



# Central Power Purchasing Agency (Guarantee) Limited

A Company of Government of Pakistan



## OFFICE OF THE CHIEF EXECUTIVE OFFICER

Ref No. CEO-CPAG-2025/9877

Date: 13-03-2025

THE REGISTRAR,  
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
NEPRA Tower Attaturk Avenue (East),  
G-5/1, Islamabad.

F/A

Subject: Application for Adjustment of Tariff Components in Respect of 156.181 MW Project of Attock Gen Limited.

Please find attached joint Application for Adjustment of Tariff as per clause 3.1 of the Amendment Agreement dated 28<sup>th</sup> February, 2025.

By way of background, it is submitted that in order to reduce consumer-end tariff and alleviate the burden on general public, both the Company and Power Purchaser have mutually agreed to enter into Amendment Agreement and adopt the 'Hybrid Take & Pay' model which is being submitted herewith for the approval of the Authority.

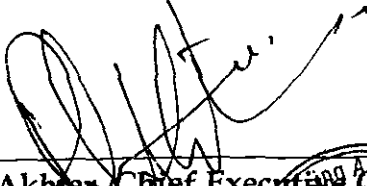
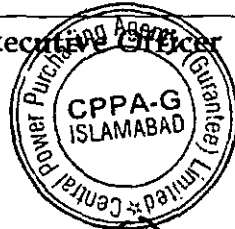
Since this Application is being submitted purely in National interest, it is most humbly requested that the applicable fee for this Application may kindly be waived off.

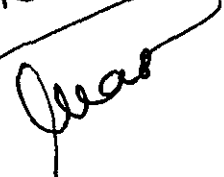
The Applicant will be pleased to provide any further information, clarification or explanation that may be required by the Authority in this regard during its evaluation of the attached tariff adjustment.

Yours sincerely,

For and on behalf of

CENTRAL POWER PURCHASING AGENCY (GUARANTEE) LIMITED

  
Rihan Akhtar, Chief Executive Officer  


DRO (I)  


### Forwarded please:

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<input type="checkbox"/> Consult (Tech.)	<input type="checkbox"/> Consult (CTBCM)

For kind information, please.

1. Chairman 2. M (Tech)  
3. M (Lic.) 4. M (Trf. & Fin)  
5. M (Law)

REGISTRAR OFFICE  
Diary No: 2809  
Date: 18.3.25

BEFORE  
THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

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APPLICATION FOR ADJUSTMENT OF TARIFF

APPLICANTS: CENTRAL POWER PURCHASING AGENCY (GUARANTEE) LIMITED &  
ATTOCK GEN LIMITED

IN RESPECT OF 156.181 MW PROJECT

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DATED: March 13, 2025

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## Tariff Adjustment Application

In respect of Attock Gen Limited

### Applicants

- i. The Central Power Purchasing Agency (Guarantee) Limited, a guarantee limited company with its registered office located at Shaheen Plaza, Fazl-ul Haq Road, Blue Area, Islamabad ("CPPA-G) and;
- ii. Attock Gen Limited, 5<sup>th</sup> Floor, Attock House, Morgah, Rawalpindi ("the Company")

collectively referred as "the Applicants" are hereby jointly filing this Tariff Adjustment Application ("Application") before National Electric Power Regulatory Authority ("Authority") for adjustment in tariff components allowed to the Company through the Authority's determination bearing No. NEPRA/Tariff-55/AGL-2006/7167-7169, dated July 30, 2009 as amended vide tariff determination bearing No. NEPRA/R/TRF-55/AGL-2006/3614-16 dated May 24, 2010 and NEPRA/R/ADG(Trf)/TRF-55/AGL-2006/18191-18193 dated April 02, 2021.

### Generation License

The Authority granted the Company a Generation License bearing No. IGSPL/08/2006

### PPA and Tariff

A Power Purchase Agreement was executed by and between the Company and National Transmission and Despatch Company Limited on September 01, 2007 in respect of the Project and novated to the Applicant *vide* novation agreement dated February 11, 2021 ("PPA"). The learned Authority determined the Reference Tariff No. NEPRA/R/TRF-55/AGL-2006/6572-74, dated September 04, 2006, Commercial Operations Date Tariff No. NEPRA/Tariff-55/AGL-2006/7167-7169, dated July 30, 2009, MLR Tariff No. NEPRA/R/TRF-55/AGL-2006/3614-16 dated May 24, 2010, Adjustment of ROE and ROEDC under Master Agreement tariff No. NEPRA/R/ADG(Trf)/TRF-55/AGL-2006/18191-18193 dated April 02, 2021, and CPI determination dated March 10, 2021, (collectively referenced as "Tariff") of the Company..

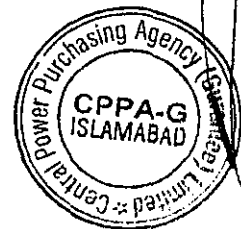
### Ground

Based on the AA, the Applicants agreed to jointly develop and submit a tariff adjustment application as a necessary condition to bring into effect the terms of section 2.2(b) of the AA.

### Determination Sought

It is humbly prayed that the Authority:

- (a) Accept this Application;
- (b) Revise indexation mechanism of the Operation and Maintenance Component of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA;
- (c) Revise Indexation of Insurance Component of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA;



- (d) Adjust the Foreign Component of ROE and ROEDC of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA
- (e) Revise the existing mechanism of "Take or Pay" to Hybrid Take and Pay" model, whereby the Company is entitled for 35% of ROE and ROEDC as part of CPP and remaining ROE and ROEDC component is subject to generation beyond 35% of contract capacity as agreed between the Applicants in clause 2.2(b) of the AA, and
- (f) It is requested to implement the clause 3.2 of the AA which provides that *"the revised tariff shall be effective from: (a) the date of notification and (b) withdrawal of respective letters and/or claims and/or proceedings of NEPRA against the Company for abnormal profits and appropriate notice that the same stands fully and finally withdrawn and resolved (the "Revised Tariff Effective Date"), failing which the past excess adjustments (fuel and O&M) will be set aside; and*
- (g) Approve the Tariff Adjustment to become effective as provided in clause 3.2 of the AA, reproduced above and notified accordingly.

The Applicants will be pleased to provide any further information, clarification or explanation as may be required by the Authority during its evaluation of the attached tariff adjustment.

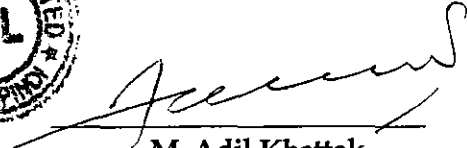
Yours sincerely,  
For and on behalf of  
Central Power Purchasing Agency (Guarantee)  
Limited

  
Rihan Akhtar  
Chief Executive Officer



Attock Gen Limited



  
M. Adil Khattak  
Chief Executive Officer

## Section 1 - Summary of Particulars

### A. Particulars of the Applicants

**Name:** Attock Gen Limited (the "Company").  
**Address:** 5<sup>th</sup> Floor, Attock House, Morgah, Rawalpindi.  
**Phone:** 051-5406001-3

**Name:** Central Power Purchasing Agency (Guarantee) Limited (CPPA-G).  
**Address:** Shaheen Plaza, 73 West, Fazal-e-Haq Road, Blue Area, Islamabad, Pakistan.  
**Phone:** 051-111-922-772  
**E-mail:** info@cpga.gov.pk

### B. Authorizations

This Application is being filed and submitted before the Authority by Mr. Rihan Akhtar, Chief Executive Officer CPPA-G and Mr. M. Adil Khattak, Chief Executive Officer, Attock Gen Limited - the Company, being duly authorized representative of the Applicants by virtue of board resolutions appended herewith as Annex 2 & Annex 3 respectively.

### C. Applicant's Representatives

Mr. Rihan Akhtar, CEO CPPA-G.

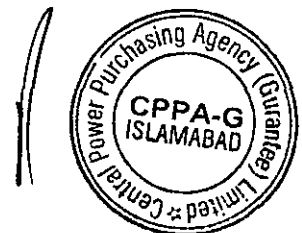
Mr. M. Adil Khattak, CEO, Attock Gen Limited or his authorized nominee.

### D. Processing Fee

The applicable fee for this Application, as determined by the Authority, is enclosed herewith.

### E. Verification Through Affidavit

As required under the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 (the "Rules"), an affidavit verifying the statement of fact or opinion made by the Applicants in this Application is enclosed herewith as Annex 4 & Annex 5.



## Section 2 - Proposed Amendments

2.1 The Applicants have entered into the AA, appended herewith as Annex-1.

Pursuant to Clause 2.2(b) of the AA, the Applicants have agreed to adjust the Components of Tariff as per the following terms and conditions:

(a) **Indexation of Operation & Maintenance Components**

Operation & Maintenance Components' (the "O&M") as determined by NEPRA (for the quarter ended 30th September 2024) shall continue as revised reference with the following quarterly indexation mechanism:

i). Fixed O&M - Local and Variable O&M – Local shall be indexed with lower of (a) five percent (5%) per annum or (b) the actual average National Consumer Price Index (the "NCPI") for the preceding twelve (12) months.

ii). Fixed O&M - Foreign and Variable O&M – Foreign shall be indexed as per the existing mechanism provided that the PKR / USD depreciation shall be allowed only to the extent of 70% of the actual depreciation per annum. In case, the PKR appreciates against the USD in a year, then 100% of such appreciation shall be passed on to the consumers. For clarification, the indices used in the quarterly indexation determined by NEPRA for the period July-Sep, 2024 shall prevail.

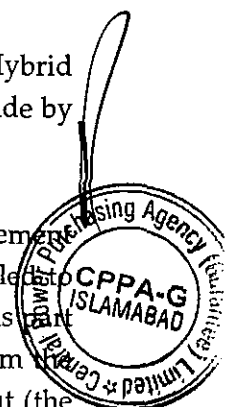
(b) **Insurance Component**

Insurance with effect from subsequent Agreement Year shall be revised such that it should be paid in actual subject to a maximum limit to be capped at 0.9% of allowed EPC Cost as per existing mechanism.

(c) **Hybrid Take and Pay Model**

As per clause 2.2 (b)(i) of the AA, the Applicants agreed to implement a 'Hybrid Take-and-Pay Model', whereby tariff payment to the Company shall be made by CPPA-G as provided hereunder.

From the Effective Date, prorated for remaining period of the current Agreement year, and thereafter for every Agreement year, the Company will be entitled to thirty-five percent (35%) of revised ROE and ROEDC components of tariff as part of CPP, which will be computed as per the terms of the Existing PPA. From Effective Date, in case the Despatched and Delivered Net Electrical Output (the "NEO") of the Company exceeds thirty-five percent (35%) of the total Contract Capacity in terms of kWh, then the Company will be entitled to receive ROE and ROEDC components of tariff, which shall be calculated on the actual NEO



exceeding thirty-five percent (35%) of the total Contract Capacity in terms of kWh and the Company shall claim the differential CPP accordingly.

**(d) Foreign Component of ROE and ROEDC**

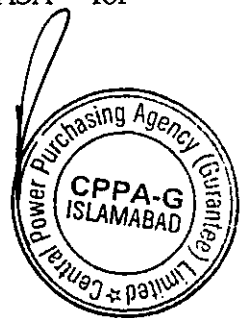
The foreign component of ROE and ROEDC as determined by NEPRA for the Oct-Dec 2024 quarter shall be recomputed based on 17% rate of return, at the fixed exchange rate of PKR 168 / USD. Thereafter, there shall be no exchange rate indexation.

**(e) Withdrawal of Proceedings for abnormal profits by NEPRA**

It is requested to implement the clause 3.2 of the AA which provides that *"the revised tariff shall be effective from: (a) the date of notification and (b) withdrawal of respective letters and/ or claims and/or proceedings of NEPRA against the Company for abnormal profits and appropriate notice that the same stands fully and finally withdrawn and resolved (the "Revised Tariff Effective Date"), failing which the past excess adjustments (fuel and O&M) will be set aside"*

**(f) Termination of Arbitration Submission Agreement ("ASA")**

Pursuant to clause 2.2(b)(xiv) of the AA, the GoP agreed to unconditionally and irrevocably, withdraw and extinguish all claims against the Company, under the Arbitration Submission Agreement (ASA). The ASA dated 15<sup>th</sup> June 2022, shall stand terminated, and GoP and the Company are in the process of sending a joint communication to the tribunal established under the ASA for termination/relinquishment of the arbitration.

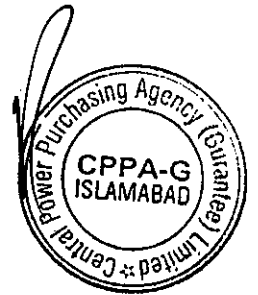


### Section 3- Proposed Tariff

The following are the proposed tariff changes:

Tariff Component	Proposed Reference Tariff (Rs./kW/h)	Indexation
Fixed O&M (Local)	0.4549	Lower of 5% per annum or actual average NCPI for the preceding 12 months
Variable O&M (Local)	0.5819	
Fixed O&M (Foreign)	0.5538	US CPI & PKR/US\$ provided that 70% PKR/US\$ depreciation and 100% PKR/US\$ appreciation is applicable.
Variable O&M (Foreign)	2.4448	
ROE (Foreign)	0.5367	Recomputed based on 17% rate of return, at the fixed exchange rate of PKR 168 / USD and no future exchange rate indexation
ROEDC (Foreign)	0.0733	
Insurance	-	Actual subject to a maximum limit to be capped at 0.9% of allowed EPC Cost as per existing mechanism w.e.f April 01, 2025

Reference Parameters:	
Exchange Rate (PKR/US\$)	278.80
US CPI (All Urban Consumers)	314.069
N CPI (Local)	254.78





#### Section 4 - Determination Sought

In light of the foregoing submissions, the learned Authority is kindly requested to:

- a) Accept this Application;
- b) Revise indexation mechanism of the Operation and Maintenance Component of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA;
- c) Revise Indexation of Insurance Component of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA;
- d) Adjust the Foreign Component of ROE and ROEDC of the Tariff as agreed between the Applicants in clause 2.2(b) of the AA;
- e) Revise the existing mechanism of "Take or Pay" to Hybrid Take and Pay" model, whereby the Company is entitled for 35% of ROE and ROEDC as part of CPP and remaining ROE and ROEDC component is subject to generation beyond 35% of contract capacity as agreed between the Applicants in clause 2.2(b) of the AA;
- f) It is requested to implement the clause 3.2 of the AA which provides that *"the revised tariff shall be effective from: (a) the date of notification and (b) withdrawal of respective letters and/ or claims and/or proceedings of NEPRA against the Company for abnormal profits and appropriate notice that the same stands fully and finally withdrawn and resolved (the "Revised Tariff Effective Date"), failing which the past excess adjustments (fuel and O&M) will be set aside."* and;
- g) Approve the Tariff Adjustment to become effective as provided in clause 3.2 of the AA and notified accordingly.

