notified schedule of tariff for the relief period of four months (March 2022 to June 2022).
 - c) Approved Supplementary Grant of Rs.106 Billion in the head of TDS and release the same to the Power Division for implementation of PM's Relief Package.
 - d) The subsidy shall be released by the Finance Division and AGPR as advance in the beginning of each month divided in four equal installments i.e. Rs.26.5 Billion each. The first installment will be released immediately and remaining releases will be required as the start of each month i.e., Arp. 2022, May 2022 and June 2022 and the adjustment will be submitted after due reconciliation subsequently; and
 - e) Authorized the Power division to notify the PM's relief package based on "(a), (b), (c), and (d) above.





- 3. The Authority has considered the request of the Ministry and has observed that the Ministry has not requested for any change in the NEPRA determined tariff/ Revenue Requirement of DISCOs, rather has submitted that the proposed relief of Rs.5/kWh will be picked up in the subsidy and shall be reflected by way of reduction in the consumer bills for the eligible consumers.
- 4. In view thereof, the Authority has no objection to the instant proposal, thus the same is hereby approved, as it does not have any impact on NEPRA determined tariff. Further, no adjustment on this account will be allowed in the tariff determination of DISCOs.

AUTHORITY

Rehmatullah Baloch

Member

Rafique Ahmed Shaikh

Vice Chairman

Engr. Maqsood Anwar Khan

Member

Tauseef H. Farooqi Chairman

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