



# FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED

TRF-329

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OFFICE OF THE  
CHIEF EXECUTIVE OFFICER  
FESCO FAISALABAD

No 3708 CFO/FESCO/CPC

Dated 01/03/2018

The Registrar, NEPRA,  
NEPRA Tower, G-5/1,  
Islamabad.

Subject: **REQUEST FOR ADJUSTMENT OF TARIFF COMPONENTS FOR FY 2016-17 AND 2017-18 UNDER MULTI YEAR TARIFF REGIME**

Dear Sir,

According to NEPRA guidelines for determination of consumer end tariff (Methodology and Process), 2015 notified vide SRO 34(1)/2015 on 16 January, 2015, Para 41 of the determination in the matter of FESCO's multi-year tariff determination dated December 31, 2015, Para 15.13 of the FESCO's motion for leave for review dated May 11, 2016 and Para 20 of the re-determination in the matter of request for re-consideration filed by GoP, the following tariff components are to be adjusted/indexed, bi-annually and annually;

- Power Purchase Price (PPP) adjustment including T&D Losses
- Operation & Maintenance Cost (O&M)
- Depreciation Expense
- Return on Rate Base
- Other Income
- Prior Year Adjustment (PYA)

The Authority vide No. NEPRA/SAT-1/TRY-100/1019, Dated January 22, 2018 has directed FESCO to file adjustment data For FY 2016-17 and 2017-18 against the MYT 2015-16 to 2019-20.

The tariff of FESCO for FY 2015-16 re-determined by NEPRA, dated September 18, 2017 and the subsequent periodical adjustments on account of Power Purchase Price (PPP) including impact of T&D Losses on FCA and prior year adjustment (PYA) pertaining to the FY 2016-17 is still not notified. On the other hand, FESCO requires recovery of its cost of service at the current market prices to maintain its financial viability.

We shall be thankful if the Authority shall allow the Adjustments for the FY 2016-17 & 2017-18. The adjustments are supported with all requisite data and supporting material.

In case any further clarification is required, please intimate.

DA/As above

For information & mfa M.

SAT-I

ADG(TV)

GmD:

SA (Tech)

SAT-II

DG (m&E) -SLA

MD. Idris Idris

02/03/18

cc: chairman  
VC/m(m&E)  
m(T) -m(Lic) -m(OA)

(MUJAHID ISLAM BILLAH)  
Chief Executive Officer

Registrar	2231
Dy No.	02-08-18
Dated	02-08-18

**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**  
**(NEPRA)**

**FILING OF TARIFF ADJUSTMENT DATA FOR FY 2016-17 AND 2017-18**  
**AGAINST THE MYT 2015-16 TO 2019-20 IN RESPONSE TO NEPRA**  
**DIRECTION VIDE LETTER NO.NEPRA/SAT-1/TRY-100/1019, DATED**  
**JANUARY 22, 2018**

February 28, 2018

**FAISALABAD ELECTRIC SUPPLY COMPANY LIMITED**



**FESCO**

**FESCO, HEADQUARTER WEST CANAL ROAD, ABDULLAH PUR, FAISALABAD**

**PHONE # : 92-41-9220184**

**FAX # : 92-41-9220233**



## 1. Applicant

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1.1 Faisalabad Electricity Supply Company Limited (FESCO) is an ex-WAPDA Distribution Company (DISCO) owned by the Government of Pakistan (GOP) and incorporated as a Public Limited Company on March 21, 1998 vide company registration No. L09460 of 1997-98 under section 32 of the Companies Ordinance 1984.

1.2 Principal business of FESCO is to provide electricity to the consumers of Civil Districts of Faisalabad, Jhang, Sargodha, Mianwali, Toba Tek Sing, Jauharabad, Bhakkar and Chiniot in the province of Punjab under Distribution License No. 02/DL/2002 granted by NEPRA (the Distribution License).

## 2. Background

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2.1 FESCO being a distribution licensee of NEPRA, had filed a Tariff Petition for the Determination of its Consumer End Tariff for FY 2015-16 to FY 2019-20 under multiyear tariff regime (Case # NEPRA/TRF-329/FESCO-2015) on 7<sup>th</sup> August, 2015. After conclusion of the proceedings, Determination upon the subject was given by the Authority vide NEPRA's letter No. NEPRA/TRF-329/FESCO-2015/18462-18464 dated December 31, 2015. FESCO filed Review on 19<sup>th</sup> January, 2016 which was decided by the Authority on 11<sup>th</sup> May 2016. Thereafter, reconsideration decision dated 01-07-2016 and decision dated 04-07-2016 for PPP adjustments upto May FY 2015-2016, was passed by the Authority. Thereafter, Writ Petition No. 3148/2016 filed before the honorable Islamabad High Court. The honourable Court has given its decision whereby the Authority has been given directions to determine the tariff a fresh.

2.2 Pursuant to the directions of the honorable Court, the Authority in its re-determination vide No. NEPRA/TRF-329/FESCO-2015/15611 dated September 18, 2017, of the GoP re-consideration request with respect to the consumer end tariff of FESCO for FY 2015-16 to FY 2019-20 had also included the impact of over/under recovery of PPP, assessed Distribution Margin (DM) and previously allowed Prior Year Adjustment (PYA) along-with other relevant adjustments pertaining to the FY 2015-16 on actual basis.

2.3 Furthermore, the Authority in the matter of Suo Moto Proceedings has also determined the periodical adjustments on account of Power Purchase Price (PPP) and Prior Year Adjustment (PYA) pertaining to the FY 2016-17 vide No. NEPRA/TRF-339/17402-17404 dated October 23, 2017.



2.4 The determinations mentioned above have not yet been notified by the GoP. Consequently, the tariff determined by NEPRA in respect of FESCO for the FY 2014-15 issued on March 10, 2015 notified vide S.R.O No. 568(I) /15 dated June 10, 2015 is being charged to the end consumers of FESCO. Similarly the monthly adjustments being notified by the Authority are based thereon.

2.5 According to NEPRA guidelines for determination of consumer end tariff (Methodology and Process), 2015 notified vide SRO 34(1)/2015 on 16 January, 2015, Para 41 of the determination in the matter of FESCO's multi-year tariff determination dated December 31, 2015, Para 15.13 of the FESCO's motion for leave for review dated May 11, 2016 and Para 20 of the re-determination in the matter of request for re-consideration filed by GoP, the following tariff components are to be adjusted/indexed bi-annually and annually.

2.5.1 Power Purchase Price (PPP) adjustment including T&D Losses

2.5.2 Operation & Maintenance Cost (O&M)

2.5.3 Depreciation Expense

2.5.4 Return on Rate Base


2.5.5 Other Income

2.5.6 Prior Year Adjustment (PYA)

2.6 The Authority vide No. NEPRA/SAT-1/TRY-100/1019, Dated January 22, 2018 has directed FESCO to file adjustment data For FY 2016-17 and 2017-18 against the MYT 2015-16 to 2019-20. Accordingly, the adjustment data for the said financial years is given below with all supporting documents.

### **3. Adjustment Data**

3.1 Since the tariff of FESCO for FY 2015-16 re-determined by NEPRA, dated September 18, 2017 and the subsequent periodical adjustments on account of Power Purchase Price (PPP) including impact of T&D Losses on FCA and prior year adjustment (PYA) pertaining to the FY 2016-17 is still not notified, therefore, the reference tariff components of FY 2015-16 cannot be used for adjustment/indexation. At the same time, FESCO requires recovery of its cost of service at the current market prices to maintain its financial viability.



### **3.1.1 Power Purchase Price including T&D Losses:**

The Power Purchase Price (PPP) adjustments for FY 2016-17 which amounts to Rs.9,087 Million (under recovered) have already been determined by the Authority in its decision dated October 23, 2017 (Para 17 of the determination referred). The Power Purchase Price (PPP) adjustments for FY 2017-18 (Jul. to Dec. 2017) which comes to Rs. 229 Million (under recovered) is as under;

#### **Bi-Annual Power Purchase Price Adjustments (Jul-Dec 2017)**

(PKR Millions)	
Description	Jul-Dec 2017
Notified reference PPP (Jul-Dec 2017)	57,936
Add; 1st Bi-Annual PPP adjustment (Jul-Dec 2017)	19,340
Less; PPP recovery on notified rates (Jul-Dec 2017)	77,047
Unrecovered Cost (Jul-Dec 2017)	229

Working attached as (Annexure-A).

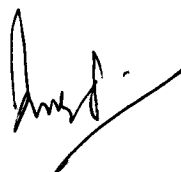
### **3.1.2 Operation & Maintenance Cost:**

The actual Operation & Maintenance (O&M) Cost of Rs. 13,848 Million for FY 2016-17 as per audited Financial Statements ended June 30, 2017 and actual/estimated O&M cost of Rs. 15,909 for FY 2017-18 is as under;

#### **Operating & Maintenance Expenses**

(PKR Millions)			
Description	2015-16	2016-17	2017-18
	Re-Determined	Actual	Projected
Pay & Allowances	5,936	7,258	8,469
Retirement Benefits	3,242	4,951	5,407
Repair & Maintenance	576	437	604
Other Expenses	1,074	1,586	1,813
Total	10,828	14,232	16,293
Less: Allocation to AUC	-	(384)	(384)
Net Total	10,828	13,848	15,909
Unit Sales (M kWh)	10,210	11,499	12,961
Rs./kWh	1.06	1.20	1.23

Working attached as (Annexure-B).



### 3.1.3 Depreciation:

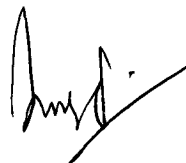
The actual Depreciation Expenses of Rs. 2,282 Million for FY 2016-17 as per audited Financial Statements ended June 30, 2017 and actual/estimated Depreciation Expenses of Rs. 2,682 Million for FY 2017-18 is as under;

Description	(PKR Millions)		
	2015-16 Re-Determined	2016-17 Actual	2017-18 Projected
Gross Fixed Assets in Operation – Opening Balance	59,629	63,666	68,986
Add: Addition in Fixed Assets	4,037	5,320	10,434
Fixed Assets in Operation – Closing Balance	63,666	68,986	79,420
*Depreciation Expense	2,125	2,282	2,682
Unit Sales (M kWh)	10,210	11,499	12,961
Rs./kWh	0.21	0.20	0.21

In the PYA determination of FY 2015-16 the actual Depreciation Expense has been taken as 1,904 Million instead Rs.2,125 Million at the original Cost of Property, Plant & Equipment (PPE). This was occurred due to calculation mistake in Depreciation Expense and the corresponding Accumulated Depreciation of the Asset Class “Grids & Equipment” Note 6.1.2 to the Financial Statements ended June 30, 2016 as elaborated below.

(PKR Millions)				
	Asset Class	Op. Acc. Depreciation	Dep. during the Year	Acc. Dep. at year end
1	<b>As per actual calculation:</b>			
	Grids & Equipment	3,537	383	3,920
	Other Assets	15,631	1,742	17,374
	<b>Total</b>	<b>19,168</b>	<b>2,125</b>	<b>21,294</b>
2	<b>As per Financial Statements:</b>			
	Grids & Equipment	3,537	162	3,699
	Other Assets	15,631	1,742	17,374
	<b>Total</b>	<b>19,168</b>	<b>1,904</b>	<b>21,073</b>
3=1-2	<b>Difference</b>	-	<b>221</b>	<b>221</b>

In this way an amount of Rs.221 Million has been under assessed. Detail working in support of Rs.2,125 Million as Depreciation Expense for FY 2015-16 has been attached as (Annexure-C).



### 3.1.4 Return on Rate Base (RORB):

The actual Return on Rate Base (RORB) of Rs. 2,787 Million for FY 2016-17 as per audited Financial Statements ended June 30, 2017 and actual/estimated RORB of Rs. 3,341 Million for FY 2017-18 is as under;

#### Rate of Return on Regulatory Assets Base

(PKR Millions)

Description	2015-16	2016-17	2017-18
	Re-Determined	Actual	Projected
Gross Fixed Assets in Operation - Opening Balance	59,629	63,666	68,986
Add: Addition in Fixed Assets (Net)	4,037	5,320	10,434
Fixed Assets in Operation – Closing Balance	63,666	68,986	79,420
Less: Accumulated Depreciation	(21,290)	(23,520)	(26,201)
Net Fixed Assets in Operation	42,376	45,466	53,219
Add: Assets Under Construction(AUC) - Closing Balance	8,139	10,699	14,409
Total Fixed Assets	50,515	56,165	67,628
Less: Deferred Credits	(27,938)	(31,622)	(35,681)
Regulatory Assets Base	22,578	24,542	31,947
Average Regulatory Assets Base	21,324	23,560	28,245
Rate of Return	11.83%	11.83%	11.83%
Return on Rate Base	2,523	2,787	3,341
Unit Sales (M kWh)	10,210	11,499	12,961
Rs./kWh	0.25	0.24	0.26

Working attached as (Annexure-C).

### 3.1.5 Other Income:

The actual Other Income of Rs. 3,421 Million for FY 2016-17 as per audited Financial Statements ended June 30, 2017 and actual/estimated Other Income of Rs. 2,532 Million for FY 2017-18 excluding the impact of Late Payment Surcharge (LPS) is as under. Currently the LPS is remitted to CPPA-G as per tariff determination of FY 2014-15 & instructions of GoP.

#### Other Income

(PKR Millions)

Description	2015-16	2016-17	2017-18
	Re-Determined	Actual	Projected
Late Payment Surcharge	1,112	1,069	1,091
Profit on Bank Deposits	285	430	440
Meter / Service Rent	49	50	49
Reconnection Fees	20	18	19
Gain on New Connections	321	386	363
Repair, Testing and Inspection Fees	16	11	14



Recovery of Late Delivery Charges	74	71	72
Service Fee	135	57	60
Other Misc Income	141	71	74
Amortization of Deferred Credit	1,164	1,258	1,441
Total	3,318	3,421	3,623
Less: Late Payment Surcharge	-	-	1,091
Net Other Income	3,318	3,421	2,532
Unit Sales (M kWh)	10,210	11,499	12,961
Rs./kWh	0.32	0.30	0.20

Summary of Distribution Margin (DM) with adjustments is given below.

(PKR Millions)

Tariff Component	2015-16	2016-17		2017-18	
	Det /Ref	Adjustment	Revised	Adjustment	Revised
Operating & Maintenance Cost (O&M)	10,828	1.28	13,848	1.15	15,909
Return on Regulatory Asset Base (RORB)	2,523	1.11	2,787	1.20	3,341
Depreciation Expense	2,125	1.07	2,282	1.18	2,682
Gross Distribution Margin (DM)	15,476		18,917		21,932
Less: Other Income	(3,318)		(3,421)		(2,532)
Net Distribution Margin (DM)	12,158		15,496		19,400

### 3.1.6 Prior Year Adjustment:

In the PYA determination of FY 2015-16 the actual Depreciation Expense as a component of Distribution Margin (DM) has been assessed as 1,905 Million on the basis of audited Financial Statements for the said year. The actual Depreciation Expense was Rs. 2,125 Million at the original Cost of Property, Plant & Equipment (PPE). Thus an amount of Rs. 221 Million has been under-assessed in the PYA of FY 2015-16 and 2016-17 as well. The case has been explained with sufficient detail in **Para No.3.1.3** under the heading **Depreciation Expense**. After taking into account the impact of Rs.221 Million and Sales Mix for FY 2016-17 (not accounted for in the already determined PYA) the PYA for FY 2016-17 is given below.

Description	PKR Millions
Already Assessed PYA for the FY 2016-17	7,023
Add: impact of actual Depreciation Expense for FY 2015-16 under-assessed	221
Add: impact of Consumer Mix Variance for FY 2016-17	(600)
<b>Total</b>	<b>6,644</b>

Detail working in support of Consumer Mix Variance is attached as **Annexure-D**.



The overall Prior Year Adjustment till December, 2017 after taking into account all the components is given below.

	DESCRIPTION	PKR Million
<b>A</b>	<b>Power Purchase Price (PPP) Adjustment:</b>	
	Notified reference PPP during the FY 2017-18 (July-Dec)	57,936
	Add; 1 <sup>st</sup> Bi-Annual PPP adjustment pertaining to the FY 2017-18 (Jul-Dec)	19,340
	Less; Regulated PPP recovery on notified rates during the FY 2017-18 (July-Dec)	77,047
	Unrecovered / (Over Recovered) Cost For FY 2017-18 (Jul. to Dec.)	229
<b>B</b>	<b>Other Components Adjustment:</b>	
	*Assessed PYA for the FY 2017-18 (Jul. to Dec.) pertaining to FY 2016-17	3,697
	Add impact of actual Depreciation Expense for FY 2015-16 under-assessed	221
	Less; Regulated PYA recovery on notified rates during FY 2017-18 (Jul-Dec)	(12,719)
	Add impact of Consumer Mix Variance for FY 2016-17	(600)
	Unrecovered / Over Recovered Cost For FY 2017-18 (July-Dec)	16,037
<b>C = A+B</b>	<b>Total Unrecovered/ (Over recovered) Cost (July-Dec 2017)</b>	<b>16,266</b>
<b>D</b>	Add: Impact of Negative FPA (300 Units + Agriculture + Life Line)	(7,237)
<b>E= C+D</b>	<b>Net PYA Unrecovered / (Over Recovered)</b>	<b>9,029</b>


\*The assessed Prior Year Adjustment has been calculated @ 0.6879 x 5,375 M kWh (reference units determined by NEPRA in the re-determination of FESCO tariff for six months).

#### 4. Prayer/ Request

The Authority is requested to allow the Tariff Adjustments for the FY 2016-17 and 2017-18.

Any other appropriate order deems fit by the honorable Authority may also be passed.

With best regards,

  
**(MUJAHID ISLAM BILLAH)**  
**Chief Executive Officer**  
**FESCO, Faisalabad**

**FY 2017-18**

**Quarterly Adjustments - Qtr-I**

**EPP Adjustment**

**EPP - 1st month of the Qtr.**

Reference -	6.4933
Actual	4.7839
Disallowed	0.0004
<b>Fuel Price Adjustment Allowed</b>	<b>(1.7094)</b>

**EPP - 2nd month of the Qtr.**

Reference -	6.4562
Actual	4.6363
Disallowed	0.0117
<b>Fuel Price Adjustment Allowed</b>	<b>(1.8198)</b>

**EPP - 3rd month of the Qtr.**

Reference -	6.4326
Actual	4.2385
Disallowed	1.6281
<b>Fuel Price Adjustment Allowed</b>	<b>(2.1941)</b>

1st month of the Qtr	<b>1st month of the Qtr.</b>	
	Units Received (MkWh)	1.566
	Units sold (MkWh)	1.417
	Units without Life line, upto 300 units and agriculture consumers	723
	Adjustment already given (Min Rs)	(1.236)
	Adjustment that should have been with allowed costs only (Min Rs)	(2.677)
	Impact of disallowed costs (Min Rs)	1
	<b>Remaining adjustment for the quarter only allowed (Min Rs)</b>	<b>(1.441)</b>
	<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>	<b>(1.440)</b>
	2nd month of the Qtr	<b>2nd month of the Qtr.</b>
Units Received (MkWh)		1.580
Units sold (MkWh)		1.430
Units without Life line, upto 300 units and agriculture consumers		729
Adjustment already given (Min Rs)		(1.327)
Adjustment that should have been with allowed costs only (Min Rs)		(2.876)
Impact of disallowed costs (Min Rs)		18
<b>Remaining adjustment for the quarter only allowed (Min Rs)</b>		<b>(1.549)</b>
<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>		<b>(1.531)</b>
3rd month of the Qtr		<b>3rd month of the Qtr.</b>
	Units Received (MkWh)	1.377
	Units sold (MkWh)	1.246
	Units without Life line, upto 300 units and agriculture consumers	635
	Adjustment already given (Min Rs)	(1.393)
	Adjustment that should have been with allowed costs only (Min Rs)	(3.021)
	Impact of disallowed costs (Min Rs)	2.242
	<b>Remaining adjustment for the quarter (Min Rs)</b>	<b>(1.628)</b>
	<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>	<b>614</b>
	<b>Total Adjustment on account of EPP allowed only (Min Rs)</b>	<b>(4.618)</b>
<b>Total Adjustment on account of EPP allowed and disallowed (Min Rs)</b>	<b>(2.357)</b>	

**VARIABLE O&M ADJUSTMENT**

Ref for the 1st month of the Qtr.	0.2436
<b>1st Month of the Qtr.</b>	
Actual O&M per kWh	0.2630
Delta O&M per kWh	0.0194
<b>Adjustment Required for the Month (Min Rs)</b>	<b>30</b>
Ref. for the 2nd month of the Qtr.	0.2429
<b>2nd Month of the Qtr.</b>	
Actual O&M per kWh	0.2624
Delta O&M per kWh	0.0195
<b>Adjustment Required for the Month (Min Rs)</b>	<b>31</b>
Ref. for the 3rd month of the Qtr.	0.2295
<b>3rd Month of the Qtr.</b>	
Actual O&M per kWh	0.3018
Delta O&M per kWh	0.0723
<b>Adjustment Required for the Month (Min Rs)</b>	<b>100</b>
<b>Total Adjustment on account of O&amp;M (Min Rs)</b>	<b>161</b>

**CPP ADJUSTMENT**

Ref for the 1st month of the Qtr.	2.1293
<b>1st Month of the Qtr.</b>	
Actual CPP per kWh	2.3007
Delta CPP per kWh	0.1714
<b>Adjustment Required for the Month (Min Rs)</b>	<b>268</b>
Ref. for the 2nd month of the Qtr.	2.0936
<b>2nd month of the Qtr.</b>	
Actual CPP per kWh	2.1156
Delta CPP per kWh	0.0220
<b>Adjustment Required for the Month (Min Rs)</b>	<b>35</b>
Ref. for the 3rd month of the Qtr.	2.1094
<b>3rd month of the Qtr.</b>	
Actual CPP per kWh	3.0091
Delta CPP per kWh	0.8997
<b>Adjustment Required for the Month (Min Rs)</b>	<b>1,239</b>
<b>Total Adjustment on account of CPP (Min Rs)</b>	<b>1,542</b>

**UoSC ADJUSTMENT**

Ref for the 1st month of the Qtr.	0.2041
<b>1st Month of the Qtr.</b>	
Actual UoSC per kWh	0.2690
Delta UoSc per kWh	0.0649
<b>Adjustment Required for the Month (Min Rs)</b>	<b>102</b>
Ref. for the 2nd month of the Qtr.	0.2052
<b>2nd month of the Qtr.</b>	
Actual UoSC per kWh	0.2479
Delta UoSc per kWh	0.0427
<b>Adjustment Required for the Month (Min Rs)</b>	<b>68</b>
Ref. for the 3rd month of the Qtr.	0.2035
<b>3rd month of the Qtr.</b>	
Actual UoSC per kWh	0.2850
Delta UoSc per kWh	0.0815
<b>Adjustment Required for the Month (Min Rs)</b>	<b>112</b>
<b>Total Adjustment on account of UoSC (Min Rs)</b>	<b>281</b>
<b>Total Adjustment for the quarter allowed costs only (Min Rs)</b>	<b>(2,634)</b>
<b>Total Adjustment for the quarter allowed &amp; Disallowed costs only (Min Rs)</b>	<b>(373)</b>

**Impact of Extra or Less Purchases**

<b>Ref Unit Purchased ( MWh )</b>	
1st Month of the Qtr.	1.045
2nd month of the Qtr.	1.098
3rd month of the Qtr.	1.090
<b>Actual Unit Purchased ( MWh )</b>	
1st Month of the Qtr.	1.566
2nd month of the Qtr.	1.580
3rd month of the Qtr.	1.377
<b>Difference ( MWh )</b>	
1st Month of the Qtr.	521
2nd month of the Qtr.	482
3rd month of the Qtr.	287
<b>Ref PPP ( per kWh )</b>	
1st Month of the Qtr.	9.0703
2nd month of the Qtr.	8.9979
3rd month of the Qtr.	8.9750
<b>Impact of extra Purchases ( Rs. Millions )</b>	<b>11,638</b>

**Net remaining Adjustment for the Quarter (Rs. Million) 9,005**

**FY 2017-18**

**Quarterly Adjustments - Qtr-II**

**EPP Adjustment**

**EPP - 1st month of the Qtr.**

Reference -	7.3369
Actual	5.0821
Disallowed	0.0497
<b>Fuel Price Adjustment Allowed</b>	<b><u>(2.2548)</u></b>

**EPP - 2nd month of the Qtr.**

Reference -	7.3040
Actual	4.1897
Disallowed	1.6416
<b>Fuel Price Adjustment Allowed</b>	<b><u>(3.1143)</u></b>

**EPP - 3rd month of the Qtr.**

Reference -	8.1037
Actual	5.1193
Disallowed	0.2090
<b>Fuel Price Adjustment Allowed</b>	<b><u>(2.9844)</u></b>

<b>1st month of the Qtr</b>	<b>1st month of the Qtr.</b>	
	Units Received (MkWh)	1,212
	Units sold (MkWh)	1,097
	Units without Life line, upto 300 units and agriculture consumers	559
	Adjustment already given (Min Rs)	(2,473.44)
	Adjustment that should have been with allowed costs only (Min Rs)	(2,733)
	Impact of disallowed costs (Min Rs)	60
	<b>Remaining adjustment for the quarter only allowed (Min Rs)</b>	<b><u>(260)</u></b>
	<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>	<b><u>(199)</u></b>
	<b>2nd month of the Qtr</b>	<b>2nd month of the Qtr.</b>
Units Received (MkWh)		798
Units sold (MkWh)		722
Units without Life line, upto 300 units and agriculture consumers		368
Adjustment already given (Min Rs)		(2,249.12)
Adjustment that should have been with allowed costs only (Min Rs)		(2,485)
Impact of disallowed costs (Min Rs)		1,310
<b>Remaining adjustment for the quarter only allowed (Min Rs)</b>		<b><u>(236)</u></b>
<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>		<b><u>1,074</u></b>
<b>3rd month of the Qtr</b>		<b>3rd month of the Qtr.</b>
	Units Received (MkWh)	846
	Units sold (MkWh)	765
	Units without Life line, upto 300 units and agriculture consumers	390
	Adjustment already given (Min Rs)	(2,284.03)
	Adjustment that should have been with allowed costs only (Min Rs)	(2,524)
	Impact of disallowed costs (Min Rs)	177
	<b>Remaining adjustment for the quarter (Min Rs)</b>	<b><u>(240)</u></b>
	<b>Remaining adjustment for the quarter with allowed &amp; disallowed (Min Rs)</b>	<b><u>(63)</u></b>
	<b>Total Adjustment on account of EPP allowed only (Min Rs)</b>	<b><u>(735)</u></b>
<b>Total Adjustment on account of EPP allowed and disallowed (Min Rs)</b>	<b><u>811</u></b>	

**VARIABLE O&M ADJUSTMENT**

Ref for the 1st month of the Qtr. 0.2574

**1st Month of the Qtr.**

Actual O&M per kWh	0.2673
Delta O&M per kWh	0.0099
<b>Adjustment Required for the Month (Min Rs)</b>	<b><u>12</u></b>

Ref. for the 2nd month of the Qtr. 0.2667

**2nd Month of the Qtr.**

Actual O&M per kWh	0.2405
Delta O&M per kWh	(0.0262)
<b>Adjustment Required for the Month (Min Rs)</b>	<b><u>(21)</u></b>

Ref. for the 3rd month of the Qtr. 0.2961

**3rd Month of the Qtr.**

Actual O&M per kWh	0.2994
Delta O&M per kWh	0.0033
<b>Adjustment Required for the Month (Min Rs)</b>	<b><u>3</u></b>
<b>Total Adjustment on account of O&amp;M (Min Rs)</b>	<b><u>(6)</u></b>

**CPP ADJUSTMENT**

Ref for the 1st month of the Qtr.	2.6327
<b>1st month of the Qtr.</b>	
Actual CPP per kWh	2.4878
Delta CPP per kWh	(0.1449)
<b>Adjustment Required for the Month (Min Rs)</b>	<b>(176)</b>
Ref. for the 2nd month of the Qtr.	2.7209
<b>2nd month of the Qtr.</b>	
Actual CPP per kWh	6.6658
Delta CPP per kWh	3.9449
<b>Adjustment Required for the Month (Min Rs)</b>	<b>3,148</b>
Ref. for the 3rd month of the Qtr.	2.8796
<b>3rd month of the Qtr.</b>	
Actual CPP per kWh	5.0225
Delta CPP per kWh	2.1429
<b>Adjustment Required for the Month (Min Rs)</b>	<b>1,812</b>
<b>Total Adjustment on account of CPP (Min Rs)</b>	<b>4,785</b>

**UoSC ADJUSTMENT**

Ref for the 1st month of the Qtr.	0.2474
<b>1st month of the Qtr.</b>	
Actual UoSC per kWh	0.3311
Delta UoSc per kWh	0.0837
<b>Adjustment Required for the Month (Min Rs)</b>	<b>101</b>
Ref. for the 2nd month of the Qtr.	0.2435
<b>2nd month of the Qtr.</b>	
Actual UoSC per kWh	0.5123
Delta UoSc per kWh	0.2688
<b>Adjustment Required for the Month (Min Rs)</b>	<b>215</b>
Ref. for the 3rd month of the Qtr.	0.2528
<b>3rd month of the Qtr.</b>	
Actual UoSC per kWh	0.3853
Delta UoSc per kWh	0.1325
<b>Adjustment Required for the Month (Min Rs)</b>	<b>112</b>
<b>Total Adjustment on account of UoSC (Min Rs)</b>	<b>428</b>
<b>Total Adjustment for the quarter allowed costs only (Min Rs)</b>	<b>4,471</b>
<b>Total Adjustment for the quarter allowed &amp; Disallowed costs only (Min Rs)</b>	<b>6,018</b>

**Impact of Extra or Less Purchases**

<b>Ref Unit Purchased ( M kWh )</b>	
1st month of the Qtr.	965
2nd month of the Qtr.	851
3rd month of the Qtr.	843
<b>Actual Unit Purchased ( M kWh )</b>	
1st month of the Qtr	1,212
2nd month of the Qtr	798
3rd month of the Qtr	846
<b>Difference ( M kWh )</b>	
1st month of the Qtr	247
2nd month of the Qtr	(53)
3rd month of the Qtr	3
<b>Ref PPP ( per kWh )</b>	
1st month of the Qtr	10.4744
2nd month of the Qtr	10.5351
3rd month of the Qtr	11.5322

**Impact of extra Purchases ( Rs. Millions )** **2,061**

**Net remaining Adjustment for the Quarter (Rs. Million)** **6,532**

	PKR Million
NOTIFIED REFERENCE PPP	57,936
ADD: TOTAL QUARTERLY ADJUSTMENTS	19,340
TOTAL PPP	77,276
LESS: RECOVERY ON NOTIFIED RATES	76,509
LESS: RECOVERY ON ACCOUNT OF NOTIFIED QUARTERLY ADJUSTMENTS	538
TOTAL RECOVERED	77,047
<b>NET ADJUSTMENT REQUIRED</b>	<b>229</b>

## O & M Cost

(Rs: In Million)

Sr. No.	Description	FY 2016-17	FY 2017-18	Basis
		Actual	Projected	
1	Salaries, Wages & other Benefits	7,258	8,469	Due to revision of Basic Pay Scale 2017, 10% adhoc allowance announced by GOP w.e.f July, 2017 etc.
	Retirement Benefits	4,951	5,407	10% increase over actual expenditure of Pension for FY 2016-17
	<b>Sub Total Pay &amp; Allowances</b>	<b>12,209</b>	<b>13,876</b>	
2	Repair & Maintenance	437	604	As per requirement for FY 2017-18
3	Travelling expenses	288	438	As per increase in daily rates announced by GOP w.e.f July, 2017
	Transportation	235	273	Increase in fuel prices during FY 2017-18
	Telephone	31	33	Increase @ 3.93% (CPI) over last year expenditure
	NEPRA Fee	30	33	As per actual payment to NEPRA
	Collection Charges	302	308	Increase over last year expenditure on the basis of estimated new connections
	Stationery	105	110	Increase @ 3.93% (CPI) over last year expenditure
	Other O&M	581	605	
	Bank Charges	13	13	
	<b>Sub Total Misc. O&amp;M</b>	<b>1,586</b>	<b>1,813</b>	
	<b>TOTAL O&amp;M</b>	<b>14,232</b>	<b>16,293</b>	
	Transfer to CWIP	(384)	(384)	
	<b>NET TOTAL</b>	<b>13,848</b>	<b>15,909</b>	



## Depreciation Schedule

2015-16

Category of Assets	Opening Balance As on 01-07-2015	Addition during 2015-16	Total Assets as on 30.06.2016	Accumulated Depreciation (original Cost)				Book Value as on 30.06.2016
	Original Cost	Cost	Original Cost	DEP As on 01-07-2015	DEP during the Year	Adjustments	DEP As on 30-06-2016	Original Cost
Land	622,474,784	-	622,474,784	-	-	-	-	622,474,784
Building	1,778,417,638	192,223,196	1,970,640,834	492,564,173	36,662,363	-	529,226,536	1,441,414,298
Feeder	45,217,662,718	3,143,514,112	48,361,176,830	14,248,859,882	1,626,435,027	-	15,875,294,909	32,485,881,921
Grids	7,976,548,410	314,736,624	8,291,285,034	2,351,836,777	282,959,560	-	2,634,796,337	5,656,488,698
T/LINE	2,716,105,625	286,346,493	3,002,452,118	1,184,841,117	99,931,366	-	1,284,772,483	1,717,679,634
T&P	485,514,687	68,093,640	553,608,327	305,165,222	39,718,483	-	344,883,705	208,724,622
Vehicle	832,768,313	31,743,054	864,511,367	585,053,088	39,601,512	-	624,654,600	239,856,767
G.Total	59,629,492,175	4,036,657,119	63,666,149,295	19,168,320,260	2,125,308,311	-	21,293,628,571	42,372,520,724

2016-17

Category of Assets	Opening Balance As on 01-07-2016	Addition during 2016-17	Total Assets as on 30.06.2017	Accumulated Depreciation (original Cost)				Book Value as on 30.06.2017
	Original Cost	Cost	Original Cost	DEP As on 01-07-2016	DEP during the Year	Adjustments	DEP As on 30-06-2017	Original Cost
Land	622,474,784	-	622,474,784	-	-	-	-	622,474,784
Building	1,970,640,834	359,796,424	2,330,437,258	529,226,536	40,012,479	-	569,239,016	1,761,198,243
Feeder	48,361,176,830	4,652,162,826	53,013,339,656	15,875,294,909	1,744,582,651	52,063,159	17,567,814,402	35,445,525,254
Grids	8,291,285,034	142,883,587	8,434,168,621	2,634,796,337	291,741,733	-	2,926,538,070	5,507,630,551
T/LINE	3,002,452,118	313,207	3,002,765,325	1,284,772,483	105,087,651	-	1,389,860,134	1,612,905,190
T&P	553,608,327	164,360,517	717,968,844	344,883,705	60,264,720	1,130	405,147,296	312,821,549
Vehicle	864,511,367	-	864,511,367	624,654,600	39,958,800	-	664,613,401	199,897,967
G.Total	63,666,149,295	5,319,516,561	68,985,665,856	21,293,628,571	2,281,648,036	52,064,289	23,523,212,318	45,462,453,538

2017-18

Category of Assets	Opening Balance As on 01-07-2017	Addition during 2017-18	Total Assets as on 30.06.2018	Accumulated Depreciation (original Cost)				Book Value as on 30.06.2018
	Original Cost	Cost	Original Cost	DEP As on 01-07-2017	DEP during the Year	Adjustments	DEP As on 30-06-2018	Original Cost
Land	622,474,784	-	622,474,784	-	-	-	-	622,474,784
Building	2,330,437,258	136,940,498	2,467,377,756	569,239,016	48,662,853	-	617,901,868	1,849,475,888
Feeder	53,013,339,656	6,825,302,017	59,838,641,673	17,567,814,402	2,034,631,066	-	19,602,445,468	40,236,196,205
Grids	8,434,168,621	2,717,183,052	11,151,351,673	2,926,538,070	366,521,957	-	3,293,060,027	7,858,291,646
T/LINE	3,002,765,325	650,816,948	3,653,582,273	1,389,860,134	122,180,731	-	1,512,040,866	2,141,541,407
T&P	717,968,844	103,757,485	821,726,329	405,147,296	73,595,622	-	478,742,918	342,983,412
Vehicle	864,511,367	-	864,511,367	664,613,401	36,021,307	-	700,634,708	163,876,660
G.Total	68,985,665,856	10,434,000,000	79,419,665,856	23,523,212,318	2,681,613,536	-	26,204,825,854	53,214,840,002

Sale Mix 2016-17

Description	Revenue S-I GoP			Revenue S-I NEPRA			Consumer Mix Variance		
	Fixed Charge	Variable Charge	Total	Fixed Charge	Variable Charge	Total	Fixed Charge	Variable Charge	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Residential</b>									
Up to 50 Units	-	1,024,469,259	1,024,469,259	-	1,671,239,811	1,671,239,811	-	(646,770,551)	(646,770,551)
<b>For peak load requirement less than 5 kW</b>									
01-100 Units	-	21,074,975,892	21,074,975,892	-	20,603,732,572	20,603,732,572	-	471,243,320	471,243,320
101-200 Units	-	10,586,112,626	10,586,112,626	-	9,088,953,430	9,088,953,430	-	1,497,159,196	1,497,159,196
201-300 Units	-	12,431,721,964	12,431,721,964	-	9,078,013,420	9,078,013,420	-	3,353,708,544	3,353,708,544
301-700 Units	-	8,571,047,352	8,571,047,352	-	6,316,355,253	6,316,355,253	-	2,254,692,099	2,254,692,099
Above 700 Units	-	2,006,669,184	2,006,669,184	-	1,831,679,567	1,831,679,567	-	174,989,617	174,989,617
<b>For peak load requirement 5 kW &amp; above</b>									
Time of Use (TOU) - Peak	-	318,238,992	318,238,992	-	62,263,409	62,263,409	-	255,975,583	255,975,583
Time of Use (TOU) - Off-Peak	-	971,984,470	971,984,470	-	204,848,782	204,848,782	-	767,135,688	767,135,688
Temporary Supply	-	6,161,024	6,161,024	-	-	-	-	6,161,024	6,161,024
<b>Total Residential</b>		<b>56,991,380,763</b>	<b>56,991,380,763</b>		<b>48,857,086,244</b>	<b>48,857,086,244</b>		<b>8,134,294,519</b>	<b>8,134,294,519</b>
<b>Commercial</b>									
For peak load requirement less than 5 kW	-	5,311,312,005	5,311,312,005	-	5,423,417,635	5,423,417,635	-	(112,105,630)	(112,105,630)
<b>For peak load requirement 5 kW &amp; above</b>									
Regular	5,034,744	41,715,465	46,750,229	22,081,880	208,023,782	230,105,462	(17,046,936)	(166,308,297)	(183,355,233)
Time of Use (TOU) - Peak	-	784,785,552	784,785,552	-	776,405,176	776,405,176	-	8,380,376	8,380,376
Time of Use (TOU) - Off-Peak	543,486,728	2,361,740,840	2,905,227,568	387,844,281	2,034,571,057	2,422,415,338	155,842,447	327,169,783	482,812,230
Temporary Supply	-	235,552,815	235,552,815	-	-	-	-	235,552,815	235,552,815
<b>Total Commercial</b>	<b>548,521,472</b>	<b>8,735,106,697</b>	<b>9,283,628,169</b>	<b>409,925,961</b>	<b>8,442,417,650</b>	<b>8,852,343,611</b>	<b>138,595,511</b>	<b>292,689,047</b>	<b>431,284,558</b>
<b>Industrial</b>									
B1(07)	-	1,319,715,930	1,319,715,930	-	4,312,286,197	4,312,286,197	-	(2,992,570,267)	(2,992,570,267)
B1(08)	-	18,122	18,122	-	-	-	-	18,122	18,122
B1 Peak	-	860,622,576	860,622,576	-	509,931,569	509,931,569	-	350,691,007	350,691,007
B1 Off Peak	-	3,137,987,460	3,137,987,460	-	1,837,753,634	1,837,753,634	-	1,300,233,826	1,300,233,826
B2	9,413,608	98,789,313	108,182,921	159,015,203	1,632,390,441	1,791,405,644	(149,601,595)	(1,683,621,128)	(1,683,222,792)
B2 - TOU (Peak)	-	4,350,919,936	4,350,919,936	-	3,958,376,244	3,958,376,244	-	392,543,692	392,543,692
B2 - TOU (Off-Peak)	2,521,555,504	15,247,105,277	17,768,860,781	2,650,113,921	13,703,720,932	16,553,834,853	(328,558,417)	1,543,384,345	1,214,825,928
B3 - TOU (Peak)	-	1,870,239,840	1,870,239,840	-	2,330,438,351	2,330,438,351	-	(460,198,511)	(460,198,511)
B3 - TOU (Off-Peak)	1,033,594,178	7,942,414,182	8,976,008,340	1,035,188,568	9,007,007,483	10,042,196,051	(1,594,390)	(1,064,593,321)	(1,066,187,710)
B4 - TOU (Peak)	-	1,230,335,040	1,230,335,040	-	1,705,415,151	1,705,415,151	-	(475,080,111)	(475,080,111)
B4 - TOU (Off-Peak)	499,317,149	4,445,880,850	4,944,997,999	846,737,978	6,664,781,935	7,313,519,913	(149,420,829)	(2,219,101,285)	(2,368,522,114)
Temporary Supply	-	62,801,973	62,801,973	-	-	-	-	62,801,973	62,801,973
<b>Total Industrial</b>	<b>4,063,880,439</b>	<b>40,566,610,278</b>	<b>44,630,490,718</b>	<b>4,693,056,669</b>	<b>45,662,101,936</b>	<b>50,355,157,606</b>	<b>(629,175,230)</b>	<b>(5,095,491,658)</b>	<b>(5,724,666,888)</b>
<b>Single Point Supply</b>									
C1(a) Supply at 400 Volts-less than 5 kW	-	3,233,925	3,233,925	-	5,229,705	5,229,705	-	(1,995,780)	(1,995,780)
C1(b) Supply at 400 Volts- 5 kW &	3,488,000	21,451,859	24,939,859	9,352,834	106,510,077	115,862,912	(5,864,834)	(85,058,218)	(90,923,053)
Time of Use (TOU) - Peak	-	54,603,152	54,603,152	-	36,447,234	36,447,234	-	18,155,918	18,155,918
Time of Use (TOU) - Off-Peak	24,518,000	158,609,200	183,127,200	14,349,063	102,918,275	117,267,338	10,166,937	55,690,925	65,857,862
C2 Supply at 11 kV	2,055,800	12,765,312	14,821,112	89,694,677	1,102,772,450	1,192,467,127	(87,636,877)	(1,090,007,138)	(1,177,846,015)
Time of Use (TOU) - Peak	-	351,640,496	351,640,496	-	130,549,294	130,549,294	-	221,091,202	221,091,202
Time of Use (TOU) - Off-Peak	119,815,535	989,363,674	1,109,179,209	48,930,311	372,859,396	421,789,707	70,885,224	816,504,277	887,389,501
C3 Supply above 11 kV	32,901,120	70,728,332	103,629,452	48,817,810	842,320,125	891,137,935	(15,916,690)	(771,591,793)	(787,508,483)
Time of Use (TOU) - Peak	-	510,704,640	510,704,640	-	397,113,342	397,113,342	-	113,591,298	113,591,298
Time of Use (TOU) - Off-Peak	121,046,400	1,466,940,760	1,607,987,160	107,841,717	1,156,108,021	1,263,947,738	13,204,683	330,834,739	344,039,422
<b>Total Single Point Supply</b>	<b>303,822,855</b>	<b>3,660,041,350</b>	<b>3,963,864,205</b>	<b>318,986,413</b>	<b>4,252,825,920</b>	<b>4,571,812,332</b>	<b>(15,163,587)</b>	<b>(592,784,570)</b>	<b>(607,948,128)</b>
<b>Agricultural Tube-wells</b>									
Scarp	-	181,148,565	181,148,565	-	810,580,601	810,580,601	-	(629,432,026)	(629,432,026)
Time of Use (TOU) - Peak	-	47,344,080	47,344,080	-	52,736,640	52,736,640	-	(5,392,560)	(5,392,560)
Time of Use (TOU) - Off-Peak	35,521,536	296,767,033	332,288,569	26,954,040	360,100,621	387,054,662	8,967,496	(83,333,589)	(54,786,093)
Agricultural Tube-wells	7,649,152	75,234,600	82,883,752	11,649,501	239,178,827	250,828,328	(4,000,349)	(163,944,227)	(167,944,576)
Time of Use (TOU) - Peak	-	2,228,209,886	2,228,209,886	-	2,401,414,451	2,401,414,451	-	(173,114,564)	(172,850,604)
Time of Use (TOU) - Off-Peak	1,336,988,670	5,997,230,196	7,334,218,866	622,415,584	8,315,348,449	9,937,764,033	714,573,086	(1,318,118,253)	(603,545,168)
<b>Total Agricultural</b>	<b>1,380,423,318</b>	<b>9,826,024,359</b>	<b>11,206,447,677</b>	<b>661,019,126</b>	<b>12,179,359,589</b>	<b>12,840,378,715</b>	<b>719,484,192</b>	<b>(2,353,335,229)</b>	<b>(1,633,931,037)</b>
Public Lighting - Tariff C	-	155,243,698	155,243,698	-	129,113,297	129,113,297	-	26,130,401	26,130,401
Residential Charges	-	59,054,974	59,054,974	-	83,453,944	83,453,944	-	(24,398,970)	(24,398,970)
Railway Traction									
Tariff K - A,K	-	-	-	-	-	-	-	-	-
Time of Use (TOU) - Peak	-	-	-	-	-	-	-	-	-
Time of Use (TOU) - Off-Peak	-	-	-	-	-	-	-	-	-
Tariff K - Rawal Kot	-	-	-	-	-	-	-	-	-
<b>Total Others</b>	<b>-</b>	<b>214,298,671</b>	<b>214,298,671</b>	<b>-</b>	<b>212,567,240</b>	<b>212,567,240</b>	<b>-</b>	<b>1,731,431</b>	<b>1,731,431</b>
<b>Grand Total</b>	<b>6,296,646,084</b>	<b>119,993,462,119</b>	<b>126,290,110,203</b>	<b>6,082,967,169</b>	<b>119,606,358,579</b>	<b>125,689,345,748</b>	<b>213,660,915</b>	<b>387,103,540</b>	<b>600,764,455</b>



## BALANCE SHEET

(PKR Million)

Description	FY 2016-17	FY 2017-18
	Actual	Projected
<b>Fixed Assets</b>		
Gross Fixed Assets	106,478	116,913
Less: Accumulated Depreciation	26,836	30,348
<b>Net Fixed Assets in Operations</b>	<b>79,642</b>	<b>86,565</b>
Capital Work in Progress	10,699	14,409
Intangible Assets	112	84
Long Term Loans to Employees	92	91
Deferred Cost & Long Term Deposits	3	3
	<b>90,547</b>	<b>101,152</b>
<b>Current Assets</b>		
Stores & Spares	2,916	1,947
Trade Debts	13,154	13,505
Short Term Advances	58	53
Balance with Statutory Authorities	7,994	8,027
Tariff Differential Subsidy	-	-
Receivable from Associated Companies	4,442	3,553
Interest Accrued	90	95
Current portion of the long term loan	56	51
Short Term Investments	4,970	5,000
Other Receivables	13,553	6,010
Cash & Bank Balances	7,094	10,573
<b>Total Current Assets</b>	<b>54,327</b>	<b>48,814</b>
<b>Total Assets</b>	<b>144,874</b>	<b>149,966</b>
Equity including Revaluation Surplus	45,681	44,791
Unappropriated Profit	(15,969)	(11,585)
<b>Total Equity</b>	<b>29,712</b>	<b>33,206</b>
<b>Long Term Liability</b>		
Security Deposits	5,949	6,849
Employee Retirement Benefits	51,363	53,007
TFCs /Development loan	4,035	5,626
Deferred Credits	31,622	35,681
Long Term financing/ Payable	-	-
<b>Total Long Term Liability</b>	<b>92,969</b>	<b>101,163</b>
<b>Current Liability</b>		
Current Maturity on Long Term Loans	220	314
Markup payable	745	721
Accounts Payable -CPPA others	1,502	1,064
Payable to Associated Companies	877	893
Other Liabilities	18,848	12,605
<b>Total Current Liability</b>	<b>22,193</b>	<b>15,597</b>
<b>Total Liabilities and Commitments</b>	<b>115,162</b>	<b>116,760</b>
<b>Total Liabilities and Equity</b>	<b>144,874</b>	<b>149,966</b>



**PROFIT & LOSS STATEMENT**

(PKR Million)

Particulars	2015-16	2015-16	2016-17	2017-18
	Re-Determined	Actual		Projected
<b>Power Balances</b>				
Units Received	11,375	11,920	12,858	14,433
Units Lost	1,165	1,220	1,359	1,472
Units Lost	10.24%	10.23%	10.57%	10.20%
Units Sold	<b>10,210</b>	<b>10,700</b>	<b>11,499</b>	<b>12,961</b>
<b>Revenue</b>				
Sales Revenue		108,576	113,901	
Subsidy	101,588	10,661	13,756	157,880
Fuel Price Adjustment		(20,381)	(17,454)	
<b>Total Sales Revenue</b>	<b>101,588</b>	<b>98,856</b>	<b>110,203</b>	<b>157,880</b>
Rental & Service Income	-	49	50	49
Amortization of Def Credits	-	1,164	1,258	1,441
Other Income	3,318	2,105	2,113	2,132
<b>Total Revenue</b>	<b>104,906</b>	<b>102,174</b>	<b>113,624</b>	<b>161,502</b>
<b>Operating Cost</b>				
Power Purchase Cost	99,785	100,427	110,041	137,150
O&M Expenses	10,828	11,804	13,879	15,896
Depreciation	1,905	3,008	3,133	3,512
Provision for Doubtful Debts	-	-	68	70
Write off (Provisional)	161	-	-	-
PY Adjustment	(10,295)	-	-	-
<b>Total Operating Cost</b>	<b>102,384</b>	<b>115,239</b>	<b>127,121</b>	<b>156,627</b>
<b>EBIT</b>	<b>2,522</b>	<b>(13,065)</b>	<b>(13,497)</b>	<b>4,875</b>
Financial Charges	-	187	150	126
Bank Charges	-	12	10	13
<b>EBT</b>	<b>2,522</b>	<b>(13,264)</b>	<b>(13,657)</b>	<b>4,736</b>
Tax	-	45	563	975
<b>EAT</b>	<b>2,522</b>	<b>(13,309)</b>	<b>(14,220)</b>	<b>3,761</b>
WPPF	-	-	-	-
<b>Profit for the period</b>	<b>2,522</b>	<b>(13,309)</b>	<b>(14,220)</b>	<b>3,761</b>



# CASH FLOW STATEMENT

(PKR Million)

Description	2017	2018
	Actual	Projected
<b>CASH FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Taxation	(13,657)	4,708
<u>Adjustments:</u>		
ADD: Depreciation	3,160	3,512
Ammortization	28	28
Provision for Bad Debts	68	70
Provision for Ret. Benefits	4,951	5,407
Amortization of Deferred Cost		
Financial Charges Paid	160	139
Provision for Slow Moving Stores/Obsolete items	6	6
Amortization of Deferred Income	(1,258)	(1,441)
Gain on Disposal of Fixed Assets		
Interest Income	(430)	(440)
Share of GoP Subsidy 2004-2009	-	-
Cash Flow from Operations	<b>(6,972)</b>	<b>11,988</b>
<u>Working Capital Changes</u>		
(Incr.)/Decr. in Debtors	(3,886)	(421)
(Incr.)/Decr. in Inventories	(1,926)	963
Tariff Differential Subsidy	0	0
(Incr.)/Decr. in Other Receivables	25,991	7,543
(Incr.)/Decr. in A/R from Ass. Cos.	(393)	888
(Incr.)/Decr. in Short Term Advances	(5)	5
Incr./(Decr.) in A/P to Ass. Cos.	(51)	16
Incr./(Decr.) in Payable to NTDC	704	(438)
Incr./(Decr.) in Other Payables	(4,716)	(6,243)
Incr./(Decr.) in Interest Accrued	190	(25)
Net Changes From Working Capital	<b>15,909</b>	<b>2,288</b>
Financial Charges Paid	(160)	(139)
Payments against Retirement Benefits	(3,420)	(3,762)
Interest Received	361	435
Taxes Paid	(591)	(1,008)
Increase in Long Term Deposits	(0.23)	0.00
Net Cash In/(Out) Flow from Operation	<b>5,125</b>	<b>9,802</b>
<b>CASH FROM FINANCING ACTIVITIES:</b>		
Additional Equity Investment	-	-
New Loans Obtained	1,666	1,685
Capital Contributions	4,943	5,500
Security Deposits	796	899
Principal Repay / Adj. of LTL	(237)	(266)
Cash In/(Out) from Finan. Activities	<b>7,168</b>	<b>7,818</b>
<b>CASH FROM INVESTING ACTIVITIES:</b>		
short term Invesment made		
Purchase of New Assets	(8,034)	(14,145)
Sale proceeds from disposal of fixed assets		
Net flow from Employees L. T. Loans	10	6
Cash In/(Out) from Invest. Activity	<b>(8,024)</b>	<b>(14,139)</b>
Net Cash flow During the Year	4,269	3,482
Cash - Start of the Year	7,795	12,063
Cash - End of the Year	12,063	15,545



## Investment

		Actual		Projected	
<b>A</b>	<b>Investment Plan</b>				
	DOP	[Mln Rs]	540	595	1,537
	ELR	[Mln Rs]	859	1,475	1,537
	STG	[Mln Rs]	645	1,253	3,200
	<b>PDEIP</b>	<b>[Mln Rs]</b>	<b>2,022</b>	<b>1,954</b>	<b>2,171</b>
	Own Sources	[Mln Rs]	612	289	105
	Loan	[Mln Rs]	1,410	1,665	2,066
	ERP	[Mln Rs]	80	34	200
	Consumer Financing	[Mln Rs]	1,910	2,843	5,500
	<b>Total</b>	<b>[Mln Rs]</b>	<b>6,056</b>	<b>8,154</b>	<b>14,145</b>

### B Financing Arrangement

	Asian Development Loan	[Mln Rs]	1,410	1,665	1,685
	Own Sources/DM	[Mln Rs]	2,943	4,033	7,352
	Consumer Financing	[Mln Rs]	1,910	2,843	5,500
	Payment of Markup	[Mln Rs]	(187)	(150)	(126)
	Repayment of Principal/Others	[Mln Rs]	(20)	(237)	(266)
	<b>Total</b>	<b>[Mln Rs]</b>	<b>6,056</b>	<b>8,154</b>	<b>14,145</b>

