



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-169/ZEPL-2011/5641-5643
February 3, 2021

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Zorlu Enerji Pakistan Ltd. (Case No. NEPRA/TRF-169/ZEPL-2011)

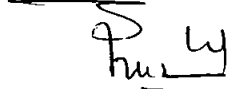
Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Zorlu Enerji Pakistan Ltd. for the quarter January-March 2021 on account of US CPI, CPI (General), Exchange Rate and KIBOR/LIBOR variations in Case No. NEPRA/TRF-169/ZEPL-2011.

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


03 02 21
(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
Government of Pakistan
'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 QUARTERLY INDEXATION/ ADJUSTMENT
OF TARIFF FOR ZORLU ENERJI PAKISTAN LIMITED**

Pursuant to the Decisions of the Authority dated February 20, 2015 in the matter of tariff adjustment of Zorlu Enerji Pakistan Limited (ZEPL) at Commercial Operation Date (COD), Motion for Leave for Review dated December 1, 2015 against the COD Decision and corrigendum dated December 31, 2015, the tariff components of ZEPL in respect of quarter January-March, 2021 have been revised on account of US CPI, CPI (General), exchange rate and KIBOR/LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision(s) of the Authority indicated in Annex-I.

2. 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.


3. CPPA-G to ensure that all the payments are consistent with tariff determination.

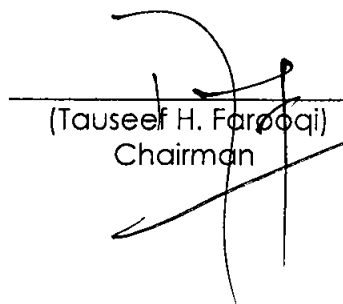
AUTHORITY

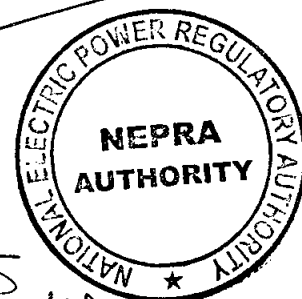

(Saif Ullah Chattha)
Member 22.1.2021


(Rafique Ahmed Shaikh)
Member 22.1.21


(Rehmatullah Baloch)
Member


(Engr. Bahadur Shah)
Member


(Tauseef H. Farooqi)
Chairman



Zorlu Enerji Pakistan Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Jan - Mar 2021
(Rs./kWh)		
Variable O & M- Foreign	0.0054	0.0096
Fixed O&M-Local	0.8758	1.3106
Fixed O&M-Foreign	0.4449	0.7917
Return on Equity	4.2751	6.8266
Return on Equity during Construction	1.1042	1.7632
Principal repayment - Foreign	5.6330	8.9949
Interest	0.8012	1.2479
Principal repayment - Local	1.0305	1.0305
Interest	0.4040	0.3535
Total	14.5742	22.3285
Indexation Values		
CPI (General)	179.94	269.270
US CPI	233.50	260.229
Exchange Rate	100.70	160.80
Libor 6-Month	0.3965%	0.2576%
Kibor 6-Month	9.07%	7.35%

* For the purpose of indexation of Local O&M component for the quarter Jan-Mar 2021, the latest available data of CPI (General) published by Pakistan Bureau of Labour Statistics was required to be used as per the tariff determination and relevant provisions of power purchase agreement. However, Pakistan Bureau of Labour Statistics has discontinued the publication of CPI based on base year (2007-08) w.e.f July 2020 and replaced the same with National CPI based on the base year of (2015-16). Accordingly, as per the applicable provision of the tariff determination and PPA, the latest available CPI of June 2020 based on base year of 2007-08 has been used for the instant adjustment. Further, the instant adjustment w.r.t Local O&M is being made on provisional basis, subject to revision upon decision of the Authority on revised index value of CPI.

