

Raise in KE tariff approved by ECC

ISLAMABAD: The Economic Coordination Committee (ECC) of the Cabinet on Wednesday decided to approve increase in KE tariff up to Rs2.89 per units with implementation from September 1, 2020, and a subsidy of Rs4.7 billion was also provided to the entity on account of tariff differential.

A meeting of the ECC presided over by the Adviser to Prime Minister, Dr Abdul Hafeez Sheikh, approved the summary moved by the Power Division for the rationalisation of 11 quarterly adjustments of K-Electric Limited from July 2016 to March 2019.

The quarterly adjustments of K-Electric for period from July 2016 to March 2019 will be notified with effect from 1st September 2020 to bring the tariff at par with what is currently in fiddle for consumers of (X-WAPDA) DISCOS.

An official said that the increase in KE tariff was also approved by the ECC meeting on July 3, 2020; however, the ECC's decision was not endorsed by the federal cabinet, thus, the implementation of tariff increase did not happen.

He said again the implementation of the ECC meeting with regards to tariff increase was contingent to the ratification of the decision by the federal cabinet. An average Rs2.39 per unit KE tariff would increase from July 1st, 2020; however, its impact on different slabs would be from Rs1.09 per unit to Rs2.89 per unit.

He added that with this increase, the KE tariff would be at par with other power distribution companies.

In order to meet the financial challenges faced by Roosevelt Hotel, New York, the ECC approved the amount up to \$142 million for the PIA-IL on the recommendation of the Committee constituted in an earlier meeting of the ECC, headed by deputy chairman Planning Commission and including secretaries of the Finance Division, the Aviation Division, and the Law and Justice Division.

The ECC meeting also approved the summary moved by the Power Division for the rationalisation of 11 quarterly adjustments of K-Electric Limited from July 2016 to March 2019.