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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-362/K-Electric-2016/13386-13388

March 10, 2021

Subject: **Decision of the Authority in the matter of Quarterly Adjustments of K-Electric Limited for the period from April 2019 to March 2020 [Case # NEPRA/TRF-362/K-Electric-2016]**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised quarterly Schedules of Tariffs (SoTs) (32 Pages).

2. The subject Decision of the Authority 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.

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.

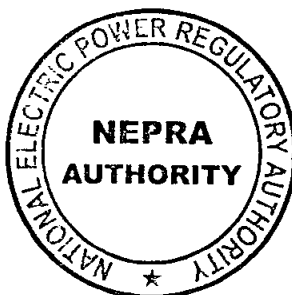
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY ADJUSTMENTS OF
K-ELECTRIC LIMITED FOR THE PERIOD FROM APRIL 2019 TO MARCH 2020**

Back Ground

1. Pursuant to the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, and as per the mechanism for monthly, quarterly and annual adjustments provided in the tariff determination of K-Electric Limited (herein referred to as "K-Electric or KE") dated July 05, 2018, duly notified in the official Gazette vide SRO No. 576(I)/2019 dated May 22, 2019, the Authority has to review and revise the approved tariff on monthly, quarterly and annual basis in accordance with the prescribed adjustments mechanism.
2. As per the mechanism provided in the determination, impact of change in KE's own generation fuel cost component due to variation in fuel prices, generation mix and volume has to be passed on to the consumers directly in their monthly bills in the form of Fuel Charges Adjustment (FCA). Similarly, impact of change in the fuel component of Power Purchase Price (PPP) due to variation in fuel prices and energy mix has also to be passed on to the consumers through monthly FCA.
3. However, the impact of monthly variations in K-Electric own generation's fuel cost component as well power purchase price to the extent of targeted T&D losses, not taken into account in the monthly FCAs, has to be adjusted on quarterly basis. In addition, the monthly variations in the variable O&M and fixed costs of the PPP, as allowed by the Authority, are required to be adjusted on quarterly basis. The impact of these variations is to be worked out based on targeted units to be sold in the next quarter and to be adjusted in the SoT of K-Electric. The actual payments in respect of WWF, WPPF etc. to the IPPs being pass through are to be adjusted on yearly basis upon production of verifiable documentary evidence.
4. Pursuant to notification of the determined MYT, K-Electric filed its Quarterly Adjustments requests on account of Power Purchase Price (PPP), indexation of O&M costs, adjustment of T&D losses etc. for the quarter ended June 2019 and September 2019 along with supporting documents.
5. In addition, K-Electric also requested write-offs for the FY 2019 amounting to Rs.4,051 million (Gross) for the FY 2018-19. The net amount claimed by K-Electric after accounting for the recovery made through write off component built in the MYT tariff 2017 i.e. Rs.2,994 million, is Rs.1,056 million.

Hearing

6. Since the impact of any adjustments has to be made part of the consumer end tariff, therefore, the Authority, in order to provide an opportunity of hearing to all the concerned and meet the ends of natural justice, decided to conduct a hearing in the matter.



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7. The hearing was accordingly held on March 04, 2020, wherein the Authority in addition to the instant quarterly adjustment requests filed by K-Electric also considered KE's letter dated 10.01.2020, whereby, K-Electric raised certain concerns against the Authority's earlier decisions dated 27.12.2019 and 31.12.2019 in the matter of K-Electric's previous monthly / quarterly adjustments pertaining to the period from July 2016 to June 2019.

8. The decision in the matter could not be finalized, due to non-verification of K-Electric's adjustments requests at K-Electric office Karachi, owing to COVID-19 restrictions and the decision of the Cabinet to not change the prices of electricity. The decision of the Cabinet is reproduced asunder;

"The Cabinet reaffirmed its earlier decision that the prices of electricity and gas will remain un-changed till June 2020".

9. K-Electric in the meantime also filed its quarterly adjustment requests for the quarters ended December 2019 to March 2020. The Authority decided to conduct a hearing for the additional quarterly requests of K-Electric, on June 23, 2020, for which notice was published in the newspaper on June 11, 2020. However, the Authority, adjourned the same during the hearing, in view of the afore-referred decision of the Cabinet i.e. not to change prices of electricity till June 2020. Subsequently, the hearing was held on 23.07.2020 through ZOOM.

10. A Summary of the quarterly adjustment requests filed by K-Electric for the quarters ended June 2019 to March 2020, is as under;

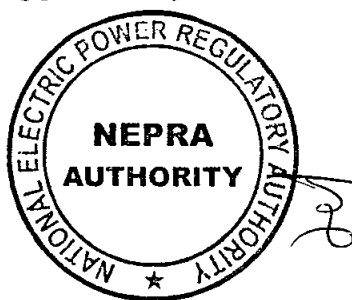
Quarter	Rs./kWh
Apr-Jun 2019	1.377*
Jul - Sep 2019	1.444
Oct - Dec 2019	(0.115)
Jan - Mar. 2020	0.233

* Includes impact of adjustment of losses, O&M indexation and Actual Write-Offs

11. The advertisement for hearing was published in newspapers on July 16, 2020 and separate notices were also sent to the stakeholders for inviting comments from the interested/ affected parties. Salient features and details of the proposed adjustments along-with with notice of hearing were also uploaded on NEPRA's Website for information of all concerned.

12. Following issues were framed for discussion during the hearing;

- i. Whether the requested Fuel price variations are justified?
- ii. Whether the requested quarterly variations are justified?
- iii. Whether the Claw Back working provided by K-Electric is justified?



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- iv. Whether the Petitioner has followed the procedure given in the MYT determination dated July 05, 2018 as well as direction given in the decision of the Authority dated December 27, 2019?
- v. Whether K-electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?
- vi. Whether K-electric has optimally utilized the capacity of its power plants to meet with the demand of its system?
- vii. Whether K-electric has renewed its agreement with NTDC for sale/purchase of 650 MW power, since the previous agreement has expired on January 25, 2015.

13. During the hearing and in written form, comments were received from the following commentators.

- i. Amreli Steel (copy attached)
- ii. S.I.T.E Association of Industry
- iii. Landhi Association of Trade & Industries
- iv. Korangi Association of Trade & Industry
- v. S.I.T.E. Superhighway Association of Industry Karachi
- vi. Bin Qasim Association of Trade & Industry
- vii. Federal B. Area Association of Trade & Industry

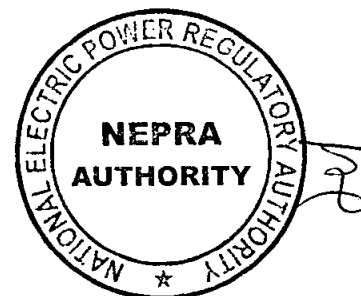
14. The commentators generally showed their apprehensions regarding conduct of hearing through video link, however, specific comments were also raised. A brief of the comments relevant with the instant adjustments is as under;

Amreli Steel

M/s Amreli Steel, inter alia, showed its apprehensions regarding the conduct of the hearing at Islamabad instead of Karachi. A brief of comments submitted by M/s Amreli Steel is as under;

- ✓ *The mechanism for adjustment in tariff due to variation in fuel price, KE is required to submit its monthly adjustment and quarterly adjustment within seven days following the current month and quarterly adjustment within fifteen days following the last month of each quarter.*
- ✓ *As per the mechanism for adjustment in tariff due to variation in power purchase price (PPP), KE shall within seven days and fifteen days submit the monthly and quarterly adjustment following the current month and quarterly adjustment following the last month of each quarter.*
- ✓ *From the above it is clear that NEPRA should only entertain those fuel price adjustment and power price adjustment monthly and quarterly that fall within the prescribed timelines as mentioned in the SRO 576 (I)/2019.*

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- ✓ The principle of time frame for submission of application has been settled in the judgment passed by the Honorable Supreme Court of Pakistan as regards to submission of Fuel Price Adjustment and Power Purchase Price Adjustment. The relevant portion of the judgment is reproduced for your ready reference.

"After considering the question raised by the learned counsel for the Appellants, the response given by the learned counsel for NEPRA and with consent of both parties, we direct as follows:

In future the time fixed in terms of provisions of second proviso to Section 31(4) of Act XL of 1997 for claiming tariff revision on the basis of fuel price fluctuation shall be four (4) months with reference to the bill/notified tariff of any particular month:

For filing refund claims by consumers, which are based upon downward fluctuation of fuel price, we find that a period of two (02) months is reasonable for the purpose of processing and granting such refunds relatable to the bill of a particular month; and

The above timeframe would apply for future billing/refunds, etc. However, fuel price adjustment surcharged already imposed and recovered/claimed on the basis of fuel price fluctuation having been permitted by the NEPRA in the past shall be paid/cleared by the appellants/consumers within a period of one (01) months."

- ✓ Amreli Steel further submitted that, in view of the above judgment the adjustment should have been determined within four/two months for any respective month. It is pertinent to note that the order being a consent order is binding on NEPRA also.
- ✓ NEPRA at the best can only allow and determine those fuel price adjustment and quarterly adjustment to the power distribution companies that have been filed to the Authority as per the time frame.

Mr. Arif Bilvani

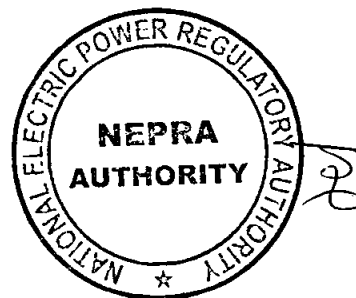
Mr. Bilvani, inter alia, showed concerns regarding incurring of capacity charges for FPCL, SNPC, Our sun, Gul Ahmed, Tapal etc. as their capacity is not being fully utilized, and capacity charges are being paid, expensive generation from costlier fuel on HSFO based power plants has been generated. Further, the commentator also showed concern regarding price of HSFO for the month of April 2020.

Karachi Chamber of Commerce & Industry (KCCI)

KCCI, inter alia, while highlighting the issues under the previous MYT i.e. increase in tariff by 0.15/kWh, retrenchment of around 4,500 employees, non-addition of 1000 MW generation capacity, submitted the following points related with the instant adjustment requests;

- ✓ KE profits for the FY 2019 increased to 17.3 billion as compared to Rs.12.3 billion in FY 2018, but it is surprising that KE has worked out nil amount of profit to be clawed back. NEPRA to calculate the exact amount owed by KE and refuse any approval till it is paid to the end users.

Arif Bilvani



- ✓ NEPRA grants KE its dues in all respects, whereas KE has refused to pay billions to SSGC and also owes massive amounts to National Grid for the 650 MW energy. All these dues are public money and need to be in the system rather than out of it.
- ✓ The issue of Rs.0.15/kWh allowed in the previous MYT is legal, and needs to be settled.
- ✓ Immediate subsidy Audit of KE be carried out.
- ✓ Detailed Technical energy and efficiency audits of KE generation facilities be conducted.
- ✓ Delay in processing of monthly FCAs, thus, contributing to the Circular Debt by delaying the dues to the Power Company.
- ✓ Provided analysis of monthly FCA data regarding costs and generation in terms of self-generation vis a vis power purchases etc.
- ✓ High heat rates of plant in operation

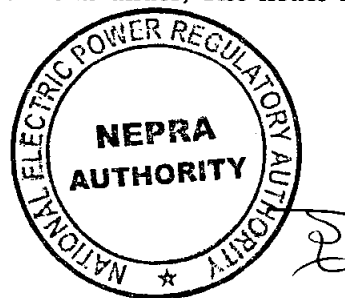
15. K-Electric, in its adjustment requests, has certified that it despatches as per Economic Merit Order from its own generation units (with the available fuel resources) and import from external sources. It also certified that the cost of fuel and power purchase claims do not include any amount of late payment surcharge/mark-up/interest.

16. K-Electric also submitted that as required in the MYT 2017 determination, heat rate test of BQPS-II has been conducted in June 2018, based on which NEPRA issued its final decision on heat rates of BQPS-II on 01.01.2020 and accordingly the calculations are based on Heat rates determined therein.

17. K-Electric further, submitted that Heat rate tests of other plants have been conducted and Independent Engineer's reports have been submitted to NEPRA. The working for required adjustment will be submitted to NEPRA after determination of final Heat rates for these plants based on the test results.

18. K-Electric provided the plant wise generation statistics sheet, signed by K-Electric employees. The plant wise statistic sheets provide details in terms of Plant Capacity, Actual Units Generated, Actual Auxiliary consumption, Net Generation and Bus Bar sent outs, Actual Heat Rates, fuel consumption & cost of Fuel and Generation cost per unit. In addition K-Electric also provided copies of invoices raised by Fuel Suppliers and copies of invoices raised by IPPs. The Authority also obtained certain additional information from K-Electric with respect to actual calorific value of RFO consumed, status of fuel supply agreements, Audited accounts of IPPs, EMO as per the Grid Code & plant utilization factors, detail of penalties imposed on external power sources, consumer wise details of write-offs etc.

19. The Authority based on the information, data and record provided by K-Electric, has analyzed the FCA claims of K-Electric and issue wise discussion is as under; The issues regarding Fuel price



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variations being related with monthly FCAs, have been deliberated in the quarterly tariff decisions of K-Electric for the period from July 2019 till May 2020.

Issue # Whether the requested quarterly variations are justified?

20. The Authority based on the information, data and record provided by K-Electric, has analyzed the Quarterly adjustment claims of K-Electric as under;

21. K-Electric, as required under the MYT, conducted the heat rate test of BQPS-II Power Plant. The Authority, pursuant thereto, vide decision dated 09.05.2019 allowed heat rate of 7,990.96 BTU/kWh (net HHV) for the period May 2012 to May 2018 and 8,358.45 BTU/kWh (net HHV) for the period from June 2018 to June 2023.

22. Accordingly, K-Electric was allowed monthly / quarterly adjustment for the period from July 2016 till June 2019 based on the above mentioned decision of the Authority. However, K-Electric filed Review against the decision, which was decided by the Authority vide decision dated 01.01.2020. The Authority decided as under;

"i. For the period from May 2012 to June 2016, the heat rate i.e. 7,990.96 Btu/kWh - net HHV, corresponding to 42.70% efficiency is approved and no further adjustment for degradation and partial loading is allowed;

ii. For the period from July 2016 to May 2018, the heat rate i.e. 8,334.89 Btu/kWh - net HHV, corresponding to 40.94% efficiency is approved and no further adjustment for degradation and partial loading is allowed;

iii. For the period from June 2018 to June 2023, the heat rate of 8,380.74 Btu/kWh - net HHV, corresponding to 40.71% efficiency is approved. This heat rate will be applicable for the control period on flat basis, without any additional adjustment for other parameters. The Authority may order fresh heat rate test, after the expiry of the control period of present MYT determination and after the Major Overhauling (MOH) of BQPS-II. Such test shall be conducted by an Independent Engineer in presence of NEPRA professionals as per procedure mentioned in MYT and other instructions issued by the Authority."

23. In view thereof, the heat rate of BQPS-II i.e. 8,380.74 BTU/kWh, allowed by the Authority, vide decision dated 01.01.2020 has been used for working out the monthly/ quarterly adjustments of K-Electric from July 2019 onward.

24. K-Electric has also claimed previous adjustments on account of revision in heat rates of BQPS-II for the period from May 2012 to June 2019. K-Electric in this regard has claimed a positive adjustment of Rs.1,202.97 million for the period from July 2016 to June 2019 (current MYT period), and negative adjustment of Rs.1,347.51 million for the period from May 2012 to June 2016 (previous MYT Period) in its quarterly adjustment requests for the period from March 2019 till April 2020.



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25. The adjustment claimed by K-Electric for the period under the current MYT i.e. from July 2016 onward has been verified as Rs.1,202.97 million, and the same has been accounted for while working out the quarterly adjustment requests of K-Electric. Regarding negative adjustment of Rs.1,347.51 million, claimed by K-Electric for the period pertaining to previous MYT i.e. May 2012 to June 2016, the same has been considered as claimed by K-Electric. However, considering the fact that there was a different adjustment mechanism under the previous MYT, the amount of Rs.1,347.51 million is being accounted for on provisional basis, subject to verification and in case any additional adjustment is required, the same would be adjusted in the subsequent adjustment request of K-Electric.

26. K-Electric, as required under the MYT, also carried out heat rate test of KCCPP. Pursuant thereto, the Authority, in its decision dated 02.09.2020 decided as under;

"i. For the period from July 2016 to May 2019, the heat rate i.e. 8,250.06 Btu/kWh - net HHV, corresponding to 41.36% efficiency is approved with no further adjustment for degradation and partial loading allowed.

ii. For the period from June 2019 to June 2023, the heat rate i.e. 8,377.032 Btu/kWh - net HHV, corresponding to 40.732% efficiency is approved. This heat rate will be applicable for the control period on flat basis, without any additional adjustment for other parameters.

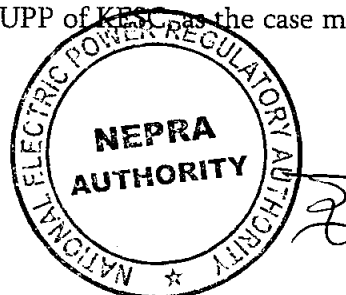
iii. KE is required to conduct maintenance including Major Overhaul of its plants / units as per prudent utility practices and recommendations of OEM.

iv. In case of non-requirement of Gas compressors - the relevant capacity and Heat rates would be adjusted. For such a scenario, relevant capacity and heat rates calculated during the present tests would be used."

27. For the purpose of instant adjustments i.e. from July 2019 to May 2020, heat rates as approved by the Authority vide decision dated 02.09.2020 i.e. 8,377.032 BTU/kWh have been used whereas, K-Electric has used heat rate of 8,497 BTU/kWh as per the MYT determination. Similarly, the FCAs pertaining to previous period i.e. from July 2016 to June 2019, already allowed to K-Electric based on heat rate of 8,497 BTU/ kWh, have been revised, as per the new approved heat rate of 8,250.06 BTU/kWh for the period from July 2016 till May 2019 and heat rate of 8,377.032 BTU/kWh for the month of June 2019. This has resulted in negative adjustment of Rs.497.236 million, which has been accounted for while working out the instant quarterly adjustments of K-Electric.

28. The Authority observed that since K-Electric has filed an MLR against the decision of the Authority dated 02.09.2020, therefore, any revision in the allowed heat rate of KCCPP, pursuant to the decision of review motion, would be adjusted subsequently in the future tariff adjustment requests of K-Electric.

29. The Authority while going through the data / information provided by K-Electric observed that as per Clause 6, Billing and Payments, sub clause 6.01 of the PPA executed by K-Electric with KANUP, for the energy supplied / purchased by KANUPP of KESC as the case may be, bills shall be



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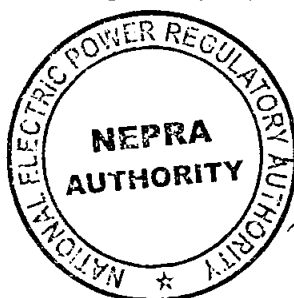
raised separately, but payment shall be made on net-out basis. K-Electric, however, in its adjustment claims has included cost of energy purchased from KANUP on gross basis i.e. without netting it off for the energy exported to KANUP. The Authority, therefore, in line with clause 6.01 of the Agreement, has adjusted the energy as well as cost of KANUP on net output basis.

30. Here it is pertinent to mention that 800 MW energy is purchased by K-Electric from CPPA-G i.e. 650 MW as per the previous arrangement, and 150 MW from the 3 wind power plants, as per the tripartite agreement of K-Electric with CPPA-G and NTDC dated 17.06.2019.

31. The Authority in order to work out the amount of adjustments claimed by K-Electric for the energy purchased from National Grid, obtained details of actual Power Purchase cost from CPPA-G for the cost it billed to KE for the relevant period. The Authority noted that as per the information submitted by CPPA-G, the energy claimed by K-Electric, is in reconciliation with the energy reported by CPPA-G. Similarly, the amount of variable O&M and Capacity charges, claimed by K-Electric is in reconciliation with the numbers reported by CPPA-G to the extent of 650 MW. For the remaining 150 MW, the Authority observed that K-Electric had disputed the amount of Capacity charges billed by CPPA-G to K-Electric; the matter has now been decided by NEPRA, therefore, for the purpose of working out the instant adjustments, the amount as claimed by K-Electric in its adjustment requests has been considered. However, in case CPPA-G claims a different amount in light of the decision of the Authority, the variations if any, would be adjusted in the subsequent quarterly adjustments of K-Electric.

32. Regarding energy purchased from Gul Ahmed Energy Ltd. (GAEL), the Authority noted that K-Electric has claimed Rs.1,865.272 million on account of O&M costs and Capacity charges, for the period from April 2019 to March 2020. K-Electric while calculating the above costs, included cost of working capital of GAEL post November 2019, based on the fuel inventory of September 2019. The Authority observed that tariff of GAEL was re-determined by the Authority, after expiry of its PPA of GAEL with K-Electric on 02.11.2019, therefore, the cost of available inventory of fuel as of 02.11.2019, has been used for the purpose of calculation of working capital cost, resulting in reduction in cost claimed by K-Electric by Rs.1.5 million.

33. Regarding energy purchased from Tapal Energy Pvt. Ltd. (TEPL), the Authority noted that upon expiry of TEPL's PPA with K-Electric on 19.06.2020, its final tariff was determined by the Authority vide decision dated 09.06.2020. Accordingly, the differential in cost already allowed to K-Electric on account of Power purchased from TEPL for the period from 20.06.2019 to 30.06.2019 needs to be adjusted based on the new final tariff approved by the Authority. K-Electric in this regard calculated a negative amount of Rs.0.154 million, however, the same works out as negative Rs.0.298 million, which has been adjusted in the instant quarterly adjustments.



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34. For the energy purchased by K-Electric from SNPC and SNPC-II, the Authority in its determination dated 31.12.2019 in the matter of Quarterly Adjustment of K-Electric for the period from July 2016 to March 2019 decided as following;

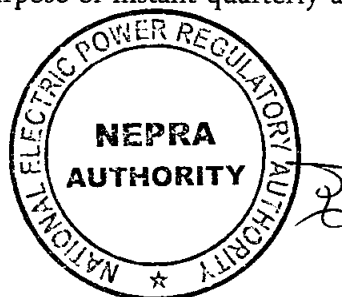
"The Authority is also cognizant of the fact that the tariff allowed to SNPC I & II is currently under investigation by NAB. In view thereof, the Authority has decided to consider only the variable and fixed O&M costs based on the indexed rates allowed by the Authority for the purpose of instant adjustments. The remaining tariff components of capacity purchase price of SNPC I & II, would be considered once the ongoing investigations being carried out by NAB in the matter are concluded, as this may result in some changes in the already allowed/ notified tariff. Accordingly, for working out the instant adjustments, the cost of Rs.2,313.527 million claimed by K-Electric on account of capacity charges of SNPC I & II, other than fixed O&M cost, has not been considered.


K-Electric has also imposed penalties on SNPC I & II on account of over-utilization of the allowed outages allowance as per the PPA, amounting to Rs.30.660 million Rs.36.807 million respectively based on the indexed rates of capacity charges. However, since the Authority has decided to consider only the variable and fixed O&M costs based on the indexed rates allowed by the Authority for the instant adjustments, and the remaining tariff components of capacity purchase price of SNPC I & II, would be considered once the ongoing investigations being carried out by NAB in the matter are concluded, therefore, the amount of LDs imposed by K-Electric on SNPC I & II, have not been accounted for while working out the instant adjustments."

35. SNPC & SNPC II being aggrieved with the decision of the Authority filed review motions. The Authority in its Review decisions of SNPC & SNPC-II dated 19.06.2020 decided to allow insurance & debt servicing component on provisional basis as per the reference generation tariff. Relevant extract of the decision are as following;

- a) *"to re-determine/ modify the tariff awarded to the petitioner vide decision dated August 04, 2017, for which separate proceedings shall be carried out by the Authority. The Petitioner, is accordingly directed, in terms of Section 44 of NEPRA Act, to provide complete details in this regard.*
- b) *to provisionally allow the Petitioner its debt servicing and Insurance component, as per its reference generation tariff dated August 04, 2017. Accordingly, an amount of Rs.1,841.83 million out of total amount of Rs.2,313.527 million pertaining to both SNPC and SNPC-II, disallowed by the Authority vide decision dated December 31, 2019, in the matter of K-Electric's quarterly tariff adjustment for the period from July 2016 to March 2019 is hereby allowed provisionally. The amount being allowed shall be included in the subsequent quarterly tariff adjustments of K-Electric. Any over /under allowed amount in this regard shall be adjusted, in line with the re-determined/ modified generation tariff of the Petitioner."*

36. The Authority, however, subsequently vide decisions dated 05.11.2020, provisionally approved Quarterly Indexation/Adjustment of Tariff in Debt servicing component of SNPC and SNPC-II for the period January 2018 to December 2020, subject to adjustment/refund, if necessary, in the light of final decision(s) of the Authority. Accordingly, for the purpose of instant quarterly adjustments i.e. from



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April 2019 till March 2020, the indexed Debt service component of SNPC and SNPC-II as per decision of the Authority dated 05.11.2020 has been considered.

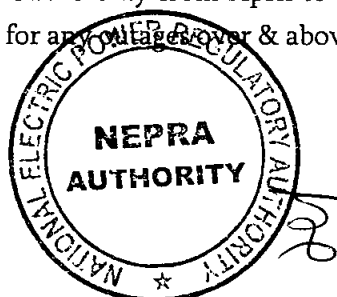
37. As mentioned in the preceding paragraphs, the Authority while allowing quarterly adjustments to K-Electric vide decision dated 31.12.2019, did not allow any cost on account of Debt Servicing and Insurance components of SNPC and SNPC-II for the period from January 2018 (CoD of SNPCs) till March 2019. As now, the Authority through decision dated 05.11.2020 has provisionally approved Quarterly Indexation/Adjustment of Tariff in Debt servicing component of SNPC and SNPC-II for the period January 2018 to December 2020, the cost previously disallowed to SNPC and SNPC-II has been incorporated in the instant quarterly adjustments of K-Electric based on the revised indexed tariff component of SNPC & SNPC II. The same for the period from January 2018 till March 2019, works out as Rs.2,031.044 million, which is hereby provisionally allowed subject to adjustment/refund, if necessary, in the light of final decision(s) of the Authority.

38. Here it is pertinent to mention that the Authority in its decision dated 31.12.2019 in terms of LDs imposed on SNPC and SNPC-II by K-Electric for the period from January 2018 till March 2019 decided as under;

"K-Electric has also imposed penalties on SNPC I & II on account of over-utilization of the allowed outages allowance as per the PPA, amounting to Rs.30.660 million Rs.36.807 million respectively based on the indexed rates of capacity charges. However, since the Authority has decided to consider only the variable and fixed O&M costs based on the indexed rates allowed by the Authority for the instant adjustments, and the remaining tariff components of capacity purchase price of SNPC I & II, would be considered once the ongoing investigations being carried out by NAB in the matter are concluded, therefore, the amount of LDs imposed by K-Electric on SNPC I & II, have not been accounted for while working out the instant adjustments."

39. Since the Authority has approved quarterly indexation of debt servicing component of SNPC and SNPC-II, the penalties imposed by K-Electric, not accounted for in the earlier quarterly adjustment decision, have been adjusted in the instant quarterly adjustments. Accordingly, LD amounts of Rs.24.83 million and Rs.29.809 million for SNPC and SNPC-II respectively, based on their revised indexed rates works out have been adjusted while working out the instant adjustment request of K-Electric.

40. The Authority noted that as per the data / information provided by K-Electric, STDC has not raised any invoices on account of wheeling charges from July 2019 onward, however, K-Electric, has also included wheeling charges of STDC in its quarterly adjustment requests for the period from July 2019 onward. The Authority has decided not to consider any such costs as part of instant adjustments owing to non-receipt of invoices from STDC; the same would be considered in the subsequent adjustment requests of K-Electric, once STDC raises its invoices of wheeling charges. Thus, for the purpose of instant adjustments, wheeling charges of STDC only from April to June 2019, have been considered on provisional basis i.e. without adjusting for any outages over & above the allowed outages



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during this period. Once the actual invoices of STDC are available for the entire period, the required adjustment in this regard would be made in the subsequent tariff adjustments of K-Electric.

41. The Authority also noted that K-Electric for the period from July 2018 to December 2019, has included losses of STDC @ 1.5%, whereas, the Authority only allowed a maximum of 1.5% transmission losses provisionally for the period of six months from COD, while deciding the Review Motion of STDC dated June 14, 2018. As the CoD was achieved by the plants in January 2018, therefore, for the period from July 2018 till December 2019, losses @1% have been considered for STDC. Thereafter, losses @ 2% have been considered in line with the Authority's decision dated January 09, 2020.

42. In view of the above discussion, a total reduction of around Rs.317 million has been made from the claim of K-Electric on account of STDC wheeling charges for the period from July 2019 to April 2020 and impact of losses @ 1% for the period from April 2019 to March 2020.

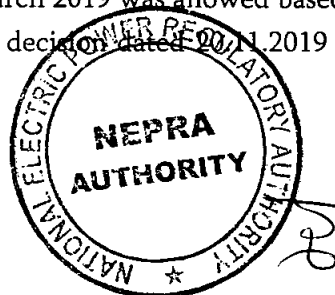
43. Similarly for the previous period i.e. January 2018 to June 2019, the adjustment in terms of losses of STDC works out as Rs.15 million, which has been adjusted from the instant quarterly adjustments of K-Electric.

44. K-Electric has also claimed an amount of Rs.6.967 million and Rs.7.455 million for SNPC and SNPC-II respectively on account of change in gas price for the period Sep. 27 to Sep. 30, 2018, based on the Authority's approved rate for the period in its quarterly adjustment for the quarter ending Sep. 2020. However, considering the fact that this cost is related with the period of Sep, 2018, therefore, we the same has been included in the instant tariff adjustments of K-Electric; thus no further adjustment on this account will be allowed in the subsequent tariff adjustments.

45. K-Electric further claimed that the Authority has not considered wheeling charges of STDC for the month of January 2018 amounting to Rs.15 million. The Authority observed that as per the claim submitted by K-Electric, it has disputed an amount of Rs.2.771 million with STDC. Accordingly, the remaining amount of Rs.12.749 million, being verified, has been included in the instant quarterly adjustment of K-Electric.

46. K-Electric has further claimed an amount of Rs.1.873 million and Rs.1.815 million on account of revision in wheeling rates of STDC from Rs.0.4557/kW/hour to Rs.0.4665/kW/hour for the period from January 2018 to June 2018, for SNPC and SNPC-II respectively. The claim of K-Electric is as per the Authority's approved rates, therefore, has been included in the instant tariff adjustments of K-Electric.

47. The Authority also noted that while determining quarterly adjustments of K-Electric for the period from July 2016 till March 2019, vide decision dated 31.12.2019, cost pertaining to Oursun Solar Plant (OSPL) for the period from November 2018 till March 2019 was allowed based on the reference tariff components of OSPL. Subsequently, NEPRA vide decision dated 20.11.2019 allowed the tariff



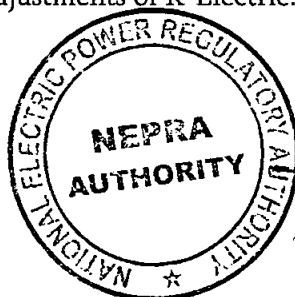
adjustments at CoD of OSPL. However, while determining the CoD tariff adjustment of OSPL, the Authority decided that;

“.....The claimed Insurance during operation cost is 0.38% of the EPC cost (converted into PKR based on the exchange rate prevailing on 1st day of insurance coverage period), which is within the allowed limit of 1% of the EPC Cost. Since the same is not in the scope of COD therefore OSPL has to file separate request subsequent to COD for adjustment on this account. The payments on this account shall be made by K-Electric to the Company once adjustment is made by NEPRA subsequent to COD....”.

48. K-Electric in its adjustment requests has claimed insurance cost of OSPL amounting to Rs.45.50 million till December 2019. Post December 2019, K-Electric has not claimed any amount on account of insurance cost of OSPL, in pursuance to the decision of the Authority dated 20.11.2019.

49. The Authority noted that as per NEPRA decision dated 20.11.2019, although it was decided that Insurance component of OSPL is not in the scope of COD and OSPL has to file a separate request subsequent to COD for adjustment on this account. However, subsequently, the Authority vide decision dated 01.01.2021, has allowed insurance component of OSPL for the 1st and 2nd operational years i.e. November 30, 2018 till November 29, 2019 and November 30, 2019 till November 29, 2020. Pursuant to the aforementioned decision of the Authority, for the purpose of instant quarterly adjustments of K-Electric, the amount of insurance of OSPL for the 1st Operational year i.e. November 30, 2018 till November 29, 2019, as per the Authority's approved rates has been considered. The Authority noted that as per the decision of NEPRA dated 01.01.2021, an amount of Rs.23.058 million has been allowed to OSPL on account of Insurance premium for the 1st operational year. The Authority observed that for the period from November 30, 2018 till March 31, 2019, K-Electric has already been allowed an amount of Rs.21.574 million on account of insurance cost of OSPL in its previous quarterly adjustments vide decision dated 31.12.2019, therefore, for the purpose of instant adjustments, only the differential amount of Rs.1.484 million is hereby allowed. The Authority also noted that K-Electric has not claimed any amount on account of Insurance of OSPL Post December 2019, therefore, for the 2nd Operational year of OSPL i.e. November 30, 2019 till November 29, 2020, the Insurance cost of OSPL would be considered only, once K-Electric claims this cost in its subsequent quarterly adjustments.

50. The Authority also noted that as per the tariff determination of Oursun Solar, if the plant operates between 18-19%, it will be eligible for 80% of the applicable Tariff, for energy between 19-20%, it would be allowed 90% of tariff and thereafter, 100% of the tariff. The Authority noted that while working out cost for the period where energy remained in excess of 18%, K-Electric has considered the gross energy i.e. inclusive of NPMV, however, the Authority has considered the same net off NPMV. This has resulted in reduction in total cost by around Rs.2.93 million, which has been accounted for in the instant tariff adjustments of K-Electric.



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51. Moreover, the Authority subsequent to the CoD tariff adjustment of Oursun Solar, also approved quarterly indexation in the tariff of Oursun Solar vide decision dated 12.05.2020. Pursuant thereto, the tariff components of OSPL (other than Insurance), allowed previously in the quarterly adjustment of K-Electric, for the period from November 2018 till March 2019, on reference tariff, are required to be adjusted based on the indexed tariff of OSPL dated 12.05.2020. Accordingly, the differential amount of Rs.174.90 million based on indexed rates vis a vis the amount already allowed to K-Electric, has been included in the instant quarterly adjustments of K-Electric.

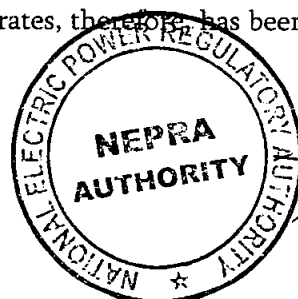
52. Here it is also pertinent to mention that K-Electric has imposed a penalty of US\$ 169,220 on Oursun in August 2019 on account of delay in CoD vide letter dated August 09, 2019. The same has been deducted while working out the instant tariff adjustments of K-Electric, which works out as Rs.26.678 million.

53. The Authority also noted that while determining quarterly adjustments of K-Electric for the period from July 2016 till March 2019, vide decision dated 31.12.2019, an amount of Rs.65.034 million was imposed as penalty on Anoud Power Generation Limited (APGL), in line with clause 1.5 of the 1st addendum dated 27.04.2010, signed between K-Electric and APGL, for the failure of APGL to supply the minimum monthly guaranteed energy to K-Electric. APGL, against the aforementioned decision of the Authority, filed Motion for Leave for Review (MLR) which was decided by the Authority on 30.12.2020, wherein the Authority revised the penalty amount from Rs.65.034 million to Rs.35.108 million, and also decided to allow the differential amount of Rs.29.926 million in the subsequent quarterly tariff adjustments of K-Electric. In view thereof, the differential amount of Rs.29.926 million is hereby allowed to K-Electric in its instant adjustment requests.

54. Further, as explained earlier, as per clause 1.5 of 1st Addendum, KE is liable to impose penalty on APGL in case APGL supplies less than the minimum monthly guaranteed Units of 5,040,000 kWh. KE, has imposed a penalty of Rs.11.462 million on AGPL from April 2019 till March 2020 based on NEPRA's earlier working / stance taken in the previous quarterly adjustments pertaining to the period from July 2016 to March 2019, which has been included in the instant tariff adjustments of K-Electric as claimed by K-Electric. Here it is pertinent to mention that the since the Authority has revised its penalty amount/ mechanism for the previously deducted penalty of Rs.65.034 million to Rs.35 million for the period July 2016 to March 2019 vide decision dated 30.12.2020, therefore, in case K-Electric revises the penalty amount of Rs.11.462 million imposed on AGPL, in light of the revised workings/ mechanism of the Authority, the differential amount, if any, would be adjusted in the subsequent tariff adjustments of K-Electric.

55. K-Electric has also claimed an amount of Rs.0.606 million for IIL/ ISL on account of change in gas price for the period Sep. 27 to Sep. 30, 2018, in its quarterly adjustment for the quarter ending June 2019. The claim of K-Electric is as per the Authority's approved rates, ~~therefore~~ has been included in the instant tariff adjustments of K-Electric.

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56. Regarding WWF and WPPF payable to IPPs, K-Electric has claimed WPPF charges invoiced by GAEL to K-Electric for the FY 2018-19, amounting to Rs.111.657 million. The amounts of WPPF has been claimed @ 5% of the EBT reported by GAEL in its Audited accounts. The Authority has noted from the financial statements of GAEL for the FY 2018-19 that EBT of GAEL includes income such as gain on re-measurement of fair value of open ended Mutual Funds, gain on disposal of open ended Mutual Fund – net of tax, Return on PLS saving accounts and exchange gains. The Authority considers that WPPF should be based on Power generation operations of the plant rather than including therein their gains on Mutual funds, return on accounts and exchange gains. In view thereof an adjustment of Rs.14.08 million has been made from the amount of WPPF claimed by K-Electric for GAEL.

57. Similarly, K-Electric has also claimed an amount of Rs.88.95 million and Rs.35.58 million on account of WPPF and WWF respectively for TAPAL Energy Ltd. for the FY 2018-19. The Authority noted that while calculating WWF and WPPF for the FY 2018-19, TAPAL Energy has included Other Income from Interest/Profit on saving accounts & gain on sale of operating fixed assets. The Authority considers that WPPF/ WWF should be based on Power generation operations of the plant rather than including therein gains from Interest/Profit on saving accounts etc. In view thereof an adjustment of Rs.5.25 million and Rs.2.1 million has been made from the amount of WPPF and WWF respectively claimed by K-Electric for TAPAL Energy.

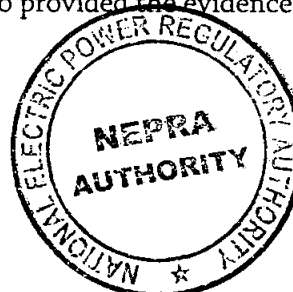
58. The Authority in its determination dated December 31, 2020 regarding WPPF claim of FPCL decided as under;

“Regarding WPPF of Rs.34.235 million claimed for FPCL Power Plant, the Authority observed that the claimed amount has not been substantiated by K-Electric with any supporting documents and detailed workings/justifications, hence not considered for the purpose of instant adjustments.”

59. KE has now provided the relevant workings / invoices through email as well as along with letter dated January 10, 2020, whereby the amount has been claimed as Rs.33 million. Accordingly, based on the information provided by K-Electric, the amount of Rs.33 million on account of WPPF for FPCL for the Year 2017 has been included in the instant quarterly adjustments of K-Electric.

60. Similarly, K-Electric has also claimed Rs.47.623 million on account of WPPF of FPCL for the Year 2018. The same being allowed as pass through cost has been included in the instant quarterly adjustments of K-Electric.

61. K-Electric has also claimed an amount of Rs.998.329 million on account of WPPF including Rs.446.99 million for the FY 2016-17 and Rs.551.369 million for the FY 2017-18. As per the MYT determination, cost of WWF/WWPF related to K-Electric shall be allowed as pass through cost on actual basis subject to provision of verifiable documentary evidence for adjustment on yearly basis to be recovered in the next year. K-Electric in this regard also provided the evidence for transfer of these



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amounts in KE Workers Welfare Fund. Accordingly, the said amount of Rs.998.329 million has been accounted for while working out the instant tariff adjustments of K-Electric.

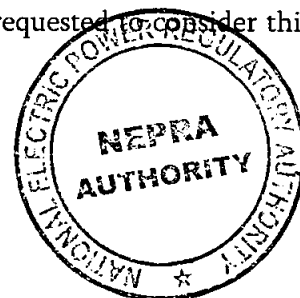
62. K-Electric vide letter dated 10.01.2020 against its quarterly adjustment decision dated 31.12.2019, submitted that as per the Authority's decision, negative FCA is not to be passed on to lifeline consumers, residential consumers with consumption up-to 300 units and agriculture consumers; similarly, positive FCA is also not passed on to the life line consumers and such impact is adjusted in the quarterly adjustments. K-Electric has claimed that units consumed in the 201-300 units category also includes certain units of consumers who fall under the slab of 301-700 units, due to one slab benefit, on which negative FCA is passed on. K-Electric accordingly submitted that differential amount of Rs.465 million accounted for in the quarterly adjustments decision of 31.12.2019 may be allowed in the upcoming quarterly adjustments. K-Electric in support of its claim also provided detailed calculations/ workings for each month.

63. The Authority keeping in view the new information/ workings submitted by K-Electric and the amount already adjusted vide decision dated 31.12.2019, has carried out a revised working, whereby the amount to be deducted works out as Rs.1,135.761 million as compared to Rs.1,593.573 million already deducted for the period July 2016 to March 2020. Based on the above, a net positive adjustment of around Rs.458 million is hereby included in the instant quarterly adjustments of K-Electric instead of Rs.465 million claimed by K-Electric. The difference is due to incorrect assumption of K-Electric regarding the total amount already adjusted by the Authority vide decision dated 31.12.2019.

64. K-Electric further vide letter dated 10.01.2020, in terms of disallowed cost of power purchased from KANUPP submitted that as per the agreement, separate bills are raised for purchases and sales, however, the payment is made on net basis. Further, both purchases and sales are recorded at the same rate. Accordingly, the units purchased and their corresponding cost is included in cost of power purchases, whereas the units exported / sold are included in units billed and the amount is included in K-Electric's revenue. The payment/ settlement is made on net output basis as per the agreement. K-Electric further submitted that the Authority has adjusted the sales to KANUPP amounting to Rs.1,230 million against the cost of purchases, without adjusting the units sold against units purchased. This has resulted in under recovery of K-Electric's legitimate cost of Power purchase from KANUPP amounting to Rs.1,230 million. Accordingly, K-Electric has requested to consider this cost in the upcoming quarterly adjustments.

65. K-Electric also submitted that units and variable revenue of KANUPP has been excluded while calculating the overall average sale rate, which lowers the effective overall average sale rate translating into a negative impact of Rs.308 million. Further, due to incorrect grossing up of tariff for impact of life line consumers and KANUPP; and rounding off the tariff to two digits, the overall variations allowed fall short by Rs.1,228 million. Accordingly, K-Electric requested to consider this cost in the upcoming quarterly adjustments.

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66. The Authority while going through the data / information provided by K-Electric observed that as per Clause 6, Billing and Payments, sub clause 6.01 of the PPA executed by K-Electric with KANUP, for the energy supplied / purchased by KANUPP of KESC, as the case may be, bills shall be raised separately, but payment shall be made on net-out basis. In view thereof, the Authority has decided to allow the previously deducted amount in this regard for the period from July 2016 till June 2019, on net output basis i.e. adjusting the amount of sales to KANUPP against the cost of purchases and also adjusting the units sold against units purchased. The amount thus works out as Rs.1,211.59 million, which has been included in the instant quarterly adjustment of K-Electric. The Authority understands that by adjusting the energy supplied / purchased by KANUPP on net-out basis, addresses the concerns of K-Electric regarding grossing up of tariff for impact of KANUPP.

Write offs

67. As per the decision of the Authority dated July 05, 2018, K-Electric has not been allowed any provision on account of the doubtful debts in the tariff, however, bad debts written off @ 1.69% of K-Electric's assessed sales revenue has been allowed in the base case. For the purpose of actual write offs in future, K-Electric is required to complete the following procedures;

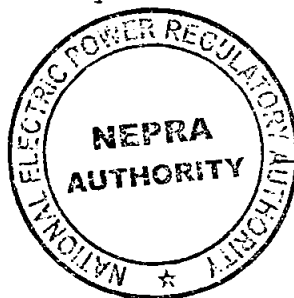
- ✓ *The defaulter connection to be written off shall be disconnected.*
- ✓ *The amount of write off shall be approved by the KE BoD which shall certify that KE has made all best possible efforts to recover the amount being written off.*
- ✓ *KE Auditors shall verify that the amount is non-recoverable notwithstanding the efforts of the company.*
- ✓ *The terms of write off shall also be given in detail.*
- ✓ *In case any amount written off is subsequently recovered from the customer, the recovered amount shall be adjusted in next year's tariff.*

68. In view thereof, K-Electric in its instant adjustment claimed actual write offs amounting to Rs.4,051 million (Gross) for the FY 2018-19 including GST deposited based on billing amounting to over Rs.500 million.

69. The net amount claimed by K-Electric after accounting for the recovery made through write off component built in the MYT 2017 is Rs.1,056 million. The amount of write offs recovered through tariff for the FY 2018-19 i.e. Rs.2,994 million has been worked out by K-Electric by multiplying the Write-off component of Rs.0.207/kWh built in the MYT 2017 with the Units billed during FY 2018-19 (based on NEPRA allowed T&D loss target).

70. The Note 9.3.1 of the Audited Accounts of K-Electric for the FY 2018-19 states that;

"This includes write-off of Rs.4,050 million (2018: Rs.3,371 million) to be claimed as tariff adjustment in accordance with the criteria prescribed by NEPRA as explained in note 33.2."



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Note 33.2

This includes Rs.4,050 million comprising dues of 10,353 customers (2018: Rs.3,371 million comprising dues of 60,228 customers) recognized during the year against actual write-off of bad debts, as allowed by NEPRA under the MYT decision for the period from July 1, 2016 to June 30, 2023, through the decision dated July 5, 2018. The write-off amount has been claimed by the Company on October 30, 2019 on a provisional basis as part of quarterly tariff adjustment for the fourth quarter ended June 30, 2019 aggregating to Rs.10,850 million (fourth quarter ended June 30, 2018: Rs.4,545 million). Further, NEPRA vide its decision dated December 31, 2019 stated that in connection with the claims submitted by the Company on account of trade debts wrote-off for the year ended June 30, 2017 and June 30, 2018 aggregating to Rs.9,566 million, it requires further deliberations.

As required under the aforementioned NEPRA decision of July 5, 2018, for the purpose of claim of tariff adjustment in respect of actual write-off of bad debts, the Company ensured the following required procedures:

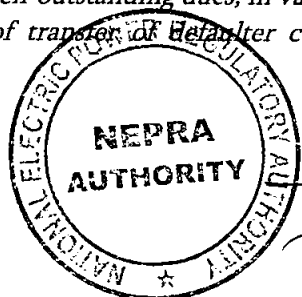
- ✓ *The defaulter connection against which the bad debts have been written off were disconnected prior to June 30, 2019, both in the case of active and inactive consumers. Further, in the case of inactive consumers, the customers were marked as inactive in the Company's system i.e. SAP prior to June 30, 2019.*
- ✓ *The aforementioned amount of write-off of bad debts has been approved by the Company's Board of Directors certifying that the Company has made all best possible efforts to recover the amount being written-off in accordance with the "Policy and Procedures for Write-off of Bad Debts".*
- ✓ *The actual write-off of bad debts has been determined in accordance with the terms of write-off detailed in the "Policy and Procedures for Write-off of Bad Debts", as approved by the Board of Directors of the Company.*

Further, the statutory auditors of the Company verified that the write-off of bad debts amount is not recoverable notwithstanding the efforts of the Company.

In case any amount written-off, as included in the aforementioned claim, is subsequently recovered from the customer, the recovered amount shall be adjusted in next year's tariff, as required under the aforementioned NEPRA decision of July 5, 2018.

In respect of all the defaulter connections, against which the aforementioned write-off amount has been claimed by the Company as tariff adjustment for the years ended June 30, 2019, the Company in addition to the defaulter customer identification and traceability procedures mentioned in the "Policy and Procedures for Write-off of Bad Debts" has carried out physical surveys for establishing the fact that the defaulter connection is physically disconnected and the defaulter customer who utilized the electricity is untraceable or recovery in the present circumstances is not possible.

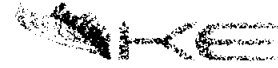
There are number of locations / premises which were removed as a result of anti-encroachment drives by the government authorities, whereas, in a number of other cases the premises to which electricity was supplied is no more traceable due to change in either the mapping of the area (including unleased area), demolition of the original premises, structural changes (including division of single premises into many) to the original premises and discontinuation / demolition of single bulk PMT connection. In all of these cases due to the specific situation the connection and / or premises are no more traceable. In addition, there are certain defaulter customers; who were not able to pay off their outstanding dues, in various forms including outstanding amounts on hook connection at the time of transfer of defaulter customers to metered



connections and other settlements. Accordingly, the same has been claimed as part of write-off for the years ended June 30, 2019. The corresponding amount has been claimed in the tariff adjustment after verifying underlying facts."

71. KE also provided a copy of its Board resolution in the matter.

KE Board Resolution



**Certified True Copy (CTC) of Resolution
passed by KE Board of Directors at its meeting No.1215
held on Thursday, April 09, 2020 at 10:00 a.m. through video-link**

Certification of Write-off amount for FY 2019

RESOLVED THAT pursuant to write-off policy approved by the Board in accordance with NEPRA's determined Multi Year Tariff (MYT) for FY 2017 to FY 2023, write-off cases for FY 2019 cumulatively amounting to PKR 4.050 billion, net of the written back amount of PKR 1.2 million (payments received against amounts written off in FY 2017 and 2018), duly verified by statutory auditors of the Company and reviewed / recommended by KE Board Audit Committee, be and hereby approved and the Board certifies that KE has made all best possible efforts to recover the amount being written off.



**Muhammad Rizwan Dalia
Chief People Officer & Company Secretary**

72. KE also vide email dated 14.01.2021, provided the Management procedures, and the Audit verification procedures as mentioned hereunder.

Management Procedures – FY 2019

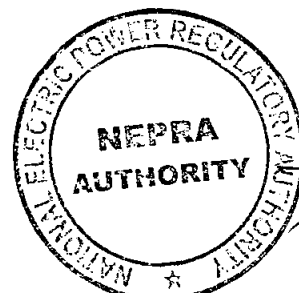
Procedures performed by the management

The following key basis / procedures have been used / performed by the management respectively in accordance with two major segments; 1) Consumers disconnected but billed due to usage of electricity through illegal means & 2) Consumers where billing stopped & marked inactive in KE system:

- Identification of different types of customers for write-off
- Verified through physical survey the latest disconnection status, verified past disconnection through system and ensured that recovery efforts were made in past
- Company's internal audit department performed their independent verification and verified the write off cases
- Statutory auditors performed their verification and concluded that the amounts are not recoverable notwithstanding the efforts of the Company

During the year a detailed assessment for actual write-off of bad debts was carried out by the management to claim actual write-off of bad debts as part of tariff adjustment amounting to Rs. 4.050 billion (net of write back) for the year ended June 30, 2019:

- The defaulter connection against which the bad debts have been written off were disconnected prior to June 30, 2019 both in the case of active and inactive consumers. Further, in the case of inactive consumers, the consumers were marked as "inactive" in the Company's system i.e. SAP prior to June 30, 2019.;
- The Company has made all best possible efforts to recover the outstanding amount and are no more considered to be recoverable which was also approved by the Board of Directors;
- Verified by the statutory auditors with a conclusion that the amounts are not recoverable notwithstanding the efforts of the Company.



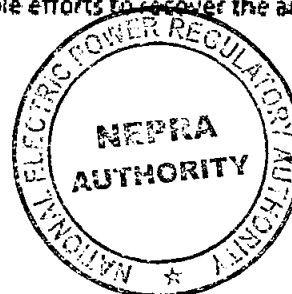
AUDITORS' VERIFICATION PROCEDURES IN CONNECTION WITH THE COMPANY'S BAD DEBTS WRITE-OFF CLAIMS AS ALLOWED UNDER MYT 2017-23 FOR THE FINANCIAL YEAR ENDED JUNE 30, 2019

Statutory Auditors Procedures

Auditors have performed procedures as enumerated below

- a) Verified that the customers' connections were marked inactive in the Company's system i.e. SAP prior to June 30, 2019.
- b) Carried out physical surveys of the customers to establish that the defaulters' connections have been disconnected and the defaulted customers who utilized the electricity are untraceable or recoveries in the present circumstances are not possible.
- c) Visited physically / surveyed locations / premises which were removed as a result of the government's anti-encroachment drives and building of bridges or expressways by the federal and provincial governments to determine current state of premise of the customer and chances of recoverability. In a number of cases the premises to which the electricity was supplied was no more traceable due to change in either the mapping of the areas (including unleased areas), demolition of the original premises, structural changes (including division of single premises into many) to the original premises and discontinuation / demolition of single bulk PMT connection. There were certain locations where the physical access to the location was difficult due to the law and order situation. The Company provided adequate security to Auditors' staff visiting those locations.
- d) Auditors independently engaged third party surveyor firms who assisted the Auditors and physically visited the consumer / customer location sites to determine the status of the customer, site location and disconnection status, capturing visible photographs of the site evidencing no electricity connection connected to the premises.
- e) Auditors independently reviewed the results of surveys performed by the surveyors. Auditors reserved their exclusive right to reject the cases that should not be written-off in the books of the Company and highlighted certain cases that still require further recovery efforts by the Company.
- f) Auditors rejected the cases that should not be claimed as Tariff adjustment and have highlighted certain cases that still require further recovery efforts by the Company.
- g) The Company demonstrated that whereabouts of the customers considered for write-off such as CHIC, traceability are not identifiable and same was reviewed/verified by auditors.
- h) Considered write-off of amount of certain defaulted customers who were not able to pay off their outstanding dues in various forms. The Auditors have verified that the amount written-off was necessary in order to recover the remaining amount and/or maintaining/converting the customer as a regular payer of the Company.
- i) Reviewed the customer cases prepared by the business owners i.e. Integrated Business Centre's personnel, justifying the customer eligible for write-off and their approval.
- j) Ensured that the cases are reviewed and verified by Company's Internal Audit department.
- k) Ensured that the amount written off is approved by the Board of Directors of the Company, which has certified that the Company has made all best possible efforts to recover the amount being written-off.

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In case of customers disconnected but billed due to usage of electricity through illegal means, following additional procedures have been performed.

- a) Checked that the consumer belongs to an area where the Company has installed Aerial Bundled Cable (ABC) in order to minimize line losses.
- b) Evidence in the system that the consumer was issued disconnection notices in the past and consumer was disconnected.
- c) Evidence in the system that the consumer was offered scheme (such as Current Bill Ka Wada / Payment Loyalty Reward Schemes) to become a regular consumer / payer.
- d) Individual case was referred to the Company's appointed recovery agency for recovery of the outstanding amount. In case where the consumer did not turn up, a certificate is being issued by the respective recovery agency (post recovery efforts) evidencing the fact that efforts have been made for collection of the amount from the consumer through various means however, the amount is not recoverable and further efforts will not result in recovery from the consumer.
- e) Checked that the customers are not part of any of the current schemes offered by the Company to regularize its payments unless the consumer has defaulted in any of the schemes in which he was registered in the past.

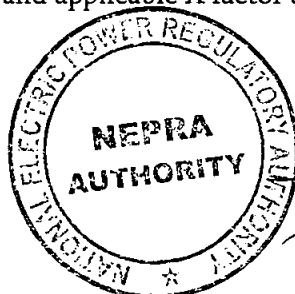
73. During the preliminary analysis of the provided consumer wise detail of write-offs, the Authority is of the view that claim of write-off requires further deliberation and analysis. The Authority also had a meeting with the Auditors of K-Electric in this regard and had asked the Auditors for their written response on certain issues. Therefore, for the purpose of instant quarterly adjustments, the amount of write-offs of Rs.4,051 million claimed by K-Electric, including amount of Rs.2,994 million already recovered through tariff, has not included in the instant workings. The Authority will decide the matter accordingly.

Annual Indexation - K-Electric's own cost

74. As per the MYT 2017, the O&M components for the Generation, Transmission and Distribution allowed to K-Electric are subject to annual CPI-X indexation as per the following mechanism;

- ✓ Generation component to be indexed with CPI as of May for the respective year
- ✓ Transmission component to be indexed with CPI-X as of May for the respective year, where X is 2% or 30% of change in CPI whichever is lower
- ✓ Distribution component to be indexed with CPI-X as of May for the respective year, where X is 3% or 30% of change in CPI whichever is lower

75. Accordingly, the reference O&M components allowed to K-Electric have been indexed as per the prescribed mechanism based on change in CPI and applicable X factor as under;



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		Rs./kWh	
O&M	Ref.	FY 2019-20	
Description			
Generation	0.4212	0.4837	
Transmission	0.2130	0.2338	
Distribution	1.1369	1.2395	

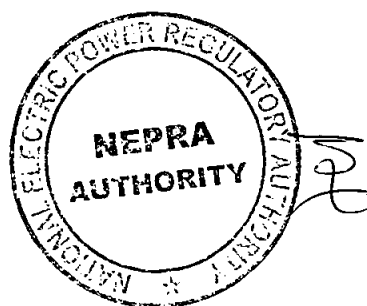
76. As per the MYT 2017 determination, the entire tariff components are subject to adjustment with the allowed level of T&D losses targets for the respective year.

77. Accordingly, total tariff so worked out after allowing for quarterly adjustments & indexation on O&M components, has been adjusted with allowed level of T&D losses for the respective year.

Description	Unit	June 2019
Annual Adjustments	Rs./kWh	(0.1025)
Adjustment of O&M	Rs./kWh	0.1080
Adjustment of Own Generation FCC with T&D losses Target	Rs./kWh	(0.1025)
Adjustment of Power Purchase FCC with T&D losses Target	Rs./kWh	(0.0471)
Adjustment of Power Purchase Variable O&M & Capacity Cost with T&D losses Target	Rs./kWh	(0.0261)
Adjustment of other Tariff Components with T&D Losses Target	Rs./kWh	(0.0347)
Bad debts	Rs./kWh	(0.0025)
Other income	Rs./kWh	0.0036
Depreciation	Rs./kWh	(0.0063)
Return component	Rs./kWh	(0.0170)
Base rate adjustment component	Rs./kWh	(0.0126)

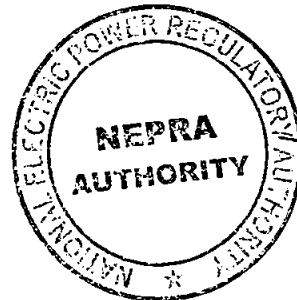
78. In view of the aforementioned discussion and after incorporating the above adjustments, the quarterly adjustments allowed to K-Electric for the period from Apr.-Jun. 2019 till Jan.-Mar. 2020, is as under;

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**Decision of the Authority in the matter of Quarterly Adjustments
of K-Electric Limited for the Period from April-19 to March-20**

Description	Unit	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Adjustment in SOT for the Quarter	Rs./kWh			0.77360			1.9699
FCC of Own Generation	Rs./kWh			6.9191			7.4650
FCC adjusted on Target T&D Losses	Rs./kWh			8.5158			9.0771
Reference Own Generation FCC adjusted on Target T&D Losses	Rs./kWh			7.0321			8.4133
Required adjustment in SOT of Own Generation to level up the tariff	Rs./kWh			1.4837			0.664
Power Purchases							
Fuel Cost	Rs./kWh			3.1767			2.9377
FCC adjusted on Target T&D Losses	Rs./kWh			3.9098			3.5721
Reference Power Purchase FCC adjusted on Target T&D Losses	Rs./kWh			3.5783			3.8627
Required adjustment in SOT of Power Purchase FCC to level up the tariff	Rs./kWh			0.3315			(0.2906)
Variable O&M and Capacity	Rs./kWh			1.76489			2.05253
Variable O&M and Capacity adjusted on Target T&D Losses	Rs./kWh			2.1722			2.49579
Reference Power Purchase Variable O&M and Capacity based on Target T&D Losses	Rs./kWh			2.7620			2.14602
Required adjustment in SOT of Power Purchase Variable O&M and Capacity to level up the tariff	Rs./kWh			(0.5898)			0.3498
Total Adjustment in SOT to Level up the Tariff	Rs./kWh			1.2253			0.7229
Impact of Variation in Fuel cost to the extent of T&D losses							
Own Generation							
Monthly Approved FCA	Rs./kWh	0.6570	1.2900	1.2055	1.3581	1.0591	0.5460
Total Units Sent Out	Gwh	1,615	1,873	1,884	1,863	1,686	1,778
Allowed Level of T&D losses	%	18.75%	18.75%	18.75%	17.76%	17.76%	17.76%
Impact of Losses on FCA for Own Generation	Rs.Mln	198.94	452.97	425.74	449	317	172
Total impact of Losses FCA				1,077.65			939
Power Purchases							
Fuel Cost							
Monthly Approved FCA	Rs./kWh	(0.0001)	0.1427	0.2693	(0.1471)	(0.3007)	(0.2390)
Total Units Sent Out	Gwh	1,615	1,873	1,884	1,863	1,686	1,778
Allowed Level of T&D losses	%	18.75%	18.75%	18.75%	17.76%	17.76%	17.76%
Impact of Losses on FCA for Power Purchases	Rs.Mln	(0)	50	95	(49)	(90)	(75)
Total impact of Losses on FCA	Rs.Mln			145.18			(214)
G. Total	Rs.Mln			1,222.830			724.72
Impact of Variation in Variable O&M and Capacity	Rs.Mln	209.79	(696.16)	(902.68)	52.78	237.07	511.58
Total impact of Variable O&M and Capacity	Rs.Mln			(1,389.04)			801.42
Unrecovered Cost of June 16 Quarter (old MYT)/CPPA-G Adj	Rs.Mln			-			-
Net Impact of Life Line, 300 units & Agriculture units	Rs.Mln			10.5620			1.419
Total Un-Recovered Cost of the Quarter	Rs.Mln			(155.65)			1,528
WWF	Rs.Mln	-	-	-	-	-	-
WPPF	Rs.Mln	-	-	47.623	-	-	97.58
Bonus/Other Costs/ WPPF of KE/ Previous Adjustment	Rs.Mln	-	-	-	-	-	-
Write Off	Rs.Mln	-	-	(3,233)	-	-	-
LDs	Rs.Mln	-	(2,69104)	(1,21385)	-	(27.76)	(2.57)
Units Sold during Next Quarter on allowed T&D Losses	GWh			4,381.36			3,298.32
Adjustment for the Quarter	Rs./kWh			(0.7635)			0.4835
Reversal of Previous Quarter	Rs./kWh			0.4143			0.7635
Net Adjustment for the Quarter	Rs./kWh			(0.3492)			1.2470
Annual Adjustments	Rs./kWh			(0.1025)			



**Decision of the Authority in the matter of Quarterly Adjustments
of K-Electric Limited for the Period from April-19 to March-20**

Description	Unit	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Adjustment in SOT for the Quarter	Rs./kWh			(0.0233)			0.6132
FCC of Own Generation	Rs./kWh			4.7484			5.6507
FCC adjusted on Target T&D Losses	Rs./kWh			5.7738			6.8710
Reference Own Generation FCC adjusted on Target T&D Losses	Rs./kWh			9.0771			5.7738
Required adjustment in SOT of Own Generation to level up the tariff	Rs./kWh			(3.303)			1.0972
Power Purchases							
Fuel Cost	Rs./kWh			3.8952			2.9892
FCC adjusted on Target T&D Losses	Rs./kWh			4.7364			3.6347
Reference Power Purchase FCC adjusted on Target T&D Losses	Rs./kWh			3.5721			4.7364
Required adjustment in SOT of Power Purchase FCC to level up the tariff	Rs./kWh			1.1643			(1.1017)
Variable O&M and Capacity	Rs./kWh			3.56224			3.54251
Variable O&M and Capacity adjusted on Target T&D Losses	Rs./kWh			4.33151			4.30753
Reference Power Purchase Variable O&M and Capacity based on Target T&D Losses	Rs./kWh			2.49579			4.33151
Required adjustment in SOT of Power Purchase Variable O&M and Capacity to level up the tariff	Rs./kWh			1.8357			(0.0240)
Total Adjustment in SOT to Level up the Tariff	Rs./kWh			(0.3033)			(0.0285)
Impact of Variation in Fuel cost to the extent of T&D losses Own Generation							
Monthly Approved FCA	Rs./kWh	(0.1380)	(1.6082)	(2.717)	0.1949	0.9025	0.9023
Total Units Sent Out	Gwh	1,729	1,265	1,017	969	1,058	1,228
Allowed Level of T&D losses	%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%
Impact of Losses on FCA for Own Generation	Rs. Mln	(42.37)	(361.17)	(490.75)	33.54	169.66	196.71
Total impact of Losses FCA				(894.29)			399.91
Power Purchases							
Fuel Cost							
Monthly Approved FCA	Rs./kWh	0.2404	(0.5183)	0.9575	0.7477	(0.3932)	(0.9061)
Total Units Sent Out	Gwh	1,729	1,265	1,017	969	1,058	1,228
Allowed Level of T&D losses	%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%
Impact of Losses on FCA for Power Purchases	Rs. Mln	74	(116)	173	129	(74)	(198)
Total impact of Losses on FCA	Rs. Mln			130.386			(143)
G. Total	Rs. Mln			(763.91)			257.15
Impact of Variation in Variable O&M and Capacity	Rs. Mln	549.96	1,642.72	1,535.61	510.57	931.53	(24.22)
Total impact of Variable O&M and Capacity	Rs. Mln			3,728.30			1,417.89
Unrecovered Cost of June 16 Quarter (old MYT)/CPPA-G Adj	Rs. Mln			-			-
Net Impact of Life Line, 300 units & Agriculture units	Rs. Mln			(1,002.21)			0.285
Total Un-Recovered Cost of the Quarter	Rs. Mln			1,962			1,675
WWF	Rs. Mln	-	-	-	-	-	33.48
WPPF	Rs. Mln	-	-	83.70	-	-	33.00
Bonus/Other Costs/ WPPF of KE/ Previous Adjustment	Rs. Mln	-	-	-	-	-	4,225
Write Off	Rs. Mln	-	-	-	-	-	-
LDs	Rs. Mln	-	-	(1.89)	(2.02)	-	-
Units Sold during Next Quarter on allowed T&D Losses	GWh			2,677.00			4,244.62
Adjustment for the Quarter	Rs./kWh			0.7635			1.4052
Reversal of Previous Quarter	Rs./kWh			(0.4835)			(0.7635)
Net Adjustment for the Quarter	Rs./kWh			0.2800			0.6417

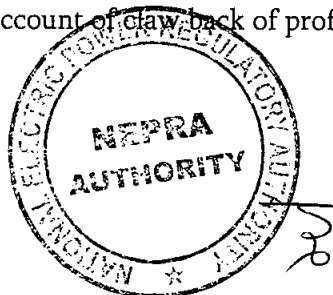
Issue # Whether K-electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?

Issue # Whether K-electric has optimally utilized the capacity of its power plants to meet with the demand of its system?

79. Regarding technical issues, *inter alia*, following of Economic Merit Order & System Operating Procedures, underutilization, Generation capacity kept on standby mode by KE and heat rates & auxiliaries etc., the Authority has decided that these issues would be dealt separately.

Issue #Whether the Claw Back working provided by K-Electric is justified?

80. As per the MYT 2017 determination, KE shall on yearly basis and within the first week of January, submit the proposed adjustment of tariff on account of claw back of profits, pertaining to the



preceding financial years. K-Electric vide letter dated March 06, 2020 submitted its claw back workings for the FY 2016-17 and FY 2017-18 after finalization of its financial statements for the FY 2016-17 in July 2019 and for the FY 2017-18 in October 2019. Regarding Profit Claw Back for the FY 19, K-Electric submitted its working vide letter dated 22.07.2020.


81. The Authority noted that as per the workings submitted by K-Electric for the FY 2017, FY 2018 and FY 2019, it has reported NIL amount to be Clawed Back for all the three years. The Claw back workings submitted by K-Electric are being analyzed; based on the analysis, if any amount works out to be deducted on account of claw back, the same would be adjusted in the subsequent tariff adjustments of K-Electric or a separate decision in this regard would be issued.


82. K-Electric is allowed to charge the "use of system charges" from the user of its system, as per the mechanism provided in its MYT 2017 determination. The use of system charges shall be worked out, by using the latest allowed numbers of transmission or distribution margin components or both, as the case may be, and shall be adjusted on the allowed level of loss assessment for the respective year.

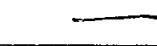
83. In view of the discussion made in preceding paragraphs and accounting for the adjustments discussed above, the revised quarterly Schedule of Tariffs (SoTs) of K-Electric, for the period from July -September 2019 to April-June 2020 have been prepared and are attached herewith.

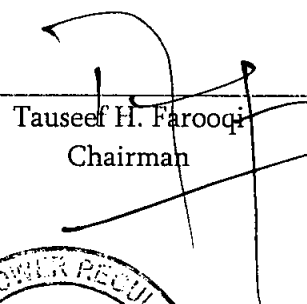
84. In terms of Section 31(7) of the NEPRA Act, order of the Authority along with revised quarterly SoTs are intimated to the Federal Government for notification in the official Gazette.

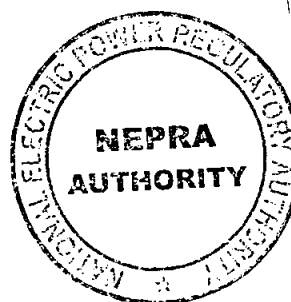
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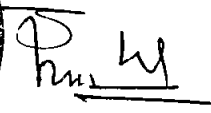

Rafique Ahmed Sheikh
Member


Saif Ullah Chattha
Vice Chairman


Rehmatullah Baloch
Member


Tauseef H. Farooqi
Chairman




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**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED**

APPLICABLE FOR THE QUARTER JULY
SEPTEMBER 2019

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW							
i	Up to 50 Units	-	4.00				4.00	
	For Consumption exceeding 50 Units							
ii	1- 100 Units	-	13.97		0.78		14.75	
iii	101- 200 Units	-	15.56		0.78		16.34	
iv	201- 300 Units	-	16.77		0.78		17.55	
v	301- 700 Units	-	17.82		0.78		18.60	
vi	Above 700 Units	-	20.17		0.78		20.95	
b)	For Sanctioned load 5 kW & above							
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
	Time Of Use	-	21.38	17.20	0.78	0.78	22.16	17.98

As per decision of the Authority, residential consumers will be given benefit of only one previous slab.

Consumption exceeding 50 units but not exceeding 100 units will be charged under the 1-100 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		Quarterly Adjustment		TOTAL VARIABLE CHARGES	
			Rs/kWh		Rs/kWh		Rs/kWh	
a)	For Sanctioned load less than 5 kW	400.00	18.13		0.78		18.91	
b)	For Sanctioned load 5 kW & above		17.36		0.78		18.14	
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
c)	Time Of Use	400.00	21.37	17.14	0.78	0.78	22.15	17.92

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		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
a)	General Services	-	18.32		0.78	19.10	

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

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
B1	Upto 25 kW (at 400/230 Volts)	-	18.37		0.78		19.15	
B2(a)	25-500 kW (at 400 Volts)	400.00	17.52		0.78		18.30	
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	380.00	17.37		0.78		18.15	
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	360.00	16.87		0.78		17.65	
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
B1(b)	Upto 25 kW (at 400/230 Volts)	-	21.37	17.37	0.78	0.78	22.15	18.15
B2(b)	25-500 kW (at 400 Volts)	400.00	21.37	16.87	0.78	0.78	22.15	17.65
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	380.00	21.37	16.37	0.78	0.78	22.15	17.15
B4(b)	For All Loads (at 66,132 kV & above)	360.00	21.37	16.12	0.78	0.78	22.15	16.90
B5	For All Loads (at 220 kV & above)	340.00	21.37	15.37	0.78	0.78	22.15	16.15

For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.

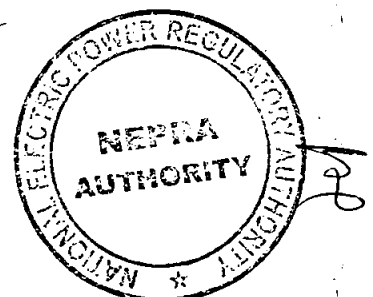
For B2 consumers there shall be a fixed minimum charge of Rs. 2,000 per month.

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.

For B5 consumers there shall be a fixed minimum charge of Rs. 1000,000 per month.

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SCHEDULE OF ELECTRICITY TARIFF FOR K-ELECTRIC LIMITED

APPLICABLE FOR THE QUARTER JULY
SEPTEMBER 2019

C - SINGLE POINT SUPPLY

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
C -1	For supply at 400/230 Volts							
a)	Sanctioned load less than 5 kW	-		18.37		0.78		19.15
b)	Sanctioned load 5 kW & up to 500 kW	400.00		17.37		0.78		18.15
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00		17.37		0.78		18.15
C -3(a)	For supply at 132 and above, up to and including 5000 kW	360.00		16.87		0.78		17.65
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
C -1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	21.37	16.87	0.78	0.78	22.15	17.65
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	21.37	16.37	0.78	0.78	22.15	17.15
C -3(b)	For supply at 132 kV up to and including 5000 kW	360.00	21.37	16.12	0.78	0.78	22.15	16.90

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
D-1	For all Loads	200.00	16.09		0.78		16.87	
	Time of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
D-2	For all Loads	200.00	21.37	15.67	0.78	0.78	22.15	16.45

Note: The consumers having sanctioned load less than 5 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
E-1(i)	Residential Supply	-		18.87	0.78		19.65
E-1(ii)	Commercial Supply	-		19.47	0.78		20.25
E-2 (i)	Industrial Supply	-		19.92	0.78		20.70
E-2 (ii)	Bulk Supply						
	(a) at 400 Volts	-		19.87	0.78		20.65
	(b) at 11 kV			19.85	0.78		20.63

For the categories of E-1(i&ii) and E-2 (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 Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Street Lighting	-		18.77	0.78		19.55

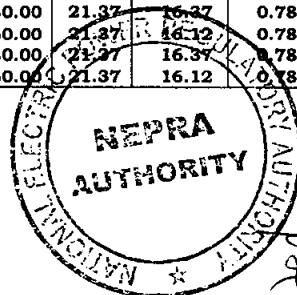
Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Residential Colonies attached to industrial premises	-		18.87	0.78		19.65

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

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
J-1	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	16.87		0.78		17.65	
J-2								
	(a) For supply at 11,33 kV	380.00	17.37		0.78		18.15	
	(b) For supply at 66 kV & above	360.00	16.87		0.78		17.65	
J-3								
	(a) For supply at 11,33 kV	380.00	17.37		0.78		18.15	
	(b) For supply at 66 kV & above	360.00	16.87		0.78		17.65	
	Time Of Use							
			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	21.37	16.12	0.78	0.78	22.15	16.90
J-2 (c)	For supply at 11,33 kV	380.00	21.37	16.37	0.78	0.78	22.15	17.15
J-2 (d)	For supply at 66 kV & above	360.00	21.37	16.12	0.78	0.78	22.15	16.90
J-3 (c)	For supply at 11,33 kV	380.00	21.37	16.37	0.78	0.78	22.15	17.15
J-3 (d)	For supply at 66 kV & above	360.00	21.37	16.12	0.78	0.78	22.15	16.90



**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED**

APPLICABLE FOR THE QUARTER OCTOBER
DECEMBER 2019

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW	-	4.00				4.00	
i	Up to 50 Units	-						
	For Consumption exceeding 50 Units	-						
ii	1- 100 Units	-	14.75		1.97		16.72	
iii	101- 200 Units	-	16.34		1.97		18.31	
iv	201- 300 Units	-	17.55		1.97		19.52	
v	301- 700 Units	-	18.60		1.97		20.57	
vi	Above 700 Units	-	20.95		1.97		22.92	
b)	For Sanctioned load 5 kW & above	-						
	Time Of Use	-	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
		-	22.16	17.98	1.97	1.97	24.13	19.95

As per decision of the Authority, residential consumers will be given benefit of only one previous slab.
Consumption exceeding 50 units but not exceeding 100 units will be charged under the 1-100 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		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW	-	18.91		1.97		20.88	
b)	For Sanctioned load 5 kW & above	400.00	18.14		1.97		20.11	
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
c)	Time Of Use	400.00	22.15	17.92	1.97	1.97	24.12	19.89

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		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	General Services	-	19.10		1.97		21.07	

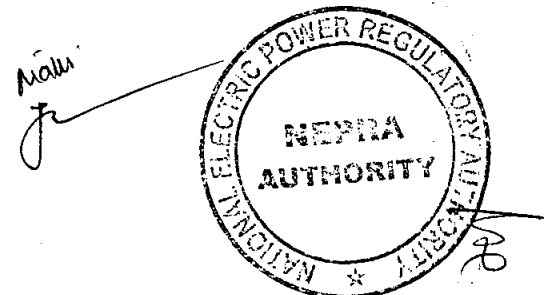
Under tariff A-3, there shall be minimum monthly charges at the following rates even if no energy is consumed.

- a) Single Phase Connections: Rs. 175/- per consumer per month
b) Three Phase Connections: Rs. 350/- per consumer per month

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
B1	Upto 25 kW (at 400/230 Volts)	-	19.15		1.97		21.12	
B2(a)	25-500 kW (at 400 Volts)	400.00	18.30		1.97		20.27	
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	380.00	18.15		1.97		20.12	
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	360.00	17.65		1.97		19.62	
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
B1(b)	Upto 25 kW (at 400/230 Volts)	-	22.15	18.15	1.97	1.97	24.12	20.12
B2(b)	25-500 kW (at 400 Volts)	400.00	22.15	17.65	1.97	1.97	24.12	19.62
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	380.00	22.15	17.15	1.97	1.97	24.12	19.12
B4(b)	For All Loads (at 66,132 kV & above)	360.00	22.15	16.90	1.97	1.97	24.12	18.87
B5	For All Loads (at 220 kV & above)	340.00	22.15	16.15	1.97	1.97	24.12	18.12

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.
For B5 consumers there shall be a fixed minimum charge of Rs. 1000,000 per month.



SCHEDULE OF ELECTRICITY TARIFF FOR K-ELECTRIC LIMITED

APPLICABLE FOR THE QUARTER OCTOBER
DECEMBER 2019

C - SINGLE POINT SUPPLY

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
C-1	For supply at 400/230 Volts							
a)	Sanctioned load less than 5 kw	-		19.15		1.97		21.12
b)	Sanctioned load 5 kw & up to 500 kw	400.00		18.15		1.97		20.12
C-2(a)	For supply at 11,33 kv up to and including 5000 kw	380.00		18.15		1.97		20.12
C-3(a)	For supply at 132 and above, up to and including 5000 kw	360.00		17.65		1.97		19.62
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
C-1(c)	For supply at 400/230 Volts 5 kw & up to 500 kw	400.00	22.15	17.65	1.97	1.97	24.12	19.62
C-2(b)	For supply at 11,33 kv up to and including 5000 kw	380.00	22.15	17.15	1.97	1.97	24.12	19.12
C-3(b)	For supply at 132 kv up to and including 5000 kw	360.00	22.15	16.90	1.97	1.97	24.12	18.87

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
D-1	For all Loads	200.00		16.87		1.97		18.84
	Time of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
D-2	For all Loads	200.00	22.15	16.45	1.97	1.97	24.12	18.42

Note:- The consumers having sanctioned load less than 5 kw can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
E-1(i)	Residential Supply	-		19.65		1.97		21.62
E-1(ii)	Commercial Supply	-		20.25		1.97		22.22
E-2 (i)	Industrial Supply	-		20.70		1.97		22.67
E-2 (ii)	Bulk Supply							
	(a) at 400 Volts	-		20.65		1.97		22.62
	(b) at 11 kv			20.63		1.97		22.60

For the categories of E-1(i&ii) and E-2 (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 Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
	Street Lighting	-		19.55		1.97		21.52

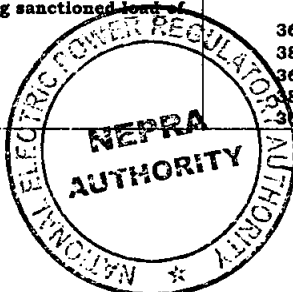
Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
	Residential Colonies attached to industrial premises	-		19.65		1.97		21.62

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

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
J-1	For supply at 66 kv & above and having sanctioned load of 20MW & above	360.00		17.65		1.97		19.62
J-2	(a) For supply at 11,33 kv	380.00		18.15		1.97		20.12
	(b) For supply at 66 kv & above	360.00		17.65		1.97		19.62
J-3	(a) For supply at 11,33 kv	380.00		18.15		1.97		20.12
	(b) For supply at 66 kv & above	360.00		17.65		1.97		19.62
	Time Of Use		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	22.15	16.90	1.97	1.97	24.12	18.87
J-2 (c)	For supply at 11,33 kv	380.00	22.15	17.15	1.97	1.97	24.12	19.12
J-2 (d)	For supply at 66 kv & above	360.00	22.15	16.90	1.97	1.97	24.12	18.87
J-3 (c)	For supply at 11,33 kv	380.00	22.15	17.15	1.97	1.97	24.12	19.12
J-3 (d)	For supply at 66 kv & above	360.00	22.15	16.90	1.97	1.97	24.12	18.87



SCHEDULE OF ELECTRICITY TARIFF FOR K-ELECTRIC LIMITED

APPLICABLE FOR THE QUARTER JANUARY
FEBRUARY MARCH 2020

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW							
i	Up to 50 Units	-	4.00				4.00	
	For Consumption exceeding 50 Units							
ii	1- 100 Units	-	16.72		(0.02)		16.70	
iii	101- 200 Units	-	18.31		(0.02)		18.29	
iv	201- 300 Units	-	19.52		(0.02)		19.60	
v	301- 700 Units	-	20.57		(0.02)		20.58	
vi	Above 700 Units	-	22.92		(0.02)		22.90	
b)	For Sanctioned load 5 kW & above							
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
	Time Of Use	-	24.13	19.95	(0.02)	(0.02)	24.11	19.93

As per decision of the Authority, residential consumers will be given benefit of only one previous slab.

Consumption exceeding 50 units but not exceeding 100 units will be charged under the 1-100 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	VARIABLE CHARGES		Quarterly Adjustment		TOTAL VARIABLE CHARGES	
		Rs/kw/M	Rs/kwh		Rs/kwh		Rs/kwh	
a)	For Sanctioned load less than 5 kW	400.00	20.88		(0.02)		20.86	
b)	For Sanctioned load 5 kW & above		20.11		(0.02)		20.09	
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
c)	Time Of Use	400.00	24.12	19.89	(0.02)	(0.02)	24.10	19.87

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	Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh
a)	General Services	-	21.07	(0.02)	21.05

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

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
B1	Upto 25 kW (at 400/230 Volts)	-	21.12		(0.02)		21.10	
B2(a)	25-500 kW (at 400 Volts)	400.00	20.27		(0.02)		20.25	
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	380.00	20.12		(0.02)		20.10	
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	360.00	19.62		(0.02)		19.60	
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
B1(b)	Upto 25 kW (at 400/230 Volts)	-	24.12	20.12	(0.02)	(0.02)	24.10	20.10
B2(b)	25-500 kW (at 400 Volts)	400.00	24.12	19.62	(0.02)	(0.02)	24.10	19.60
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	380.00	24.12	19.12	(0.02)	(0.02)	24.10	19.10
B4(b)	For All Loads (at 66,132 kV & above)	360.00	24.12	18.87	(0.02)	(0.02)	24.10	18.85
B5	For All Loads (at 220 kV & above)	340.00	24.12	18.12	(0.02)	(0.02)	24.10	18.10

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.

For B5 consumers there shall be a fixed minimum charge of Rs. 1000,000 per month.



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**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED**

APPLICABLE FOR THE QUARTER JANUARY
MARCH 2020

C - SINGLE POINT SUPPLY

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
C -1	For supply at 400/230 Volts							
a)	Sanctioned load less than 5 kW	-		21.12		(0.02)		21.10
b)	Sanctioned load 5 kW & up to 500 kW	400.00		20.12		(0.02)		20.10
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00		20.12		(0.02)		20.10
C -3(a)	For supply at 132 and above, up to and including 5000 kW	360.00		19.62		(0.02)		19.60
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
C -1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	24.12	19.62	(0.02)	(0.02)	24.10	19.60
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	24.12	19.12	(0.02)	(0.02)	24.10	19.10
C -3(b)	For supply at 132 kV up to and including 5000 kW	360.00	24.12	18.87	(0.02)	(0.02)	24.10	18.85

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
D-1	For all Loads	200.00	18.84		(0.02)		18.82	
	Time of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
D-2	For all Loads	200.00	24.12	18.42	(0.02)	(0.02)	24.10	18.40

Note: The consumers having sanctioned load less than 5 kw can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
E-1(i)	Residential Supply	-		21.62	(0.02)		21.60
E-1(ii)	Commercial Supply	-		22.22	(0.02)		22.20
E-2 (i)	Industrial Supply	-		22.67	(0.02)		22.65
E-2 (ii)	Bulk Supply						
	(a) at 400 Volts	-		22.62	(0.02)		22.60
	(b) at 11 kV			22.60	(0.02)		22.58

For the categories of E-1(i&ii) and E-2 (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 Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Street Lighting	-		21.52	(0.02)		21.50

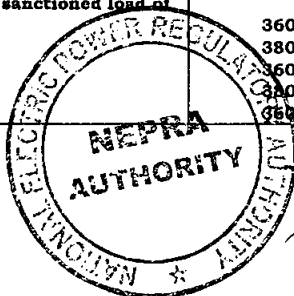
Under Tariff G, there shall be a minimum monthly charge of Rs.500/- per month per kW of lamp capacity installed.

H - RESIDENTIAL COLONIES ATTACHED TO INDUSTRIAL PREMISES

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Residential Colonies attached to industrial premises	-		21.62	(0.02)		21.60

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

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kw/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
J-1	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	19.62		(0.02)		19.60	
J-2								
	(a) For supply at 11,33 kV	380.00	20.12		(0.02)		20.10	
	(b) For supply at 66 kV & above	360.00	19.62		(0.02)		19.60	
J-3								
	(a) For supply at 11,33 kV	380.00	20.12		(0.02)		20.10	
	(b) For supply at 66 kV & above	360.00	19.62		(0.02)		19.60	
	Time Of Use		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	24.12	18.87	(0.02)	(0.02)	24.10	18.85
J-2 (c)	For supply at 11,33 kV	380.00	24.12	19.12	(0.02)	(0.02)	24.10	19.10
J-2 (d)	For supply at 66 kV & above	360.00	24.12	18.87	(0.02)	(0.02)	24.10	18.85
J-3 (c)	For supply at 11,33 kV	380.00	24.12	19.12	(0.02)	(0.02)	24.10	19.10
J-3 (d)	For supply at 66 kV & above	360.00	24.12	18.87	(0.02)	(0.02)	24.10	18.85



SCHEDULE OF ELECTRICITY TARIFF FOR K-ELECTRIC LIMITED

APPLICABLE FOR THE QUARTER APRIL
JUNE 2020

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW	-	4.00				4.00	
i)	Up to 50 Units	-						
	For Consumption exceeding 50 Units	-						
ii)	1- 100 Units	-	16.70		0.61		17.31	
iii)	101- 200 Units	-	18.29		0.61		18.90	
iv)	201- 300 Units	-	19.50		0.61		20.11	
v)	301- 700 Units	-	20.55		0.61		21.16	
vi)	Above 700 Units	-	22.90		0.61		23.51	
b)	For Sanctioned load 5 kW & above	-						
	Time Of Use	-	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
		-	24.11	19.93	0.61	0.61	24.72	20.54

As per decision of the Authority, residential consumers will be given benefit of only one previous slab.

Consumption exceeding 50 units but not exceeding 100 units will be charged under the 1-100 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. 180/- per consumer per month

A-2 GENERAL SUPPLY TARIFF - COMMERCIAL

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	For Sanctioned load less than 5 kW	-	20.86		0.61		21.47	
b)	For Sanctioned load 5 kW & above	400.00	20.09		0.61		20.70	
			Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
c)	Time Of Use	400.00	24.10	19.87	0.61	0.61	24.71	20.48

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		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
a)	General Services	-	21.05		0.61		21.66	

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

B INDUSTRIAL SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
B1	Upto 25 kW (at 400/230 Volts)	-	21.10		0.61		21.71	
B2(a)	25-500 kW (at 400 Volts)	400.00	20.25		0.61		20.86	
B3(a)	For all loads upto 5000 KW (at 11,33 kV)	380.00	20.10		0.61		20.71	
B4(a)	For all loads upto 5000 KW (at 66,132 kV)	360.00	19.60		0.61		20.21	
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
B1(b)	Upto 25 kW (at 400/230 Volts)	-	24.10	20.10	0.61	0.61	24.71	20.71
B2(b)	25-500 kW (at 400 Volts)	400.00	24.10	19.60	0.61	0.61	24.71	20.21
B3(b)	For All Loads up to 5000 kW (at 11,33 kV)	380.00	24.10	19.10	0.61	0.61	24.71	19.71
B4(b)	For All Loads (at 66,132 kV & above)	360.00	24.10	18.85	0.61	0.61	24.71	19.46
B5	For All Loads (at 220 kV & above)	340.00	24.10	18.10	0.61	0.61	24.71	18.71

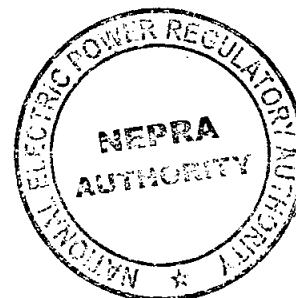
For B1 consumers there shall be a fixed minimum charge of Rs. 350 per month.

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.

For B5 consumers there shall be a fixed minimum charge of Rs. 1000,000 per month.



**SCHEDULE OF ELECTRICITY TARIFF
FOR K-ELECTRIC LIMITED**

APPLICABLE FOR THE QUARTER APRIL
JUNE 2020

C - SINGLE POINT SUPPLY

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
C -1	For supply at 400/230 Volts							
a)	Sanctioned load less than 5 kW	-	21.10		0.61		21.71	
b)	Sanctioned load 5 kW & up to 500 kW	400.00	20.10		0.61		20.71	
C -2(a)	For supply at 11,33 kV up to and including 5000 kW	380.00	20.10		0.61		20.71	
C -3(a)	For supply at 132 and above, up to and including 5000 kW	360.00	19.60		0.61		20.21	
	Time Of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
C -1(c)	For supply at 400/230 Volts 5 kW & up to 500 kW	400.00	24.10	19.60	0.61	0.61	24.71	20.21
C -2(b)	For supply at 11,33 kV up to and including 5000 kW	380.00	24.10	19.10	0.61	0.61	24.71	19.71
C -3(b)	For supply at 132 kV up to and including 5000 kW	360.00	24.10	18.85	0.61	0.61	24.71	19.46

D - AGRICULTURE TARIFF

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
D-1	For all Loads	200.00	18.82		0.61		19.43	
	Time of Use		Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
D-2	For all Loads	200.00	24.10	18.40	0.61	0.61	24.71	19.01

Note: The consumers having sanctioned load less than 5 kW can opt for TOU metering.

E - TEMPORARY SUPPLY TARIFFS

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
E-1(i)	Residential Supply	-		21.60	0.61		22.21
E-1(ii)	Commercial Supply	-		22.20	0.61		22.81
E-2 (i)	Industrial Supply	-		22.65	0.61		23.26
E-2 (ii)	Bulk Supply						
	(a) at 400 Volts	-		22.60	0.61		23.21
	(b) at 11 kV	-		22.58	0.61		23.19

For the categories of E-1(i&ii) and E-2 (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 Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Street Lighting	-		21.50	0.61		22.11

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 Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh	TOTAL VARIABLE CHARGES Rs/kWh	
	Residential Colonies attached to industrial premises	-		21.60	0.61		22.21

J - SPECIAL CONTRACTS UNDER NEPRA SUPPLY OF POWER REGULATIONS 2015

Sr. No.	TARIFF CATEGORY / PARTICULARS	FIXED CHARGES Rs/kW/M	VARIABLE CHARGES Rs/kWh		Quarterly Adjustment Rs/kWh		TOTAL VARIABLE CHARGES Rs/kWh	
J-1	For supply at 66 kV & above and having sanctioned load of 20MW & above	360.00	19.60		0.61		20.21	
J-2								
	(a) For supply at 11,33 kV	380.00	20.10		0.61		20.71	
	(b) For supply at 66 kV & above	360.00	19.60		0.61		20.21	
J-3								
	(a) For supply at 11,33 kV	380.00	20.10		0.61		20.71	
	(b) For supply at 66 kV & above	360.00	19.60		0.61		20.21	
	Time Of Use							
			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	24.10	18.85	0.61	0.61	24.71	19.46
J-2 (c)	For supply at 11,33 kV	380.00	24.10	19.10	0.61	0.61	24.71	19.71
J-2 (d)	For supply at 66 kV & above	360.00	24.10	18.85	0.61	0.61	24.71	19.46
J-3 (c)	For supply at 11,33 kV	380.00	24.10	19.10	0.61	0.61	24.71	19.71
J-3 (d)	For supply at 66 kV & above	360.00	24.10	18.85	0.61	0.61	24.71	19.46

