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National Electric Power Regulatory Authority

NOTIFICATION

Islamabad, the 07th day of September 2026

S.R.O. 1507 (I)/2026.- In pursuance of Proviso (ii) to Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies complete Decision of the Authority in the matter of Requests filed by XWDISCOs for Periodic Adjustment in Tariff for the 2nd Quarter of CY 2026 already intimated to the Ministry of Energy (Power Division) on September 04, 2026. the Authority has decided to approve an overall **positive adjustment of Rs.12,669 million** on account of variation in capacity charges, variable O&M, Use of System Charges, Market Operator Fee, FCA impact on T&D losses and recovery of PPP on incremental units and reversal of the CPPs/SPPs costs for HESCO for the 2nd quarter of CY 2026.

2. The aforementioned positive adjustments will be billed in a period of 03 months i.e. **September to November 2026**, at a uniform rate of **Rs.0.5194/kWh**, to be applicable to all consumer categories, except lifeline consumers, units billed for incremental consumption package, and prepaid consumers.

3. In view of relevant provisions of NEPRA Act, National Electricity Policy and Policy Guidelines issued by the Federal Government, the Authority has decided to allow the application of instant quarterly adjustments on the consumers of K-Electric as well, with the same applicability period. Accordingly, the positive quarterly adjustment of **Rs.0.5194/kWh** shall also be billed to the consumers of K-Electric, except lifeline, Incremental consumption package billed units and prepaid consumers, to be passed in a period of 03 months i.e. **September, October** and **November 2026.**

4. In case any bills for the applicable period of the instant adjustment are issued before the notification of this decision, the same may be applied in subsequent month.

5. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited, XWDISCOs and K-Electric shall keep in view and strictly comply with orders of the courts notwithstanding this Decision.

(Syed Zawar Haider)
Director

DECISION OF THE AUTHORITY IN THE MATTER OF REQUESTS FILED BY XWDISCOs FOR PERIODIC ADJUSTMENT IN TARIFF FOR THE 2nd QUARTER OF CY 2026

1. The Authority determined consumer-end tariff for CY 2026, including Power Purchase Price (PPP) reference for XWDISCOs, on 07 January 2026, and intimated the same to the Federal Government. The Federal Government, against the aforementioned determinations/decisions, filed a Motion under Sections 7 and 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Act) read with Rule 17 of the NEPRA (Tariff Standards and Procedure) Rules, 1998 (Tariff Rules) for recommendation of uniform consumer end tariff. The said Motion was decided by the Authority on 12 January 2026 and was subsequently notified by the Federal Government on 13 January 2026.

2. XWDISCOs, in accordance with the NEPRA Act and quarterly adjustment mechanism as prescribed in their tariff determinations, filed quarterly adjustment requests on account of variation in PPP, including the impact of T&D losses, etc., for the 2nd quarter of the CY 2026, i.e. April to June 2026. The summary of the quarterly adjustment requests submitted by XWDISCOs is tabulated as follows:

2nd Quarter CY (April to June 2026)												
Description	FESCO	GEPCO	HESCO	IESCO	LESCO	MEPCO	PESCO	QESCO	SEPCO	TESCO	HAZECO	TOTAL
	Rs. in Millions											
Capacity Charges	9,573	7,587	(599)	6,867	10,484	9,244	7,762	(3,008)	3,860	(3,790)	1,766	49,746
Variable O&M	720	777	305	365	1,089	842	367	150	197	46	97	4,955
UoSC &MoF	(966)	(1,109)	(1,278)	(1,699)	(2,759)	(2,295)	(1,332)	(626)	(881)	(390)	(182)	(13,517)
Impact of T&D Losses on monthly FCA	352	273	340	175	546	481	474	124	112	42	101	3,020
Impact of Incremental Consumption Package	(4,321)	(2,537)	(851)	(836)	(7,008)	(3,202)	(978)	(287)	(327)	(284)	(544)	(21,175)
Total	5,358	4,992	(2,083)	4,872	2,353	5,070	6,294	(3,647)	2,960	(4,377)	1,239	23,031

3. Subsequently, MEPCO, SEPCO and TESCO filed addendums to the already submitted adjustment requests, summary of which, along with the original adjustment requests of other DISCOs, is tabulated as hereunder:

2nd Quarter CY (April to June 2026)												
Description	FESCO	GEPCO	HESCO	IESCO	LESCO	*MEPCO	PESCO	QESCO	*SEPCO	*TESCO	HAZECO	TOTAL
	Rs. in Millions											
Capacity Charges	9,573	7,587	(599)	6,867	10,484	9,244	7,762	(3,008)	394	(3,790)	1,766	46,280
Variable O&M	720	777	305	365	1,089	842	367	150	178	46	97	4,936
UoSC &MoF	(966)	(1,109)	(1,278)	(1,699)	(2,759)	(2,295)	(1,332)	(626)	(881)	(390)	(182)	(13,517)
Impact of T&D Losses on monthly FCA	352	273	340	175	546	368	474	124	150	24	101	2,927
Impact of Incremental Consumption Package	(4,321)	(2,537)	(851)	(836)	(7,008)	(3,202)	(978)	(287)	(327)	(284)	(544)	(21,175)
Un recovered cost of SPPs/CPPs	-	0	0	0	0	0	0	0	14,211	0	0	14,211
Total	5,358	4,992	(2,083)	4,872	2,353	4,957	6,294	(3,647)	13,724	(4,394)	1,239	33,665

** DISCOs with revised requests*

4. Whilst the proposed quarterly adjustments are formula-based and as per the mechanism prescribed in the tariff determinations of XWDISCOs; however, as the impact of any such

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adjustment is made part of the consumer end tariff, therefore, the Authority, in order to reach an informed decision and to meet the ends of natural justice, decided to conduct a hearing in the matter.

5. The hearing was scheduled on 12 August 2026, for which advertisement was published in newspapers on 01 August 2026. Individual notices were also sent to the stakeholders considered relevant, for inviting comments. Salient features of the proposed adjustments along with adjustment requests/addendums of all XWDISCOs were uploaded on NEPRA's website for information of all concerned.

6. Mr. Rehan Javed, Federation of Pakistan Chambers of Commerce and Industry (FPCCI) and Mr. Aamir Sheikh submitted comments in writing, which were forwarded to CPPAGL for response. A summary of queries in writing by the aforementioned stakeholders and the responses by CPPAGL are presented as hereunder:

- ✓ Mr. Rehan Javed raised concerns regarding the basis of reference O&M/UoSC components, PPP assumptions, negative capacity adjustments of HESCO, TESCO and QESCO, reconciliation of generator-invoiced costs and Tavanir Iran's energy/cost against the approved tariff, accuracy of net-metering units, disclosure of incremental purchase/sale volumes by all XWDISCOs, and the inconsistency of XWDISCOs in using T&D losses allowed in CY2026 and FY2025-26 for the April-June 2026 quarterly adjustment. In response, CPPAGL submitted that the reference PPP was determined on the basis of forecasts, prevailing market conditions and sensitivity analysis covering demand, hydrology, fuel prices and exchange rates, which were duly considered by NEPRA while approving the CY2026 references. CPPAGL further clarified that the provisional generation costs submitted through monthly FCA are reconciled by NEPRA against the latest applicable tariff decisions and technical assessments, while Tavanir-related adjustments are incorporated upon receipt of the relevant generation data. Regarding the negative capacity adjustments, the requested MDI, load-shedding and sales data may be examined to assess the underlying demand/supply factors. CPPAGL also clarified that the T&D loss concern has been addressed, as T&D losses allowed in FY2025-26 were considered for all XWDISCOs in the instant quarterly adjustment. With regard to uniform tariff covering DISCO inefficiencies, CPPAGL stated that the applicability of uniform tariff across DISCOs is a policy matter falling within the purview of the Federal Government.

- ✓ FPCCI requested all concerned stakeholders, including the Authority (NEPRA), PPMC, and CPPAGL, to visit the FPCCI Head Office at Karachi, where the Incremental Consumption Package (ICP) may be discussed in detail in the presence of representatives of the industry. CPPAGL responded that the Ministry of Energy (Power Division) has already submitted the

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semi-annual review of the marginal price to NEPRA, which is currently under process with NEPRA.

- ✓ Mr. Aamir Sheikh highlighted that the public notice mentions "Impact of Incremental Consumption Package" and implies that the increase in consumption was due to the incremental package, whereas the reality is that the increase in grid consumption is due to captive consumers shifting to the grid due to the captive gas levy. The majority of consumers, due to this incremental package, are cross-subsidizing the industry that shifted from gas/HFO to grid or had used fewer units in the reference months. He also submitted that QTA is not charged on incremental units and QTA for 2nd QTR will be divided on a smaller units base resulting in higher per unit cost for all non-incremental units which will result in higher cross subsidy as majority of users who did not receive incremental units will not only have to bear a higher total amount of QTA but the amount will also be more per unit due to exemption of incremental units from the calculation. CPPAGL, in response, submitted that the matter pertains to the Incremental Consumption Package and gas levy being a fiscal policy matter related to the Ministry of Energy (Power Division), which has already submitted the semi-annual review of the marginal price before NEPRA, which is currently under process with NEPRA. Further, the issue of captive gas levy is outside the operational mandate of CPPAGL and may appropriately be addressed by the concerned forum.

7. The hearing was held as per the schedule on 12 August 2026, which was attended by XWDISCOs, CPPAGL and other stakeholders including the general public and media. During the hearing, the XWDISCOs presented their information before the Authority, along with the resulting variances forming the basis of their quarterly adjustment claims.

8. Mr. Amir Sheikh, through his comments, requested that the positive QTA may be implemented in the billing months of September, October, November and December to neutralize the financial impact. Regarding the claim of Rs.14.211 billion on account of NCPP/CPPs costs by SEPCO, Mr. Sheikh requested to defer it and to initiate separate proceedings prior to allow such a sizeable claim. He also inquired regarding the fuel costs on account of losses included in the quarterly adjustments of XWDISCOs.

9. Regarding the impact of incremental consumption, Mr. Sheikh and Mr. Rehan Javed submitted that the impact was not attributable to the Incremental Consumption Package (ICP), but to the increase in gas prices for captive consumers due to the captive levy, which resulted in their shifting from captive generation to the grid. They further submitted that the incremental units are being charged at Rs.22.98/kWh, whereas the cost of self-generation, including gas charges and levy, could have been higher, thereby potentially resulting in a loss to the exchequer. They also suggested that QTA should be applied to the incremental units.

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10. Regarding impact of FAC on T&D losses representative of PPMC clarified that FCA requests is claimed only to the extent of NGC's T&T losses, whereas fuel cost attributable to T&D losses of XWDISCOs is adjusted through the quarterly adjustment mechanism.

11. Mr. Rehan Javed suggested initiating a revision of the ICP, noting that marginal costs are significantly higher than the Rs.22.98/kWh rate applicable to incremental units.

12. Upon inquiry from the Authority regarding decrease in sales due to solarization and load management, representative of PPMC explained that load management was implemented in April 2026 due to the fuel constraints, i.e. non-availability of RLNG. It was also clarified that load management is being carried out across the board including good consumers to avoid costly generation and mitigate potential price shocks arising from higher fuel prices amid the ongoing regional conflict.

13. Mr. Tanveer Barry submitted that good consumers are also being subjected to load management which is not justified and also submitted that revenue-based load shedding should be curtailed in order to avoid fatalities during the forecasted heat wave.

14. The Authority, in order to work out the instant quarterly adjustments of XWDISCOs, obtained the details of actual power purchase cost billed by CPPAGL to all the DISCOs for the 2nd quarter of the CY 2026 i.e. from April-June 2026. CPPAGL provided the required information, and also certified that:

a. 2002 Power Policy Plants

i. Invoices of all Capacity Purchase have been processed in accordance with rates, Terms & Conditions as determined by NEPRA. Payments related to periodical adjustments are also made as per decision of NEPRA.

ii. The above statement is true, based on facts and from verifiable documentary evidence. In case of any deviation/variation observed if not rectified at a later stage, CPPA-G will be responsible for the consequences arising out of any misstatement under the NEPRA Act and the Rules & Regulations.

b. 1994 Power Policy Plants

i. Invoices of all Capacity Purchase have been made strictly in accordance with the rates, terms & conditions as stipulated in the respective Power Purchase Agreement.

ii. All payments to IPPs are being made after observing all formalities provided in the respective Power Purchase Agreement.

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iii. The above statement is true, based on facts and from verifiable documentary evidence. In case of any deviation/variation observed, if not rectified at a later stage, CPPA-G will be responsible for the consequences arising out of any misstatement under the NEPRA Act and its Rules & Regulations.

15. For the purpose of determination of the 2nd quarterly adjustment of CY 2026, the information along with the certification provided by CPPAGL has been relied upon. In case any variation, error, omission, or misstatement is identified at a later stage, CPPAGL shall be held responsible, and the impact arising therefrom shall be adjusted in the subsequent quarterly adjustments.

16. The plant-wise details of capacity charges and utilization factors for the quarter from April to June 2026, as submitted by CPPAGL, are attached as **Annex-A** to the instant decision. The Authority noted that, in respect of WAPDA and PEDO, consolidated figures had been provided instead of plant-wise breakups. CPPAGL is hereby directed to ensure that, in future, plant-wise details of capacity charges are provided for each month of the quarter for all plants connected with the National Grid.

17. It is pertinent to mention here that HESCO in its instant quarterly adjustment request has also claimed an amount of Rs.272.855 million on account of unrecovered pending costs of CPPs/ SPPs, details of which are tabulated as follows:

HYDERABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT SHOWING COST OF SPPs
FROM JULY 2025 TO JUNE 2026

Sr.#	Months	As per HESCO Data				
		Units (GWh)	Fuel Cost Component (Rs. in M)	Fixed Cost Component (Rs. in M)	ROE (Rs. in M)	Total Cost (Rs. in M)
1	Jul-25	11.128	-	28.102	4.308	32.410
2	Aug-25	11.121	-	23.085	4.305	32.390
3	Sep-25	11.038	-	27.876	4.273	32.149
4	Oct-25	10.403	-	26.272	4.027	30.799
5	Nov-25	9.074	-	22.916	3.513	26.429
6	Dec-25	12.535	-	17.454	-	17.454
7	Jan-26	12.694	-	17.907	-	17.907
8	Feb-26	11.705	-	16.410	-	16.410
9	Mar-26	12.827	-	30.603	4.269	34.872
10	Apr-26	11.171	-	28.211	4.324	32.535
11	May-26		-	-	-	-
12	Jun-26	-	-	-	-	-
		113.696	-	243.837	29.019	272.855

18. Similarly, SEPCO has also claimed Rs.14.211 billion on account of the differential between the CPP/NCPP costs at NEPRA-approved reference rates and indexed rates from May 2023 to June 2026. The request of SEPCO is as follows:

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SUKKUR ELECTRIC POWER COMPANY

Annex-B

STATEMENT SHOWING WORKING OF UNRECOVERED COST OF SPPs/ HCPPs
FROM MAY-2025 TO JUNE-2026

S.#	Months	As per FCA Determination			As per SEPCO Data								Unrecovered Cost of SPPs/HCPP		
		Units (GWh)	Fuel Cost Component (Rs. in M)	Unit Cost (Rs./kWh)	Units (GWh)	Fuel Cost Component (Rs. in M)	Fixed Cost Component (Rs. in M)	ROE (Rs. in M)	Insurance (Rs. in M)	Levy (Rs. in M)	Total Cost (Rs. in M)	Per Unit Fuel CC (Rs./kWh)	Fuel Cost Component (Rs. in M)	Fixed Cost & ROE Component (Rs. in M)	Total
		1	2	3=(2/1)	4	5	6	7	8	9	10=(5+6+7+8+9)	11=(5/4)	12=(5-2)	13=(6+7+8+9)	14=(12+13)
1	May-23	8.114	55.100	6.800	8.114	53.600	18.149	3.141	0.188	-	205.756	10.550	30.40	20.18	50.58
2	Jun-23	17.312	117.800	6.798	17.312	181.578	34.256	6.663	1.636	-	224.331	10.550	64.38	43.75	107.33
3	Jul-23	19.044	129.500	6.800	19.044	200.905	37.907	7.372	2.832	-	248.311	10.550	71.41	47.31	118.73
4	Aug-23	20.250	137.700	6.800	20.250	213.626	40.302	7.839	2.161	-	263.927	10.550	75.93	50.30	126.23
5	Sept-23	19.206	68.109	2.096	19.206	201.630	38.216	7.435	2.049	-	250.329	10.550	162.22	47.71	210.03
6	Oct-23	28.428	42.800	2.095	28.428	215.491	40.854	7.807	2.179	-	284.332	10.550	172.69	50.74	223.43
7	Nov-23	19.893	41.700	2.096	19.895	437.232	39.593	7.703	1.123	-	486.656	21.979	395.52	49.42	444.94
8	Dec-23	12.77	41.700	3.265	12.775	278.796	14.318	-	-	-	294.053	21.907	238.08	14.32	252.39
9	Jan-24	14.021	31.200	2.227	14.021	296.905	15.978	-	-	-	312.884	21.176	264.70	15.98	280.68
10	Feb-24	12.958	28.800	2.303	12.958	260.814	14.745	-	-	-	275.563	21.229	221.01	14.77	235.79
11	Mar-24	16.49	35.100	2.190	16.486	391.350	32.628	6.227	1.716	-	431.901	23.737	355.23	40.57	395.80
12	Apr-24	18.77	35.200	2.093	16.771	405.348	33.376	6.490	1.789	-	447.002	24.178	370.15	41.68	411.83
13	May-24	14.85	33.180	2.094	14.852	359.009	29.558	5.748	1.584	-	395.900	24.173	327.95	36.88	364.83
14	Jun-24	13.29	27.700	2.098	13.303	319.110	26.278	5.111	1.409	-	352.008	24.176	291.51	32.80	324.31
15	Jul-24	10.08	21.100	2.092	10.086	244.004	20.073	3.904	1.079	-	291.498	28.374	244.90	25.05	269.96
16	Aug-24	10.9	22.800	2.093	10.882	262.816	21.639	4.213	1.161	-	314.848	28.374	264.22	27.03	291.25
17	Sept-24	12.29	25.700	2.092	12.287	324.850	24.454	4.756	1.311	-	354.571	28.374	298.15	30.52	328.67
18	Oct-24	12.34	25.400	2.058	12.343	328.221	24.163	4.708	1.295	-	358.382	26.374	294.82	30.16	324.98
19	Nov-24	9.46	19.800	2.092	9.464	245.818	18.834	3.654	1.058	-	273.320	26.374	220.81	23.51	253.33
20	Dec-24	8.80	18.500	2.102	8.801	232.871	9.848	-	-	-	242.820	26.470	213.57	9.85	223.42
21	Jan-25	7.75	16.730	2.160	7.747	215.181	8.728	-	-	-	223.908	28.254	362.45	8.72	211.17
22	Feb 25	8.02	17.600	2.329	8.021	253.849	10.295	-	-	-	264.333	25.667	130.26	11.58	141.84
23	Mar-25	14.45	30.800	2.134	14.377	372.814	28.415	5.527	1.513	-	338.279	26.819	492.02	33.47	527.48
24	Apr-25	18.074	37.700	2.087	18.074	419.429	34.873	6.322	1.715	-	462.236	26.093	345.72	46.81	432.54
25	May-25	26.741	55.800	2.086	26.741	582.423	48.493	6.481	1.786	-	551.183	20.008	467.33	48.76	516.09
26	Jun-25	26.064	53.760	2.062	26.064	482.378	38.851	6.218	1.734	-	529.181	20.028	448.68	46.78	495.46
27	Jul-25	26.591	54.770	2.096	26.591	498.228	40.126	6.422	1.770	29.872	574.412	29.908	481.48	78.19	559.64
28	Aug-25	26.884	55.900	2.118	26.884	502.141	40.833	6.536	1.801	-	551.311	29.741	416.24	48.17	515.41
29	Sept-25	26 292	54.300	2.228	26.292	483.139	39.403	6.307	1.738	302.806	837.383	29.809	450.84	390.14	840.98
30	Oct-25	26.836	55.980	2.087	26.836	503.607	40.917	6.547	1.796	-	552.877	29.878	467.71	49.83	516.74
31	Nov-25	9.230	19.300	2.091	17.018	511.850	41.158	6.586	1.816	107.417	669.829	30.050	491.75	151.98	643.73
32	Dec-25	10.830	22.700	2.096	17.820	499.542	24.230	-	-	97.828	622.829	28.036	477.26	122.06	599.31
33	Jan-26	17.851	-	-	17.431	484.243	24.273	-	-	151.334	659.841	27.127	484.34	175.60	659.84
34	Feb-26	15.334	32.000	2.087	15.734	423.685	21.394	-	-	134.731	579.810	26.928	390.68	216.12	606.81
35	Mar-26	17.565	36.800	2.096	17.565	540.776	42.460	6.750	1.874	220.652	812.512	30.788	592.96	271.81	775.78
36	Apr-26	16.116	33.800	2.097	16.116	495.458	38.877	6.239	1.720	180.215	723.669	30.770	462.10	227.13	689.27
37	May-26	0.007		-	0.007	0.204	0.016	0.003	0.001	49.877	50.100	30.770	0.20	49.90	50.10
38	Jun-26	0.030	0.100	3.333	-	-	-	-	-	-	-	-	0.10	-	0.10
		523.745	1,332.699		528.408	1,816.617	361.339	68.068	13.246	1,329.63	15,649.58		13,634.11	2,598.58	14,218.69

Note: The following HCPP has not supplied the Electricity During the months of May & June 2026
i.) M/s Dadu Energy (Pvt.) Ltd
ii.) M/s Shikarpur Power Plants (Pvt.) Ltd.

19. SEPCO during the hearing submitted that it had claimed the indexations for such bilateral contracts in February 2024, but no amount has been allowed in this regard and now has again requested the Authority to allow the claimed cost of Rs.14.2 billion as part of instant quarterly adjustment.

20. The Authority observed that HESCO had claimed the indexed cost of SPPs/CPPs in the 2nd and 3rd Quarters of FY 2024-25, which was provisionally allowed subject to submission of the requisite basis and reconciliation of the claimed cost. However, HESCO has yet to provide the required information to the satisfaction of the Authority. Accordingly, in view of the non-provision of the requisite details, the Authority has decided to adjust back the indexed SPPs/CPPs cost provisionally allowed i.e. Rs.326 million in the instant quarter.

21. Regarding the claims of HESCO and SEPCO amounting to Rs.272.855 million and Rs.14.211 billion, respectively, the Authority observed that, out of SEPCO's claim, Rs.11.6 billion pertains

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to fuel cost, which is outside the scope of the quarterly adjustment, while the remaining Rs.2.5 billion pertains to fixed cost components. Although HESCO and SEPCO have claimed the adjustment of indexed costs for SPPs/CPPs, however, no basis for such indexation has been provided with the instant request. Therefore, these adjustments have not been taken into account. For claiming the said adjustments in the future, the DISCOs/SPPs/CPPs are directed to first file the tariff indexation requests, as per the mechanism provided in their approved Power Acquisition Requests/Power Acquisition Contracts. Upon approval of the said indexations by the Authority, the DISCOs may claim the adjustment of differential cost for these CPPs/SPPs, based on the Authority approved indexed cost vis-à-vis the cost already allowed by the Authority.

22. The Authority, upon examination of the monthly billing data provided by CPPAGL, has noted that CPPAGL billed the SPA Fee for the entire FY 2025-26 to the XWDISCOs in the billing month of June 2026. It is pertinent to mention that the Authority issued its determination regarding the SPA Fee for FY 2025-26 on 29 June 2026, which was not notified on July 29, 2026. Accordingly, the billing of the SPA Fee to the DISCOs prior to notification of the Authority's determination is not considered justified. Therefore, the amount of Rs. 3,188 million billed by CPPAGL to the XWDISCOs on account of SPA Fee in June 2026 has been excluded from the workings of the instant quarterly adjustment.

23. Cost of Net-metering units and Net billing units exported to XWDISCOs system by consumers have been accounted for @ Rs.25.32/kWh and Rs.8.13/kWh as per the Notified National Average Power Purchase Price for the quarter April to June 2026 based on Power Purchase Price decision notified w.e.f January 01, 2026. Similarly, the costs of energy procured through other bilateral arrangements, excluding fuel cost, have been considered in accordance with the rates approved by the Authority.

24. Here it is also pertinent to mention that in FCA requests for April, May and June 2026, CPPAGL reported certain units exported by net-metering consumers in excess of the installed capacity of their distributed generation (DG) systems. These excess units have been included in the energy purchases of XWDISCOs as free energy, and no associated cost has been accounted for against them.

25. In the instant quarter, as in the previous quarter, QTA has been worked out using the T&D loss targets approved for FY 2025-26. This approach has been adopted considering that the instant quarter falls within the FY 2025-26 T&D loss target period as per the approved Investment Plans. Accordingly, for the 1st and 2nd quarter of CY 2026, the relevant T&D losses shall be those approved for FY 2025-26, whereas for the 3rd and 4th quarters of CY 2026, the T&D losses approved by the Authority for FY 2026-27 shall be applicable.

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26. For determination of the quarterly adjustment for the 2nd quarter of CY 2026, the Authority has considered and taken into account the data and information submitted by CPPAGL and the XWDISCOs regarding capacity charges, variable O&M, Use of System Charges, and Market Operator Fee, impact of PPP on incremental consumption, while the impact of T&D losses pertaining to monthly FCAs was computed in accordance with the Authority's approved monthly decisions for the relevant months.

27. It is pertinent to note that, consistent with past practice and considering that the adjustment is being made in the already notified uniform tariff, the Authority, in addition to determining DISCO-wise quarterly adjustment rates, has also decided to approve a uniform quarterly adjustment rate, which shall be applied to the consumers.

28. Based on the discussion made in the above paragraphs, the Authority has decided to approve an overall positive adjustment of Rs.12,669 million on account of variation in capacity charges, variable O&M, Use of System Charges, Market Operator Fee, FCA impact on T&D losses and recovery of PPP on incremental units and reversal of the CPPs/SPPs costs for HESCO for the 2nd quarter of CY 2026, as per the following details:

Description	UNIT	FESCO	GEPCO	HESCO	SEPCO	IESCO	LESCO	MEPCO	PESCO	TESCO	QESCO	HAZECO	Total
FCA Impact of T&D Losses	Rs. Mln	306	221	310	192	112	443	370	364	33	147	82	2,581
V. O&M	Rs. Mln	656	449	269	163	328	1,013	642	335	58	145	101	4,159
Capacity Charges	Rs. Mln	9,318	7,196	(675)	371	6,856	10,274	8,803	7,575	(3,790)	(3,016)	1,614	44,526
UOSC/MoF	Rs. Mln	(1,435)	(1,503)	(1,278)	(999)	(2,002)	(3,413)	(2,839)	(1,640)	(390)	(730)	(217)	(16,447)
Recovery of PPP on Incremental Units	Rs. Mln	(4,325)	(2,546)	(1,077)	(327)	(836)	(7,417)	(3,205)	(981)	(284)	(283)	(544)	(21,824)
Total Under / (Over) Recovery	Rs. Mln	4,521	3,817	(2,450)	(601)	4,458	899	3,771	5,653	(4,372)	(3,737)	1,037	12,995
Reversal of already allowed SPPs/CPPs indexed cost on provisional basis	Rs. Mln			(326)									(326)
Net Under / (Over) Recovery	Rs. Mln	4,521	3,817	(2,776)	(601)	4,458	899	3,771	5,653	(4,372)	(3,737)	1,037	12,669
Projected Sales for 3 months (excluding Life Line sales)	GWh	3,525	2,653	1,110	837	2,653	5,688	4,046	1,877	342	1,044	619	24,394
Per Unit Impact - Proposed	Rs./kWh	1.2824	1.4390	(2.5017)	(0.7175)	1.6805	0.1581	0.9321	3.0111	(12.7961)	(3.5803)	1.6741	0.5194

29. The aforementioned positive adjustments will be billed in a period of 03 months i.e. September to November 2026, at a uniform rate of Rs.0.5194/kWh, to be applicable to all consumer categories, except lifeline consumers, units billed for incremental consumption package, and prepaid consumers. During the hearing, Mr. Aamir Sheikh had suggested that the per unit impact of requests of Rs.33 billion may be applied in the 4 months from September 2026 to December 2026, instead of 3 months from September 2026 to November 2026. The Authority has deliberated on the issue and has decided that the suggestion of the commentator is noted however, as NEPRA worked out amount of Rs.12 billion which is considerably lower to requested by XWDISCOs in their quarterly adjustments, therefore, the Authority has decided to maintain the application of the aforementioned positive quarterly adjustment in 03 month period i.e. September 2026 to November 2026.

30. It is important to note that the Federal Government issued policy guidelines to NEPRA, vide letter dated 22 August 2023, for uniform application of quarterly adjustments on XWDISCOs and

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K-Electric consumers. The policy guidelines state that NEPRA shall determine the same tariff rationalization for K-Electric consumers as determined for XWDISCOs consumers, with the same application period. The Policy.Guidelines are reproduced hereunder;

i. *In order to maintain uniform tariff across country, NEPRA shall determine application of quarterly tariff determinations (QTAs) of XWDISCOs on KE consumers by way of tariff rationalization. NEPRA shall determine the same tariff rationalization for K-Electric consumers as determined for XWDISCOs consumers, with same application period, keeping in view financial sustainability of the sector and uniform tariff policy of the Federal Government.*

ii. *Subsidy or surcharge against the determined tariff for K-Electric consumers shall be assessed on an annual basis instead of monthly or quarterly basis.*

iii. *Federal Government's motion with respect to recommendation of consumer end tariff for K-Electric Limited dated March 17, 2023 pursuant to the 1st Quarterly adjustment of FY 2022-23 determination for XWDISCOs, shall be considered accordingly.*

31. In view of the above discussion, relevant provisions of the NEPRA Act, National Electricity Policy and the policy guidelines issued by the Federal Government, the Authority has decided to allow the application of instant quarterly adjustments on the consumers of K-Electric as well, with the same applicability period. Accordingly, the positive quarterly adjustment of Rs.0.5194/kWh shall also be billed to the consumers of K-Electric, except lifeline, Incremental consumption package billed units and prepaid consumers, to be passed in a period of 03 months i.e. September, October and November 2026.

32. In case any bills for the applicable period of the instant adjustment are issued before the notification of this decision, the same may be applied in subsequent month.

33. While effecting the quarterly adjustments, the concerned XWDISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

34. Furthermore, the Authority directs all XWDISCOs to submit their quarterly adjustment request immediately after the close of the quarter to allow for timely processing of these requests. Additionally, XWDISCOs are also directed to provide category wise detail of increase/decrease in sales of each quarter, over reference sales as well as actual sales of the corresponding period of previous year period along-with quarterly adjustment request. For industrial consumers, such details, for each category i.e. B1, B2, B3 & B4 shall be shown separately. Further, an analysis of sales and MDI variance and the impact of the same on quarterly adjustments amount through a presentation in future hearings to facilitate a clearer understanding of their data.

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35. The instant decision, along with the attached Annexure, is intimated to the Federal Government, prior to its notification in the Official Gazette as per Section 31 (7) of the NEPRA Act.

AUTHORITY

Amina Ahmed
Member

Engr. Maqsood Anwar Khan
Member

Ghulamullah Shaikh
Member

Waseem Mukhtar
Chairman

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
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Plant Wise Capacity Summary Q-2 (CY 2026)

Sr. No.	Power Producers	Capacity Inicuding WHT, WPPF, Insurance etc.	Factors (KT/Do/PwF/Adj)	Total
1	ACT Wind (Pvt) Limited	825,904,872	-	825,904,872
2	ACT2 DIN Wind (Pvt) Ltd.	1,142,067,602	-	1,142,067,602
3	AJ Power (Private) Ltd.	168,383,619	-	168,383,619
4	Atlas Power Limited	635,699,000	-	635,699,000
5	Almoiz Industries Limited	85,834,720	-	85,834,720
6	Appolo Solar Development Pakistan Limited	1,641,939,898	-	1,641,939,898
7	Artistic Energy (Pvt.) Limited	1,289,867,892	-	1,289,867,892
8	Artistic Wind Power (Pvt) Ltd.	1,016,498,555	-	1,016,498,555
9	Atlas Solar Limited	777,353,229	-	777,353,229
10	Attock Gen Limited	527,513,150	-	527,513,150
11	Balloki	6,894,621,793	-	6,894,621,793
12	Best Green Energy Pakistan Limited	2,104,246,095	-	2,104,246,095
13	Chanar Energy Limited	480	-	480
14	China Power Hub Generation company (Pvt.) Ltd	30,814,758,877	-	30,814,758,877
15	Chiniot Power Limited	70,199,227	-	70,199,227
16	C-I	5,393,591,863		5,393,591,863
17	C-II	4,969,623,746	-	4,969,623,746
18	C-III	11,937,309,115	-	11,937,309,115
19	C-IV	10,404,488,457	-	10,404,488,457
20	Central Power Generation Company Limited-(Genco-2)	18,098,343,566	-	18,098,343,566
21	Crest Energy Pakistan Limited	2,162,758,476	-	2,162,758,476
22	Daral Khwar HPP	(15,365,958)	-	(15,365,958)
23	DIN Energy Ltd.	826,016,051	-	826,016,051
24	Engro Powergen Qadirpur Limited	769,663,991	12,727,746	782,391,738
25	Engro Powergen Thar (Pvt) Limited	14,355,724,054	-	14,355,724,054
26	Fauji Kabirwala Power Company Ltd.	(1,614,170,011)	-	(1,614,170,011)
27	FFC Energy Limited	875,211,381	-	875,211,381
28	Foundation Power Company Daharki Ltd.	1,541,502,050	102,719,015	1,644,221,065
29	Foundation Wind Energy-I Limited	1,334,730,243	-	1,334,730,243
30	Foundation Wind Energy-II Limited	1,238,337,461	-	1,238,337,461
31	Genco-III Nandipur	274,656,706	-	274,656,706
32	Gul Ahmed Electric Limited	1,264,238,849	-	1,264,238,849
33	Gul Ahmed Wind Power Ltd	1,684,154,846	-	1,684,154,846
34	Halmore Power Generation Company Limited	990,131,368	278,039,155	1,268,170,523
35	Harappa Solar (Pvt) Limited	316,555,888	-	316,555,888
36	Hawa Energy (Private) Limited	1,908,230,600	-	1,908,230,600
37	HBS	3,694,722,227	-	3,694,722,227
38	Helios Power Limited	351,574,668	-	351,574,668
39	HNDS Energy Limited	350,102,611	-	350,102,611
40	Huaneng Shandong Ruyi Energy (Pvt) Ltd	26,138,723,795	-	26,138,723,795
41	Hydrochina Dawood Power (Private) Limited	1,996,488,072	-	1,996,488,072
42	Indus Wind Energy Ltd.	761,149,495	-	761,149,495
43	Jamshoro Power Company Limited-CFPP	4,556,289,052	-	4,556,289,052
44	JDW-II	64,370,758	-	64,370,758
45	JDW-III	54,539,590	-	54,539,590
46	Jhimpir Power (Private) Limited	1,983,236,116	-	1,983,236,116
47	KAPCO 450 MW	825,927,706	-	825,927,706
48	Karachi Nuclear Power Plant-Unit-2	36,773,231,994	-	36,773,231,994
49	Karachi Nuclear Power Plant-Unit-3	37,953,682,507	-	37,953,682,507
50	Karot Power Company (Pvt.) Limited	16,504,196,621	-	16,504,196,621
51	Kohinoor Energy Ltd.	370,587,171	-	370,587,171
52	Lakeside Energy Limited	1,351,974,846	-	1,351,974,846
53	Laraib Energy Limited	1,257,864,930	-	1,257,864,930
54	Liberty Power Tech Limited	828,715,731	-	828,715,731
55	Liberty Wind Power-I Ltd.	1,127,248,713	-	1,127,248,713
56	Liberty Wind Power-II (Pvt.) Ltd.	1,105,290,594	-	1,105,290,594
57	Lucky Electric Power Company Limited	13,600,857,568	-	13,600,857,568
58	Lucky Renewables (Private) Limited	863,470,663	-	863,470,663
59	Master Green Energy Limited	747,473,333	-	747,473,333
60	Master Wind Energy Limited	1,785,264,654	-	1,785,264,654
61	Meridian Energy Limited	352,395,715	-	352,395,715
62	Metro Power Company Ltd	1,906,836,395	-	1,906,836,395

Plant Wise Capacity Summary Q-2 (CY 2026)

Sr. No.	Power Producers	Capacity Inlcuding WHT, WPPF, Insurance etc.	Factors (KT/Do/PwF/Adj)	Total
63	Metro Wind Power Limited	1,079,434,719	-	1,079,434,719
64	Mira Power Limited	3,215,099,375	-	3,215,099,375
65	Narowal Energy Limited	2,061,612,529	-	2,061,612,529
66	NASDA Green Energy Limited	1,208,543,141	-	1,208,543,141
67	Nishat Chunian Power Limited	709,333,502	6,203,478	715,536,980
68	Nishat Power Limited	656,398,461	-	656,398,461
69	Orient Power Company (Private) Limited	1,334,299,043	295,067,760	1,629,366,803
70	Pakhtunkhwa Energy Development Organization (Malakand-III)	1,119,442,378	-	1,119,442,378
71	Port Qasim Electric Power Company (Pvt.) Limited	26,079,422,572	-	26,079,422,572
72	Punjab Thermal Power Private Limited	7,788,639,060	-	7,788,639,060
73	Quaid E Azam Solar Power Pvt Ltd	1,034,794,841	-	1,034,794,841
74	Quaid-e-Azam Thermal Power (Pvt) Limited	3,298,508,197	61,483,726	3,359,991,923
75	RYK Mills Limited	50,172,949	-	50,172,949
76	S K Hydro (Private) Limited	23,254,979,772	-	23,254,979,772
77	Sachal Energy Development (Private) Limited	2,089,668,695	-	2,089,668,695
78	Saif Power Limited	364,732,450	-	364,732,450
79	Sapphire Electric Company Limited	785,731,819	-	785,731,819
80	Sapphire Wind Power Company Limited	1,069,741,663	-	1,069,741,663
81	Shahtaaj	(3,597,428)	-	(3,597,428)
82	Star Hydro Power Limited	1,484,685,101	-	1,484,685,101
83	TBCCPL-A	2,321,384,932	-	2,321,384,932
84	TBCCPL-B	2,213,133,593	-	2,213,133,593
85	TBCCPL-C	2,234,138,564	-	2,234,138,564
86	Tenaga Generasi Limited	1,834,428,983	-	1,834,428,983
87	Thal Industries Corporation Ltd	153,634,379	-	153,634,379
88	ThalNova Power Thar (Pvt.) Ltd	8,108,823,670	-	8,108,823,670
89	Thar Coal Block-1 Power Generation Company (Pvt) Limited	29,742,015,955	-	29,742,015,955
90	Thar Energy Limited	8,058,994,059	-	8,058,994,059
91	Three Gorges First Wind Farm Pakistan (Private) Limited	1,175,992,437	-	1,175,992,437
92	Three Gorges Second Wind Farm Pakistan Limited	1,549,770,020	-	1,549,770,020
93	Three Gorges Third Wind Farm Pakistan (Private) Limited	1,609,261,672	-	1,609,261,672
94	Tavanir Iran	478,554,250	-	478,554,250
95	Legal Fee	3,630,094	-	3,630,094
96	Exchange Loss / (Gain) - (on import of energy)	(23,829,881)	-	(23,829,881)
97	Liquidated Damages Receipts	(5,682,734)	-	(5,682,734)
98	TNB Liberty	685,450,729	-	685,450,729
99	Uch Power Ltd.	1,680,096,752	-	1,680,096,752
100	Uch-II Power (Pvt.) Limited	1,851,112,637	(47,947,222)	1,803,165,415
101	UEP Wind Power (Pvt)Ltd	3,807,103,591	-	3,807,103,591
102	WAPDA Hydel	35,661,577,770	-	35,661,577,770
103	Yunus Energy Limited	1,381,894,719	-	1,381,894,719
104	Zephyr Power (Pvt.) Limited	2,099,086,742	-	2,099,086,742
105	Zorlu Enerji Pakistan Limited	2,174,644,088	-	2,174,644,088
Total		471,493,697,135	708,293,658	472,201,990,793

*** PWF means Period Weighing Factor

*** KT means Ambient Temperature Correction Factor, for hour h as set out in Schedule 10

*** Do means Capacity Degradation Factor.

*** Adj means Capacity Adjustment Factor.

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NATIONAL ELECTRIC POWER REGULATORY AUTHORITY NEPRA

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National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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REGISTRAR

No. NEPRA/TRF-Notifications/2nd - QA/ CY-2026/ 18432 September 07, 2026

The Manager
Printing Corporation of Pakistan Press (PCPP)
Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY IN THE MATTER OF REQUESTS FILED BY XWDISCOS FOR PERIODIC ADJUSTMENT IN TARIFF FOR THE 2ND QUARTER OF CY 2026**

Pursuant to Proviso (ii) of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997) (NEPRA Act), as amended through Act No XIV of 2021 dated 10-08-2021; enclosed please find herewith a notification in respect of Decision of the Authority dated September 04, 2026 in the matter of Requests filed by XWDISCOs for Periodic Adjustment in Tariff for the 2nd Quarter of CY 2026 for immediate publication in the official Gazette of Pakistan. Please also furnish ten (10) copies of the Notification to this Office after its publication.

Encl: As Above

(Syed Zawar Haider)
Director