



Registrar

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-322/CPGCL-2015/33143-33145

August 2, 2021

**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)**

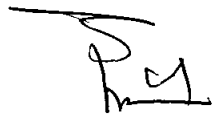
Dear Sir,

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 July – September 2021 on account of US CPI, CPI 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

  
02 08 21  
( 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**

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 and decision dated December 28, 2020 in the matter of tariff modification to include open cycle tariff, 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 Jul-Sep 2021 quarter has been revised on account of US CPI, CPI 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 Jul-Sep 2021 Quarter
<b>Capacity Charge (Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0627	0.0858
Fixed O&M - Foreign	0.1375	0.2488
ROE	0.3435	0.3435
Debt Servicing (Local)	0.1793	0.1793
Cost of Working Capital	0.0158	-
<b>Total</b>	<b>0.7388</b>	<b>0.8574</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign	0.2998	0.5424

CPGCL-Guddu did not request for the adjustment of Cost of Working Capital. Therefore, the same has not been considered.

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.

CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**



Rehmatullah Baloch  
Member

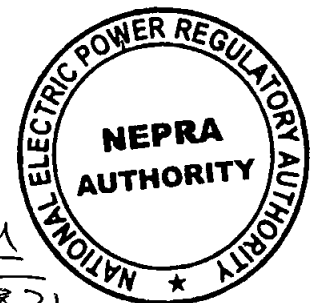
26/7/21

Engr. Rafique Ahmed Shaikh  
Member

Engr. Maqsood Anwar Khan  
Member

28/07/21

Tauseef H. Farooq  
Chairman



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

<b>Tariff Components</b>	<b>Reference Tariff</b>	<b>Revised Jul-Sep 2021 Quarter</b>
<b>Capacity Charge (Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0627	0.0858
Fixed O&M - Foreign	0.1375	0.2488
ROE	0.3435	0.3435
Debt Servicing (Local)	0.1793	0.1793
Cost of Working Capital	0.0158	-
<b>Total</b>	<b>0.7388</b>	<b>0.8574</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign	0.2998	0.5424
<b>Indexation Values</b>		
Exchange Rate (Rs./USD)	100.300	158.300
US CPI (All Urban Consumers)	234.812	269.195
CPI (General) - Local	196.79	269.270

\* For the purpose of indexation of Local O&M components for Jul-Sep 2021 quarter, CPI for May 2021 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. As per relevant provision of the PPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&M components is being made on provisional basis, subject to revision upon decision of new reference index value by the Authority.

\*\* The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.

