

4th February, 2020



Ch. Muhammad Sarwar
Governor of Punjab



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APPEAL

Honorable Prime Minister

YOUR GOVERNMENT'S COMMITMENT TO A REGIONALLY COMPETITIVE ENERGY TARIFF IS BEING DISHONORED.

Power tariff during the PML (N) government's tenure was 12 cents which was 50% higher than regional tariffs, as a result over a 100 mills closed and exports collapsed by \$4 billion.

Acknowledging that surcharges and inefficiencies cannot be exported a regionally competitive tariff of 7.5 cents/kwh all inclusive was notified on January, 2019.

7.5 cents/kwh is the actual cost of service to the textile sector as there are zero distribution and commercial losses.

Clarifications were also issued by Ministry of Energy after clearance from ECC that the 7.5 cents/kwh tariff was all inclusive on 8th February 2019 and 29th March 2019.

Despite a global slowdown, volumetric textile exports increased by over 32%.

To cover their inefficiencies and in defiance of Government's Commitment and Cabinet/ ECC decisions, Energy Ministry has decided to increase electricity tariff to almost 13 cents/kwh through inefficiency surcharges applied retrospectively from January 2019.

Court decision is being wrongly quoted by Ministry of Energy to impose surcharges of 5 cents/kwh with retrospective effect from January 2019.

By the Grace of God, Courts have not directed to impose surcharges on export oriented industry. Unjustifiable billing of surcharges on closed and past transactions will lead to large scale bankruptcies, closures and massive unemployment especially in Punjab.

Despite current world price of LNG of under \$4/MMBTU, \$6.5/MMBTU RLNG/Gas tariff is being implemented only through court orders and is still not notified.

Exports will decline rapidly and substantially

AN IMPARTIAL ENQUIRY MAY PLEASE BE ORDERED TO DETERMINE FACTS

Honorable Prime Minister only your urgent intervention will save Pakistan's future and ensure a strong sovereign Pakistan.

YOU ENABLE WE DELIVER

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ALL PAKISTAN
TEXTILE MILLS ASSOCIATION

INVESTMENT EMPLOYMENT VALUE ADDITION EXPORTS