



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-322/CPGCL-2015/9493-9495

May 30, 2019

Subject: **Decision of the Authority in the matter of Indexation/Adjustment of Tariff for Central Power Generation Company Ltd. (CPGCL) for 747 MW Combined Cycle Power Project at Guddu – (Case No. NEPRA/TRF-322/CPGCL-2015)**

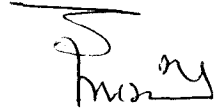
Dear Sir,

Please find enclosed herewith subject decision of the Authority along with revised tariff components (Annex-I) (02 Pages) in the matter of quarterly indexation/adjustment of tariff for the quarter April – June 2019 on account of US CPI, CPI (General) Local and Exchange Rate variation in respect of Central Power Generation Company Ltd. in Case No. NEPRA/TRF-322/CPGCL-2015.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The revised tariff components attached as Annex-I are to be notified in the official Gazette.

Enclosure: As above


30 05 19
(Syed Safeer Hussain)

Secretary
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat
Islamabad

CC: 1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

DECISION OF THE AUTHORITY IN THE MATTER OF INDEXATION/ ADJUSTMENT OF TARIFF FOR CENTRAL POWER GENERATION COMPANY LIMITED FOR 747 MW COMBINED CYCLE POWER PROJECT AT GUDDU.

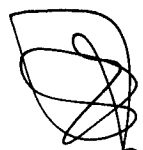
1. Pursuant to the decision of the Authority dated April 7, 2017 notified vide S.R.O No. 448(I)/2017 dated May 30, 2017 in the matter of Motion for Leave for Review, the relevant tariff components of Central Power Generation Company Limited for 747 MW Power Plant located at Guddu (CPGCL-Guddu) in respect of the period April-June 2019 quarter has been revised on account of US CPI, CPI (General) Local and exchange rate variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference Tariff	Revised April-June 2019 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M – Local	0.0627	0.0757
Fixed O&M – Foreign	0.1375	0.2076
ROE	0.6161	0.8643
Debt Servicing (Local)	0.1793	0.1793
Cost of Working Capital (HSD)	0.0158	-
Total	1.0114	1.3269
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.2998	0.4527


2. According to the documentary evidence provided by CPGCL-Guddu vide letter dated May 2, 2019, the HSD inventory is 15,235 liters only as of March 2019. However, in the instant case, the Authority allowed cost of working capital for HSD fuel inventory for 7 days at 60% load which was assessed to be 14.466 million liters. Since CPGCL-Guddu has not maintained the required inventory, the Authority has decided to disallow the cost of working capital component till the time GPGCL-Guddu maintains the required fuel inventory and submits the documentary evidence of the same.
3. The above referred revised tariff components attached as Annex-I are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.


AUTHORITY

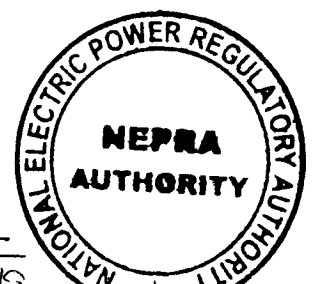

Saif Ullah Chattha
Member 29-5-2019



Rehmatullah Baloch
Vice Chairman


Rafique Ahmed Shaikh
Member


20/05/19



Central Power Generation Company Limited
747 MW Combined Cycle Power Plant, Guddu
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised April-June 2019 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Local	0.0627	0.0757
Fixed O&M - Foreign	0.1375	0.2076
ROE	0.6161	0.8643
Debt Servicing (Local)	0.1793	0.1793
Cost of Working Capital (HSD)	0.0158	-
Total	1.0114	1.3269
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.2998	0.4527
Indexation Values		
Exchange Rate (Rs./USD)	100.300	140.700
US CPI (All Urban Consumers)	234.812	252.776
CPI (General) - Local	196.79	237.61

