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Islamabad Electric Supply Company Limited
Finance Directorate IESCO

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Ph. 92-51-9253285-9, Fax # 92-51-9253286
Email : fd_iesco@yahoo.com

No 2065 FD/IESCO/CPC

Dated 15 / 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,

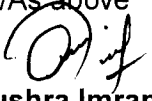
Reference: - NEPRA letter No. NEPRA/SAT-1/TRY-100/1019, Dated January 22, 2018 with the directions to file adjustment data For FY 2016-17 and 2017-18 against the MYT 2015-16 to 2019-20.

The tariff of IESCO 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 2017-18 is still not notified. On the other hand, IESCO requires recovery of its cost of service at the current market prices to maintain its financial viability. According to NEPRA guidelines for determination of consumer end tariff (Methodology and Process), 2015, Para 50 of the determination in the matter of IESCO's multi-year tariff determination dated February 29, 2016, The following tariff components are to be adjusted/indexed, bi-annually and annually;

By No. ... 2065
Dated ... 15-03-18

- 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)

We shall be thankful if the Authority shall allow the Adjustments for the FY 2016-17 & 2017-18. In case any further clarification/information is required, please intimate.

DA/As above

(Bushra Imran)
Finance Director

For information & info.

— SAT-1

16 03 18

— SA (Tech)

— DG (M&E)

— SLA

— DR/Dy-1/MF

e. chairman
ve/m (M&E)
m (T)
m (cc) - m (CA)

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

ON BEHALF OF

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

DATED: 15TH MARCH 2018

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

ADDRESS : IESCO HEADQUARTERS, STREET 40, SECTOR G-7/4, ISLAMABAD

PHONE # : 92-51-9253285

FAX # : 92-51-9253286

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1. Applicant

Name and Address

Islamabad Electric Supply Company Limited

Address: IESCO Headquarters, Street 40, Sector G-7/4, Islamabad

PHONE #: 92-51-9253285

FAX #: 92-51-9253286

Other details

Islamabad Electricity Supply Company Limited (IESCO) is an ex-WAPDA Distribution Company (DISCO) owned by the Government of Pakistan (GOP) and incorporated as a Public Limited Company on 25 April 1998 vide company registration No. L09499 of 1997-98 under section 32 of the Companies Ordinance 1984 in consequence of structural reforms introduced by the GOP in the power sector. Principal business of IESCO is to provide electricity to the Islamabad Capital Territory and Northern Punjab (comprising of residents residing in the districts of Attock, Rawalpindi, Chakwal, Jhelum and some portion of AJK) under distribution license No. 01/DL/2001 granted by NEPRA (the Distribution License).

2. Background

IESCO 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-336/IESCO-2015) on 22 October 2015. After conclusion of the proceedings, Determination upon the subject was given by the Authority vide NEPRA's letter No. NEPRA/TRF-336/IESCO-2015/2689-2691 dated February 29, 2016. IESCO filed Review on 15th March, 2016 which was decided by the Authority on 18th 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. 2854/2016 filed before the honourable Islamabad High Court. The honourable Court has given its decision whereby the Authority has been given directions to determine the tariff a fresh.

The Authority in its re-determination vide No. NEPRA/TRF-336/IESCO-2015/15633-15635 dated September 18, 2017, 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.

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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-336/ 17387-17389 dated October 23, 2017.

The determinations mentioned above have not yet been notified by the GoP. Consequently, the tariff determined by NEPRA in respect of IESCO for the FY 2014-15 issued on March 10, 2015 notified vide S.R.O No. 569(I) 2015 dated June 10, 2015 is being charged to the end consumers of IESCO. Similarly the monthly adjustments being notified by the Authority are based thereon. 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-100/1021, Dated January 22, 2018 has directed IESCO 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

Since the tariff of IESCO 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, IESCO requires recovery of its cost of service at the current market prices to maintain its financial viability.

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

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Details	2017-18 (Jul-Dec)
Notified Ref PPP	46,409
Total PPP at Notified Rate	61,426
Difference	(15,017)
adjustment other than Fuel	15,047
Less recovery of PPP	30
To be Recovered (14,358)	9,656
Recovered at notified rate	(9,387)
Prior Year Adjustment	19,043
Negative impact of FPA 300 UNITS	(4,323)
PYA (without consumer mix variance and other income)	14,750

4. Prayer/ Request

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

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

With best regards,


(Bushra Imran)
 Finance Director

Quarterly Adjustments - Qrt I 2017-18

EPP Adjustment

EPP - Jul

Reference	6.4933
Actual	4.7839
Disallowed	0.0000
Defferd	0.0000
Fuel Price Adjustment Allowed	(1.7094)

EPP - Aug

Reference	6.4562
Actual	4.6363
Disallowed	0.0000
	0.0000
Fuel Price Adjustment Allowed	(1.8199)

EPP - Sep

Reference	6.4326
Actual	4.2385
Disallowed	0.0000
	0.0000
Fuel Price Adjustment Allowed	(2.1941)

A	IMPACT OF LOSSES	IESCO
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Target Losses for the quarter (Notified) 9.44%

July	Units Received (MkWh)	1,278
	Units to be sold (MkWh)	1,158
	Units without Life Line / Life Line and Agr. (MkWh)	1,158
	Adjustment already given (Mln Rs)	(1,979)
	Adjustment that should have been allowed (Mln Rs)	(2,185)
	Impact of disallowed costs (Mln Rs)	-
	Remaining adj. for the quarter only allowed (Mln Rs)	(206)
	adj. for the quarter with allowed & disallowed (Mln Rs)	(206)
	Impact of life line from new ref.	-
	Impact of losses from new ref.	(206)
Impact of change of base ref price.	(206)	
	-	

August	Units Received (MkWh)	1,288
	Units to be sold (MkWh)	1,166
	Units without Life Line / Life Line and Agr. (MkWh)	1,166
	Adjustment already given (Mln Rs)	(2,123)
	Adjustment that should have been allowed (Mln Rs)	(2,344)
	Impact of disallowed costs (Mln Rs)	-
	Remaining adj. for the quarter only allowed (Mln Rs)	(221)
	adj. for the quarter with allowed & disallowed (Mln Rs)	(221)
	Impact of life line from new ref.	-
	Impact of losses from new ref.	(221)
Impact of change of base ref price.	(221)	
	-	

September	Units Received (MkWh)	1,136
	Units to be sold (MkWh)	1,028
	Units without Life Line / Life Line and Agr. (MkWh)	1,028
	Adjustment already given (Mln Rs)	(2,256)
	Adjustment that should have been allowed (Mln Rs)	(2,492)
	Impact of disallowed costs (Mln Rs)	-
	Remaining adjustment for the quarter (Mln Rs)	(235)
	adj. for the quarter with allowed & disallowed (Mln Rs)	(235)
	Impact of life line from new ref.	-
	Impact of losses from new ref.	(235)
Impact of change of base ref price.	(235)	
	0.00	

B	Variable O&M
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July	Variable O&M Rs. kWh	
	Reference	0.2436
	Actual	0.2630
	Delta per	0.0194
	Adjustment (Mln. Rs.)	25
	Price variace	22
	Impact of losses	2
		2

August	Variable O&M Rs. kWh	
	Reference	0.2492
	Actual	0.2624
	Delta per	0.0132
	Adjustment (Mln. Rs.)	17
	Price variace	15
	Impact of losses	2
		2

September	Variable O&M Rs. kWh	
	Reference	0.2295
	Actual	0.3018
	Delta per	0.0723
	Adjustment (Mln. Rs.)	82
	Price variace	74
	Impact of losses	8
		8

V. O&M	Total Adjustment Var O&M (Mln Rs)	124
	Total Impact of losses	12
	Total Price Variance	112

Total Adjustment EPP Allowed (Mln Rs) **(539)**
Total Adjustment EPP Alowd and Disolwd (Mln Rs) **(539)**

C	CPP	
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July	CPP Rs. kWh	
	Reference	1.9235
	Actual	2.9465
	Delta per	1.0230
	Adjustment (Mln. Rs.)	1,308
	Price variace	1,184
	Impact of losses	123
		123
		(0.00)

August	CPP Rs. kWh	
	Reference	2.0001
	Actual	2.1956
	Delta per	0.1955
	Adjustment (Mln. Rs.)	252
	Price variace	228
	Impact of losses	24
		24

September	CPP Rs. kWh	
	Reference	1.7690
	Actual	2.6281
	Delta per	0.8591
	Adjustment (Mln. Rs.)	976
	Price variace	884
	Impact of losses	92
		92

CPP	Total Adjustment CPP (Min Rs)	2,536
	Total Impact of losses	239
	Total Price Variance	2,296

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D	UOSC	
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July	UOSC Rs. kWh	
	Reference	0.1844
	Actual	0.2272
	Delta per	0.0428
	Adjustment (Min. Rs.)	54.71
	Price variace	50
Impact of losses	5	
		5

August	UOSC Rs. kWh	
	Reference	0.1960
	Actual	0.2258
	Delta per	0.0298
	Adjustment (Min. Rs.)	38
	Price variace	35
Impact of losses	4	
		4

September	UOSC Rs. kWh	
	Reference	0.1707
	Actual	0.2594
	Delta per	0.0887
	Adjustment (Min. Rs.)	101
	Price variace	91
Impact of losses	10	
		10

UOSC	Total Adjustment UOSC (Min Rs)	194
	Total Impact of losses	18
	Total Price Variance	176

Total Adjustment Allowed (Min Rs)	2,190
Total Adjustment Alowd and Disolwd (Min Rs)	2,190

PPP Decre (Life line + Agri)	0.00%
PPP Incre (Life line only)	3.52%

0

	IESCO
Adjustment to be Given (Rs. Million)	
July	(798)
August	(2037)
September	(1333)
	(4168)
Adjustment Already Given (Rs. Million)	
July	(1979)
August	(2123)
September	(2256)
	(6358)
Leftover Amount (Rs. Million)	2,190

	IESCO
Impact of decreased/increased Purchases	
Ref Unit Purchased (MkwH)	
July	999
August	966
September	889
	2,854
Actual Unit Purchased (MkwH)	
July	1,278
August	1,288
September	1,136
	3,702
Difference (MkwH)	
July	279
August	322
September	247
	848
Ref PPP (per kWh)	
July	8.84
August	8.90
September	8.60
	2,469
	2,867
	2,121
Impact of extra Purchases (Rs. Millions)	7,457

PPP Reconciliation	
Total PPP for the month of Jul.at ref (Mln. Rs.)	8,836
Total PPP for the month of Aug at ref (Mln. Rs.)	8,599
Total PPP for the month of Sep.at ref (Mln. Rs.)	7,647
Total PPP at Ref. Price (Rs. Million)	25,082
Actual PPP for the month of Jul (per kWh)	8.22
Actual PPP for the month of Aug (per kWh)	7.32
Actual PPP for the month of Sep (per kWh)	7.43
Total PPP for the month of Jul.at actual (Mln. Rs.)	10,507
Total PPP for the month of Aug.at actual (Mln. Rs.)	9,429
Total PPP for the month of Sep.at actual (Mln. Rs.)	8,435
Total PPP at Actual Price (Rs. Million)	28,371
Total Adjustment for the Qrt (Mln. Rs.)	3,289
Net Recoverable Adjustment for the Qrt (Mln. Rs.)	9,647
	9,647

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DM & Prior Year Adjustment	IESCO
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Reference Distribution Margin (per kWh)	1.52
Reference Prior Year Adjustment (per kWh)	(1.68)
Impact of increased unit purchased translated in the form of u	768
Impact of DM in Rs. Million	1,165
Impact of Prior Period Adjustment in Rs. Million	(1,291)
Total (Rs. Million)	(126)
Distribution margin at Ref units for the Qrt (Rs. Million)	3,923
Prior Adjustment at Ref units for the Qrt (Rs. Million)	(4,346)
Total (Rs. Million)	(424)
Distribution margin at Actual units for the Qrt (Rs. Millio	5,088
Prior Adjustment at Actual units for the Qrt (Rs. Million)	(5,637)
Total (Rs. Million)	(550)
	(126)
	(0)

Net Adjustment with allowed Costs only (Rs. Million)	9,647
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Ref Unit Sold for the Qrt (M kWh)	2,585
Actual Unit Sold for the Qrt (M kWh)	3,352
Determined tariff for the 1st Qrt (per kWh)	10.84
R.R for the Qrt through Tariff Petition (Min. Rs.)	28,018
Add; net Adjustment for the 1st Qrt (Rs. Million)	9,647
Total R.R for the 1st Qrt (Rs. Million)	37,665
	10.84
Total Recovered Revenue recovered (Rs. Million)	36,340
(Surplus) / Deficit (Rs. Million)	1,325

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Quarterly Adjustments - Qrt 2

EPP Adjustment

EPP - Oct

Reference	7.3369
Actual	5.0821
Disallowed	0.0000
Defferd	0.0000
Fuel Price Adjustment Allowed	(2.2548)

EPP - Nov

Reference	7.3040
Actual	4.1897
Disallowed	0.0000
	0.0000
Fuel Price Adjustment Allowed	(3.1143)

EPP - Dec

Reference	8.1037
Actual	5.1193
Disallowed	0.0000
	0.0000
Fuel Price Adjustment Allowed	(2.9844)

A	IMPACT OF LOSSES	IESCO
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Target Losses for the quarter (Notified)	9.44%
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Oct	Units Received (MkWh) Units to be sold (MkWh) Units without Life Line / Life Line and Agr. (MkWh) Adjustment already given (Mln Rs) Adjustment that should have been allowed (Mln Rs) Impact of disallowed costs (Mln Rs) Remaining adj. for the quarter only allowed (Mln Rs) adj. for the quarter with allowed & disallowed (Mln Rs) Impact of life line from new ref. Impact of losses from new ref. Impact of change of base ref price.	978 886 886 (1,998) (2,206) - (208) (208) - (208) (208) -
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Nov	Units Received (MkWh) Units to be sold (MkWh) Units without Life Line / Life Line and Agr. (MkWh) Adjustment already given (Mln Rs) Adjustment that should have been allowed (Mln Rs) Impact of disallowed costs (Mln Rs) Remaining adj. for the quarter only allowed (Mln Rs) adj. for the quarter with allowed & disallowed (Mln Rs) Impact of life line from new ref. Impact of losses from new ref. Impact of change of base ref price.	712 645 645 (2,008) (2,217) - (209) (209) - (209) (209) (0.00)
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Dec	Units Received (MkWh) Units to be sold (MkWh) Units without Life Line / Life Line and Agr. (MkWh) Adjustment already given (Mln Rs) Adjustment that should have been allowed (Mln Rs) Impact of disallowed costs (Mln Rs) Remaining adjustment for the quarter (Mln Rs) adj. for the quarter with allowed & disallowed (Mln Rs) Impact of life line from new ref. Impact of losses from new ref. Impact of change of base ref price.	772 699 699 (2,085) (2,303) - (217) (217) - (217) (217) -
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B		Variable O&M	
Oct	Variable O&M Rs. kWh		
	Reference		0.2574
	Actual		0.2673
	Delta per		0.0099
	Adjustment (Mln. Rs.)		10
	Price variace		9
	Impact of losses		1
			1
Nov	Variable O&M Rs. kWh		
	Reference		0.2667
	Actual		0.2958
	Delta per		0.0291
	Adjustment (Mln. Rs.)		21
	Price variace		19
	Impact of losses		2
			2
Dec	Variable O&M Rs. kWh		
	Reference		0.2961
	Actual		0.2949
	Delta per		(0.0012)
	Adjustment (Mln. Rs.)		(1)
	Price variace		(1)
	Impact of losses		(0)
			(0)
V. O&M	Total Adjustment Var O&M (Mln Rs)		30
	Total Impact of losses		3
	Total Price Variance		27
	Total Adjustment EPP Allowed (Mln Rs)		(605)
	Total Adjustment EPP Alowd and Disolwd (Mln Rs)		(605)

C		CPP	
Oct	CPP Rs. kWh		
	Reference		2.1207
	Actual		1.2430
	Delta per		(0.8777)
	Adjustment (Mln. Rs.)		(859)
	Price variace		(778)
	Impact of losses		(81)
			(81)
Nov	CPP Rs. kWh		
	Reference		2.1127
	Actual		4.0932
	Delta per		1.9805
	Adjustment (Mln. Rs.)		1,410
	Price variace		1,277
	Impact of losses		133
			133
Dec	CPP Rs. kWh		
	Reference		2.1887
	Actual		4.1060
	Delta per		1.9173
	Adjustment (Mln. Rs.)		1,479
	Price variace		1,340
	Impact of losses		140
			140
CPP	Total Adjustment CPP (Mln Rs)		2,031
	Total Impact of losses		192
	Total Price Variance		1,839

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D		UOSC	
Oct	UOSC Rs. kWh		
	Reference		0.1993
	Actual		0.2702
	Delta per		0.0709
	Adjustment (Min. Rs.)		69
	Price variace		63
	Impact of losses		7
			7
Nov	UOSC Rs. kWh		
	Reference		0.1890
	Actual		0.3181
	Delta per		0.1291
	Adjustment (Min. Rs.)		92
	Price variace		83
	Impact of losses		9
			9
Dec	UOSC Rs. kWh		
	Reference		0.1921
	Actual		0.3114
	Delta per		0.1193
	Adjustment (Min. Rs.)		92
	Price variace		83
	Impact of losses		9
			9
UOSC	Total Adjustment UOSC (Min Rs)		253
	Total Impact of losses		24
	Total Price Variance		229
	Total Adjustment Allowed (Min Rs)		1,678
	Total Adjustment Alowd and Disolwd (Min Rs)		1,678

PPP Decre (Life line + Agri)
 PPP Incre (Life line only)

0.00%
 3.52%

2.

	IESCO
Adjustment to be Given (Rs. Million)	
Oct	(2986)
Nov	(695)
Dec	(732)
	(4413)
Adjustment Already Given (Rs. Million)	
Oct	(1998)
Nov	(2008)
Dec	(2085)
	(6091)
Leftover Amount (Rs. Million)	1,678

	IESCO
Impact of decreased/increased Purchases	
Ref Unit Purchased (MkwH)	
Oct	771
Nov	661
Dec	664
	2,096
Actual Unit Purchased (MkwH)	
Oct	978
Nov	712
Dec	772
	2,462
Difference (MkwH)	
Oct	207
Nov	51
Dec	108
	366
Ref PPP (per kWh)	
Oct	9.91
Nov	9.87
Dec	10.78
	2,057
	503
	1,160
Impact of extra Purchases (Rs. Millions)	3,719

PPP Reconciliation	
Total PPP for the month of Oct at ref (Mln. Rs.)	7,644
Total PPP for the month of Nov at ref (Mln. Rs.)	6,526
Total PPP for the month of Dec.at ref (Mln. Rs.)	7,158
Total PPP at Ref. Price (Rs. Million)	21,328
Actual PPP for the month of Oct (per kWh)	6.86
Actual PPP for the month of Nov (per kWh)	8.90
Actual PPP for the month of Dec (per kWh)	9.83
Total PPP for the month of Oct.at actual (Mln. Rs.)	6,715
Total PPP for the month of Nov.at actual (Mln. Rs.)	6,334
Total PPP for the month of Dec.at actual (Mln. Rs.)	7,586
Total PPP at Actual Price (Rs. Million)	20,634
Total Adjustment for the Qrt (Mln. Rs.)	(693)
Net Recoverable Adjustment for the Qrt (Mln. Rs.)	5,398
	5,398

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DM & Prior Year Adjustment	IESCO
Reference Distribution Margin (per kWh)	1.52
Reference Prior Year Adjustment (per kWh)	(1.68)
Impact of increased unit purchased translated in the form of u	331
Impact of DM in Rs. Million	503
Impact of Prior Period Adjustment in Rs. Million	(557)
Total (Rs. Million)	(54)
Distribution margin at Ref units for the Qrt (Rs. Million)	2,881
Prior Adjustment at Ref units for the Qrt (Rs. Million)	(3,192)
Total (Rs. Million)	(311)
Distribution margin at Actual units for the Qrt (Rs. Millio	3,384
Prior Adjustment at Actual units for the Qrt (Rs. Million)	(3,749)
Total (Rs. Million)	(366)
	(54)
	(0)

Net Adjustment with allowed Costs only (Rs. Million) **5,398**

Ref Unit Sold for the Qrt (MkwH)	1,898
Actual Unit Sold for the Qrt (MkwH)	2,230
Determined tariff (per kWh)	10.84
R.R for the Qrt through Tariff Petition (Mln. Rs.)	20,577
Add; net Adjustment (Rs. Million)	5,398
Total R.R (Rs. Million)	25,974
	10.84
Total Recovered Revenue recovered (Rs. Million)	24,168
(Surplus) / Deficit (Rs. Million)	1,806

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FORM - 2

Islamabad Electric Supply Company

Profit & Loss Statement

		2015-16	2016-17	2017-18
		Actual	Actual	Provisional
Power Balances				
Units Received	[MkWh]			
Units Lost	[MkWh]			
Units Lost	[%age]			
Units Sold	[MkWh]			
Revenue				
Sales Revenue	[Mln Rs]	68,326	79,626	105,862
Subsidy*	[Mln Rs]	6,502	7,038	3,811
Fuel Price Adjustment	[Mln Rs]	-	-	-
Fuel Price Adjustment (Instalment Recovered)	[Mln Rs]	-	-	-
Total Sales Revenue	[Mln Rs]	74,829	86,664	109,673
Rental & Service Income	[Mln Rs]	-	-	-
Amortization of Def Credits	[Mln Rs]	1,156	1,227	1,361
Late payment Surcharge		-	-	-
Other Income	[Mln Rs]	1,222	1,115	1,457
Total Revenue	[Mln Rs]	77,207	89,007	112,491
Wheeling Charges Income	[Mln Rs]	-	-	-
Operating Cost				
Power Purchase Cost	[Mln Rs]	72,478	84,308	107,156
O&M Expenses	[Mln Rs]	11,374	12,282	17,649
Depreciation	[Mln Rs]	2,045	2,208	2,243
Amortization	[Mln Rs]	-	-	-
Provision for Bad Debt	[Mln Rs]	-	-	-
Total Operating Cost	[Mln Rs]	85,898	98,798	127,047
EBIT	[Mln Rs]	(8,691)	(9,791)	(14,556)
Financial Charges	[Mln Rs]	1,176	1,374	1,849
EBT	[Mln Rs]	(9,867)	(11,165)	(16,405)
Tax (Deferred /Current)	[Mln Rs]	2,300	695	
EAT	[Mln Rs]	(7,567)	(11,860)	(16,405)
WPPF	[Mln Rs]	-	-	-
Profit for the period	[Mln Rs]	(7,567)	(11,860)	(16,405)

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Islamabad Electric Supply Company
Profit & Loss Statement (2015-16)

		Actual												4th Qtr's Total	Total			
		Month 1	Month 2	Month 3	1st Qtr's Total	Month 4	Month 5	Month 6	2nd Qtr's Total	Month 7	Month 8	Month 9	3rd Qtr's Total			Month 10	Month 11	Month 12
Power Balances																		
Units Received	(Mkwh)	1,042	1,020	889	2,951	724	610	644	1,977	653	600	635	1,888	718	1,003	1,113	2,834	9,650
Units Lost	(Mkwh)	151	129	3	283	(27)	(14)	77	36	44	(2)	56	88	88	205	168	461	877
Units Lost	(%)	14.48%	12.61%	0.35%	9.57%	-3.72%	31.70%	32.40%	1.81%	6.71%	-0.27%	8.76%	5.18%	12.25%	20.43%	15.07%	16.25%	9.09%
Units Sold	(Mkwh)	891	891	886	2,669	750	624	567	1,942	610	601	579	1,790	630	798	945	2,373	8,774
Revenue																		
Sales Revenue	(Mn Rs)	8,314	8,717	8,072	25,103	4,925	2,577	4,633	12,135	5,242	4,446	4,011	13,700	4,381	6,327	6,681	17,388	68,326
Subsidy	(Mn Rs)	614	566	583	1,764	597	543	424	1,564	475	465	484	1,424	538	602	611	1,750	6,302
Fuel Price Adjustment	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sales Revenue	(Mn Rs)	8,928	8,283	8,655	26,867	5,522	3,120	5,058	13,899	5,718	4,912	4,495	15,124	4,918	6,929	7,292	19,139	74,829
Rental & Service Income	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Deferred Credits	(Mn Rs)	89.75	89.75	89.75	269	92.30	91.46	92.18	276	96.89	96.07	97.43	290	96.46	3.91	219.90	320	1,156
Late payment Surcharge	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	(Mn Rs)	878.90	878.90	878.90	2,637	305.61	252.57	(1,776.03)	(1,218)	125.56	157.81	67.29	351	136.46	(104.70)	(578.92)	(547)	1,222
Total Revenue	(Mn Rs)	9,897	10,252	9,624	29,772	5,920	3,464	3,374	12,757	5,940	5,165	4,840	15,765	5,151	8,828	6,933	18,812	77,207
Operating Cost																		
Power Purchase Cost	(Mn Rs)	6,822	6,022	6,022	18,067	5,658	5,267	5,900	16,725	6,394	4,572	5,505	16,471	5,082	6,473	9,662	21,216	72,476
O&M Expenses	(Mn Rs)	857	857	857	2,572	814.73	810.62	794.98	2,420	827.78	960.21	656.21	2,444	1,358.67	261.21	2,317.56	3,937	11,374
Depreciation	(Mn Rs)	174.15	174.15	174.15	522	174.49	174.07	174.75	523	174.66	174.41	175.30	524	174.30	174.34	126.35	475	2,045
Amortization	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Bad Debt	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Cost	(Mn Rs)	7,054	7,854	7,054	21,161	6,647	6,252	6,770	19,668	7,397	5,707	6,336	19,440	6,615	6,908	12,105	25,628	85,898
EBIT	(Mn Rs)	2,843	3,198	2,570	8,611	(727)	(2,786)	(3,396)	(6,811)	(1,457)	(541)	(1,676)	(3,674)	(1,464)	(80)	(5,172)	(6,716)	(8,691)
Financial Charges	(Mn Rs)	1.04	1.04	1.04	3	0.46	0.52	0.66	2	0.70	0.49	0.86	2	0.68	1,168.02	1,169	1,176	
EBT	(Mn Rs)	2,842	3,197	2,569	8,608	(727)	(2,789)	(3,397)	(6,813)	(1,457)	(542)	(1,677)	(3,676)	(1,464)	(81)	(6,340)	(7,886)	(9,867)
Tax	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	(552.33)	2,852.27	2,300	
EAT	(Mn Rs)	2,842	3,197	2,569	8,608	(727)	(2,789)	(3,397)	(6,813)	(1,457)	(542)	(1,677)	(3,676)	(1,464)	471	(9,193)	(10,186)	(7,567)
WPPF	(Mn Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Profit for the period	(Mn Rs)	2,842	3,197	2,568	8,608	(727)	(2,789)	(3,397)	(6,813)	(1,457)	(542)	(1,677)	(3,676)	(1,464)	471	(9,193)	(10,186)	(7,567)

* Where actual figures are available, these should be replaced by the actual figures.

Islamabad Electric Supply Company

Profit & Loss Statement (2017-18)

(July to Dec Actual and Remaining 06 Months Projected)

		Month 1	Month 2	Month 3	1st Qrt's Total	Month 4	Month 5	Month 6	2nd Qrt's Total	Month 7	Month 8	Month 9	3rd Qrt's Total	Month 10	Month 11	Month 12	4th Qrt's Total	Total	
Power Balances																			
Units Received	(MkWh)	1,277	1,288	1,136	3,701	978	712	772	2,462	793	674	782	2,249	907	1,279	1,328	3,514	11,926	
Units Lost	(MkWh)	179	121	71	371	2	(37)	112	77	57	(27)	74	104	98	243	184	525	1,076	
Units Lost	(%)	13.99%	9.36%	6.29%	10.01%	0.25%	5.25%	14.47%	3.12%	7.19%	-4.01%	9.46%	4.62%	10.80%	19.00%	13.86%	14.94%	9.03%	
Units Sold	(MkWh)	1,098	1,167	1,064	3,330	976	749	660	2,385	736	701	708	2,145	809	1,036	1,144	2,989	10,849	
Revenue																			
Sales Revenue	(Min Rs)	12,812	12,812	12,812	38,437	8,371	5,839	5,143	19,354	6,889	6,561	6,627	20,077	7,572	9,697	10,725	27,994	105,662	
Subsidy	(Min Rs)	655	655	655	1,965	702	624	520	1,845	-	-	-	-	-	-	-	-	3,811	
Fuel Price Adjustment	(Min Rs)	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	
Total Sales Revenue	(Min Rs)	13,467	13,467	13,467	40,402	9,073	6,463	5,663	21,199	8,889	6,561	6,627	20,077	7,572	9,697	10,725	27,994	109,673	
Operating Cost																			
Amortization of Deferred Credits	(Min Rs)	103	103	103	310	107	106	107	320	101.02	102.36	101.94	305	104.67	108.05	213.48	426	1,361	
Late payment Surcharge	(Min Rs)	206	206	206	618	206	139	175	520	125	48	39	212	64	70	(27)	107	1,467	
Total Revenue	(Min Rs)	13,777	13,777	13,777	41,331	9,385	6,708	5,945	22,039	7,115	6,712	6,768	20,595	7,741	9,875	10,911	28,527	112,491	
Power Purchase Cost	(Min Rs)	10,105	10,105	10,105	30,314	8,854	6,749	8,273	23,877	11,271	5,713	7,883	24,866	8,702	9,839	9,558	28,099	107,166	
O&M Expenses	(Min Rs)	1,009	1,009	1,009	3,026	1,402	1,098	1,175	3,675	1,873	1,515	1,432	4,820	1,458	2,095	2,574	6,128	17,649	
Depreciation	(Min Rs)	194	194	194	582	196	197	200	593	140.00	178.50	190.30	509	198.15	196.95	163.35	558	2,243	
Amortization	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for Bad Debt	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Cost	(Min Rs)	11,308	11,308	11,308	33,923	10,452	8,044	9,649	28,145	13,283	7,407	9,505	30,194	10,359	12,131	12,296	34,785	127,047	
EBIT	(Min Rs)	2,469	2,469	2,469	7,408	(1,067)	(1,336)	(3,783)	(6,106)	(6,188)	(695)	(2,736)	(9,600)	(2,618)	(2,257)	(1,384)	(6,256)	(14,556)	
Financial Charges	(Min Rs)	1	1	1	3	1	1	2	6	1	1	1,181	1,183	1	1	558	661	1,849	
EBT	(Min Rs)	2,468	2,468	2,468	7,405	(1,067)	(1,336)	(3,784)	(6,108)	(6,189)	(696)	(3,917)	(10,783)	(2,619)	(2,257)	(2,043)	(6,919)	(16,405)	
Tax	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EAT	(Min Rs)	2,469	2,469	2,469	7,405	(1,067)	(1,336)	(3,784)	(6,108)	(6,189)	(696)	(3,917)	(10,783)	(2,619)	(2,257)	(2,043)	(6,919)	(16,405)	
WPPF	(Min Rs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Profit for the period	(Min Rs)	2,469	2,469	2,469	7,405	(1,067)	(1,336)	(3,784)	(6,188)	(6,189)	(696)	(3,917)	(10,783)	(2,619)	(2,257)	(2,043)	(6,919)	(16,405)	

FORM - 4
Islamabad Electric Supply Company

Balance Sheet [in million Rupees]

Description	Actual 2015-16	Actual 2016-17	Provisional 2017-18
Non-Current Assets Held for Sale	16,000	65,891	65,891
Net Fixed Assets in Operations	79,890	82,235	85,254
Total Net Fixed Assets in Operations	79,906	82,301	85,320
Capital Work in Progress	6,541	7,437	6,225
Long Term Loans to Employees	60	60	66
Deferred Cost & Long Term Deposits	2	45	45
	6,603	7,542	6,336
Current Assets			
Stores & Spares	605	665	718
Trade Debts	55,980	65,761	79,209
Advances, Prepayments, Other Receivables	92	101	111
Tariff Subsidy	7,769	14,807	18,618
Receivable from Associated Companies & Govt.	23,316	20,050	23,273
Cash & Bank Balances	1,354	2,413	2,461
Total Current Assets	89,116	103,797	124,390
Total Assets	175,624	193,640	216,046
Subscribed Equity	5,798	5,798	5,798
Deposit for Share	20,113	20,113	20,113
Unappropriated Profit	6,087	(11,878)	(27,819)
Total Equity	31,998	14,033	(1,908)
Surplus on revaluation of Fixed Assets	25,561	25,097	24,633
Long Term Liability			
Liability against Govt Investment			
Security Deposits	4,582	5,028	5,651
Employee Retirement Benefits	31,638	40,079	49,116
TFCs & SUKUK			
Deferred Credits	23,081	23,895	24,278
Long Term Loan	5,564	5,746	5,196
Total Long Term Liability	64,865	74,748	84,240
Current Liability			
Current Maturity on Long Term Loans	2,861	3,493	3,528
Subsidy Received in Advance from GoP			
Provision for Taxation			
Payable to NTDC			
Creditors, Accrued and Other Liabilities	50,340	76,269	105,552
Total Current Liability	53,201	79,762	109,080
Total Liabilities and Commitments			
Total Liabilities and Equity	175,624	193,640	216,046

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Islamabad Electric Supply Company

Operating Cost

		2015-16 Actual	2016-17 Actual	2017-18 Projected
A Power Purchase Cost				
Energy Charge	[Mln Rs]	45,748	50,610	64,326
Capacity Charge	[Mln Rs]	24,441	30,822	39,175
Transmission Charge	[Mln Rs]	2,288	2,876	3,655
Adjustment *	[Mln Rs]	-	-	-
Total Power Purchase Cost	[Mln Rs]	72,477	84,308	107,156

* Provide the detail of adjustment

B Operation & Maintenance *

Employees Cost **

Salaries, Wages & Benefits	[Mln Rs]	5,542	6,713	8,671
Retirement Benefits	[Mln Rs]	3,861	3,598	4,495
Total Employees Cost	[Mln Rs]	9,403	10,311	13,166
Admin Expenses	[Mln Rs]	573	603	2,438
Repair & Maintenance	[Mln Rs]	854	802	1,144
Travelling	[Mln Rs]	267	284	362
Transportation	[Mln Rs]	247	273	285
Management Fee***	[Mln Rs]	-	-	255
Miscellaneous Expenses	[Mln Rs]	30	8	
Total O&M	[Mln Rs]	11,373	12,282	17,650

C Depreciation & Amortization

Depreciation	[Mln Rs]	2,045	2,208	2,243
Amortization of Leased Assets	[Mln Rs]			
Total	[Mln Rs]	2,045	2,208	2,243

D Provision for Bad Debts

Provision for bad debts *	[Mln Rs]	-	-	-
Bad debts written off	[Mln Rs]			
Total	[Mln Rs]	-	-	-

* Basis of this provision should be elaborated

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Islamabad Electric Supply Company

Operating Cost

		2015-16 Actual	2016-17 Actual	2017-18 Projected
A Power Purchase Cost				
Energy Charge	[MIn Rs]	45,748	50,610	64,326
Capacity Charge	[MIn Rs]	24,441	30,822	39,175
Transmission Charge	[MIn Rs]	2,288	2,876	3,655
Adjustment *	[MIn Rs]	-	-	-
Total Power Purchase Cost	[MIn Rs]	72,477	84,308	107,156

* Provide the detail of adjustment

B Operation & Maintenance *

Employees Cost **

Salaries, Wages & Benefits	[MIn Rs]	5,542	6,713	8,671
Retirement Benefits	[MIn Rs]	3,861	3,598	4,495
Total Employees Cost	[MIn Rs]	9,403	10,311	13,166
Admin Expenses	[MIn Rs]	573	603	2,438
Repair & Maintenance	[MIn Rs]	854	802	1,144
Travelling	[MIn Rs]	267	284	362
Transportation	[MIn Rs]	247	273	285
Management Fee***	[MIn Rs]	-	-	255
Miscellaneous Expenses	[MIn Rs]	30	8	
Total O&M	[MIn Rs]	11,373	12,282	17,650

C Depreciation & Amortization

Depreciation	[MIn Rs]	2,045	2,208	2,243
Amortization of Leased Assets	[MIn Rs]			
Total	[MIn Rs]	2,045	2,208	2,243

D Provision for Bad Debts

Provision for bad debts *	[MIn Rs]	-	-	-
Bad debts written off	[MIn Rs]			
Total	[MIn Rs]	-	-	-

* Basis of this provision should be elaborated

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FORM - 19

Islamabad Electric Supply Company

RORB Calculation

		Actual	Actual	Provisional
		2015-16	2016-17	2017-18
A	Gross Fixed Assets in Operation - Opening Bal [Mln Rs]	61,710	66,685	71,998
B	Addition in Fixed Assets [Mln Rs]	4,975	5,313	5,262
C	Gross Fixed Assets in Operation - Closing Bal [Mln Rs]	66,685	71,998	78,717
D	Less: Accumulated Depreciation [Mln Rs]	20,731	22,940	25,183
E	Net Fixed Assets in Operation [Mln Rs]	45,954	49,058	53,534
F	Add: Capital Work In Progress - Closing Bal [Mln Rs]	6,542	7,437	6,225
G	Investment in Fixed Assets [Mln Rs]	52,496	56,495	60,971
H	Less: Deferred Credits [Mln Rs]	23,081	23,895	24,278
I	Regulatory Assets Base [Mln Rs]	29,415	32,600	36,693
J	Average Regulatory Assets Base [Mln Rs]	21,124	31,008	34,646
	Rate of Return [%age]	11.83%	11.83%	11.83%
	Return on Rate Base [Mln Rs]	2,499	3,668	4,099

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FORM - 20
Islamabad Electric Supply Company
Revenue Requirement

		2015-16 Actual	2016-17 Actual	2017-18 Projected
A Power Purchase Price	[Min Rs]	72,478	84,308	107,156
B DM				
O&M	[Min Rs]	11,374	12,282	17,649
Depreciation	[Min Rs]	2,045	2,208	2,243
RORB	[Min Rs]	(8,870)	(9,791)	(14,555)
Other Income	[Min Rs]	(2,378)	(2,343)	(2,818)
Impact of Disallowed Losses	[Min Rs]	-	-	-
Total DM	[Min Rs]	2,171	2,356	2,518
C Revenue Requirement (A+B)	[Min Rs]	74,649	86,664	109,674
D Financial Charges	[Min Rs]			
E Less/ (Excess) Recovery PYA	[Min Rs]	-	-	-
F Total Revenue Requirement (D+E)	[Min Rs]	74,649	86,664	109,674

FORM - 20 (A)

Revenue Requirement (*per unit sold*)

		2015-16 Actual	2016-17 Actual	2017-18 Projected
		8,774	9,628	10,849
A Power Purchase Price	[Rs/ kWh]	8.26	8.76	9.88
B DM				
O&M	[Rs/ kWh]	1.30	1.28	1.63
Depreciation	[Rs/ kWh]	0.23	0.23	0.21
RORB	[Rs/ kWh]	(1.01)	(1.02)	(1.34)
Other Income	[Rs/ kWh]	(0.27)	(0.24)	(0.26)
Impact of Disallowed Losses	[Rs/ kWh]			
Total DM	[Rs/ kWh]	0.25	0.24	0.23
C Revenue Requirement (A+B)	[Rs/ kWh]	8.51	9.00	10.11
D Financial Charges	[Rs/ kWh]	-	-	-
E Less/ (Excess) Recovery PYA	[Rs/ kWh]	-	-	-
F Total Revenue Requirement (D+E)	[Rs/ kWh]	8.51	9.00	10.11

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National

Registrar

Ph: +92-51-9206310, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/SAT-I/TRF-100 /1021



January 22, 2018

23024430766

Chief Executive Officer
Islamabad Electric Supply Company Ltd. (IESCO)
IESCO Head Office, Street 40,
Sector G-7/4,
Islamabad

OMCP
23/1
A.D
pl. check & discuss
23/01

Subject: DIRECTION TO FILE ADJUSTMENT DATA AGAINST THE MYT
FY 2015-16 – FY 2020-21

- In Para 50 of the Tariff Determination for FY 2015-16 dated February 29 2016 certain timelines were prescribed for submission of data in order to make adjustments in tariff components; as determined by the Authority in the matter of IESCO's MYT for FY 2015-16 to 2019-20.
- It is seriously noted by the Authority that the required data for FY 2016-17 and FY 2017-18 is not filed within the prescribed timeline. In view thereof, you are directed to submit the required information before 31st January 2018.
- The Authority has also directed to convene a meeting as per following schedule. CEO/ representative is directed to attend the meeting to explain the causes of delay of filing of information.

Time: 11:00 AM

Dated: January 30th 2018

Venue: NEPRA Tower Attaturk Avenue (East), Sector G-5/1, Islamabad.

22/1/18
(Iftikhar Ali Khan)
Director
Registrar Office

Mr. Asim
31/1
XMA cpc
pl. issue letters. today
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23-1-18

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