



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
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Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/DG(Trf)/TRF-322/CPGCL-2015/ 10876-80

May 12, 2023

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 for April to June 2023 Quarter (Case No. NEPRA/TRF-322/CPGCL-2015)

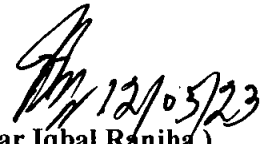
Dear Sir,

Please find enclosed herewith subject decision of the Authority along with revised tariff components as **Annex-I** (total 02 Pages) in the matter of Indexation/Adjustment of Tariff on account of US, CPI, CPI Local and Exchange rate variation for the period of April to June 2023 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 in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

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

Enclosure: As above


(Engr. Mazhar Iqbal Ranjha)

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

Copy to: (alongwith copy of subject Decision):

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Central Power Generation Company Ltd. (CPGCL) Guddu Thermal Power Station, Guddu (Kashmore)



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

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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

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3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Central Power Generation Company Ltd. (CPGCL) Guddu Thermal Power Station, Guddu (Kashmore)

N.O.O.

No. NEPRA/R/DG(Trf)/TRF-322/CPGCL-2015/10881

May 12, 2023

Forwarded for information and further necessary action please.

Registrar

1. DG (Tariff)
2. Mr. Zain Ullah Shah, SES
3. Ms. Kinza Anwar, SCO [to update the status]
4. Mr. Rizwan Ali, SES [to scan the decision]
5. Master File [w.r.t. ATC/CM D # 4082 dated 10.05.2023 & RO D # 6144 dated 12.05.2023]

For information please:

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

Distribution: Director (I.T.) [Decision has already been e-mailed for uploading please]

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 FOR APRIL TO JUNE 2023 QUARTER.

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, decision dated December 28, 2020 in the matter of tariff modification to include open cycle tariff and decision dated July 28, 2021 in respect 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 April to June 2023 quarter have 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(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable:

Tariff Components	Reference Apr 7, 2017 & Jul 28, 2021	Revised Apr to Jun 2023 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Local	0.0627	0.0858
Fixed O&M - Foreign	0.1375	0.4990
ROE	0.3894	1.1030
Debt Servicing (Local)	0.1793	0.1793
Cost of Working Capital	0.0158	-
Total	0.7847	1.8671
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.2998	1.0880

2. CPGCL-Guddu did not request for the adjustment of Cost of Working Capital. Therefore, same is not considered.
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.
4. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

Mathar Niaz Rana

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed

Amina Ahmed
Member



Tauseef H. Farooqi
Chairman

12/05/23

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

Tariff Components	Reference Apr 7, 2017 & Jul 28, 2021	Revised Apr to Jun 2023 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Local	0.0627	0.0858	CPI
Fixed O&M - Foreign	0.1375	0.4990	US CPI & Rs./US\$
ROE	0.3894	1.1030	Rs./US\$
Debt Servicing (Local)	0.1793	0.1793	-
Cost of Working Capital	0.0158	-	KIBOR & Fuel Price
Total	0.7847	1.8671	
Variable O&M (Rs./kWh)			
Variable O&M - Foreign	0.2998	1.0880	US CPI & Rs./US\$
Indexation Values:			Source
Exchange Rate (Rs./USD)	100.300	284.100	NBP - Revised rate of Mar 31, 2023
US CPI (All Urban Consumers)	234.812	300.840	U.S. Bureau of Labor Statistics - Revised value of Feb 2023
CPI (General) - Local	196.79	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020

- For the purpose of indexation of Local O&M components for Apr-Jun 2023 quarter, CPI for Feb 2023 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.

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

- Based on the data declared by Central Power Generation Company Limited (Guddu).

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