



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-169/ZEPL-2011/3303-07 February 22, 2023

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 2023 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 sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

  
( Engr. Mazhar Iqbal Ranjha )

Secretary,  
Ministry of Energy (Power Division),  
Government of Pakistan  
'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. Country Manager, Zorlu Enerji Pakistan Ltd., C-117, Clifton Block-2, Karachi.

**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, 2023 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.

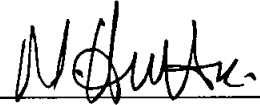
2. The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

**AUTHORITY**



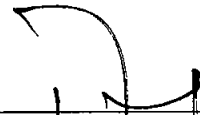
(Mathar Niaz Rana (nsc))  
Member



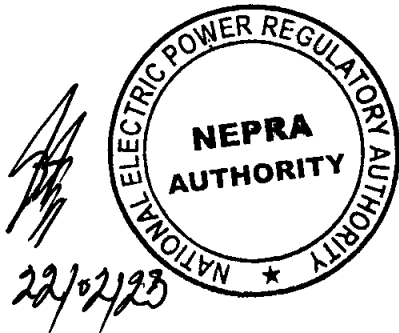
(Engr. Maqsood Anwar Khan)  
Member



(Rafique Ahmed Shaikh)  
Member



(Tauseef H. Farooqi)  
Chairman



**Zorlu Enerji Pakistan Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Component	Reference Tariff	Revised Jan-Mar 2023	Indexation
Date of decisions	Feb 20, 2015 Dec 01, 2015 Dec 31, 2015		
	(Rs./kWh)		
Variable O & M- Foreign	0.0054	0.0155	US CPI & Rs./US \$
Fixed O&M-Local	0.8758	1.3106	CPI
Fixed O&M-Foreign	0.4449	1.2781	US CPI & Rs./US \$
Return on Equity	4.2751	9.6328	Rs./US \$
Return on Equity during Construction	1.1042	2.4880	Rs./US \$
Principal repayment - Foreign	6.2064	13.9844	Rs./US \$
Interest	0.2288	0.8338	LIBOR & Rs./US \$
Principal repayment - Local	1.3749	1.3749	-
Interest	0.1260	0.1798	KIBOR
<b>Total</b>	<b>14.6415</b>	<b>31.0979</b>	SBP
<b>Indexation Values</b>			<b>Sources (Websites)</b>
CPI (General)	179.94	269.270	Pakistan Bureau of Statistics
US CPI	233.50	297.711	US Bureau of Labor Statistics
Exchange Rate	100.70	226.90	NBP
Libor 6-Month	0.3965%	5.1389%	Global-rates.com or moneycafe.com
Kibor 6-Month	9.07%	17.04%	SBP
Principal outstanding Foreign (Rs.)		499,037,219	
Principal outstanding Local (Rs.)		113,253,830	
Benchmark Energy Jan-June (kWh)		83,775,600	

Above indexation is on the basis of the information provided by ZEPL and verified by NEPRA.

For the purpose of indexation of Fixed O&M (Local) component for Jan-Mar 2023 quarter, CPI for Nov 2022 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.

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

As per relevant provision of the EPA, 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 notification of the Authority's decision of revised index.

