

**Nepra allows 81-paisa increase in power tariff**

ISLAMABAD: The National Electric Power Regulatory Authority (Nepra) on Thursday allowed around 81 paisas per unit increase in consumer tariff for ex-Wapda distribution companies (Discos) for a month on account of fuel cost adjustment.

The decision would generate Rs5.2 billion revenue for Discos. The Central Power Purchase Agency (CPPA) had demanded an increase of Rs1.23 per unit to generate Rs7.9bn, but Nepra found some double entries that were disallowed. Also, the higher than reference transmission losses in tariff were rejected.

The decision was taken at a public hearing presided over by Nepra vice chairman Rehmatullah Baloch and attended by member from Punjab Saifullah Chattha and member from Sindh Rafique Shaikh. The Nepra team pointed out that some bills on account of Quaid-i-Azam Thermal Power Station, Havelli Bahadur Shah and Balloki had been adjusted in previous month's fuel adjustment but were claimed for the second time.

Revised rates will not apply to KE consumers

The higher rates for electricity consumed in February would be recovered from consumers in the upcoming billing month i.e. May 2019. The higher rates would not be charged to lifeline consumers using up to 50 units per month, but all other consumer of all categories, including industrial sector and agriculture tubewells, would have to bear the additional burden. The revised rates would not apply to K-Electric's (KE) consumers.

The CPPA on behalf of Discos claimed an additional cost of Rs1.23 per unit under base tariff 2015-16 on the grounds that consumers were charged a reference tariff of Rs3.97 per unit in February, while the actual fuel cost turned out to be Rs5.20 per unit. The regulator, however, concluded that actual fuel cost was Rs4.785 and hence an increase of 81 paisas per unit.

Total energy generation from all sources in February 2019 was recorded at 6,687 GWh against 7,763 GWh in January. The total cost of energy generated in February amounted to Rs32.6bn, having an average per unit fuel cost of Rs4.87, according to the CPPA.

However, about 6,425 GWh were sold to Discos for Rs33.42bn with high transmission losses of 3.7pc, significantly higher than maximum permissible limit of 3pc. The transmission losses have generally remained lower than 2.7pc almost over the past few years but have started to go beyond 3pc since October-December 2018.

The hydropower generation made a healthy contribution of 23pc to the generation mix in February, compared to a nominal share of 6.15pc in January but was still short of its full potential. The locally produced gas-based electricity production achieved almost 24pc share — the highest — in total power supply.

The share of coal-based generation maintained third position with 17.5pc contribution in February, but slightly lower than 18.7pc in January. The share of power generation based on re-gasified liquefied natural gas (RLNG) slightly improved to 17pc in February, compared to 14.7pc in January.

There was no fuel cost on hydroelectricity, while coal-based fuel cost increased to Rs7.9 per unit in February — significantly higher than Rs6.80 per unit in January. The furnace oil-based plants generated electricity at a cost of Rs11.91 per unit even though its contribution was less than 2pc.

Nuclear energy contributed about 11.13pc electricity to the national grid at a fuel cost of 95 paisas per unit, while power produced by sugar mills accounted for 1.5pc share at a fuel cost of Rs6.2 per unit. The electricity imported from Iran had a cost of Rs11.57 per unit and its total share in generation was 0.42pc.

Wind produced 3.18pc electricity at zero fuel cost, while 0.79pc contribution came from solar energy, again at no cost.

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