



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/DG(Trf)/TRF-488/DEL-2019/ 31356-60

August 17, 2023

Subject: **Interim Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Din Energy Limited (Case No. NEPRA/ TRF-488/DEL-2019)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components at **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Din Energy Limited for the **July-September 2023** quarters on account of US CPI, CPI (Local), Exchange Rate (PKR/USD) and LIBOR variations in Case No. NEPRA/ TRF-488/DEL-2019.

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. Chief Executive Officer, Din Energy Ltd. Din House, 35-A/1, Lalazar Area,

**INTERIM DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/  
ADJUSTMENT OF TARIFF FOR DIN ENERGY LTD**

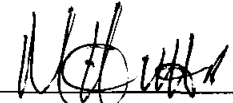
Pursuant to the decision of the Authority dated November 19, 2018 and July 23, 2020 in the matter of tariff decisions of DIN Energy Limited (DEL) and decision dated May 17, 2021 on motion for leave for review filed by DEL notified vide S.R.O No 679(1)/2022 dated May 27, 2022, the relevant tariff components are required to be indexed/adjusted according to the stipulated mechanism therein.

2. DEL filed request for interim relief which has been granted on account of quarterly indexation till finalization of COD.DEL submitted request for quarterly indexation of Jul-Sep 2023. Accordingly, the relevant tariff components in respect of quarter Jul-Sep 2023, have been revised on account of US CPI, CPI (Local), exchange rate and LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision(s) of the Authority indicated in Annex-I.
3. The indexation allowed is on interim basis and shall be subject to adjustments, if necessary, in the light of the final decision of the Authority with respect to DEL COD tariff adjustment.
4. The adjusted/indexed tariff attached as **Annex-I** is 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.
5. 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



(Amina Ahmed)  
Member

(Tauseef H. Farooqi)  
Chairman

**Din Energy Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Component	Reference Tariff	Revised Jul-Sep 2023	Indexation
	(Rs. / kWh)		
O&M-Local	0.4146	0.4869	CPI
O&M-Foreign	0.4146	1.1964	US CPI & Rs./US \$
Return on Equity	1.2901	3.0866	Rs./US \$
Return on Equity during Construction	0.1163	0.2782	Rs./US \$
Debt Servicing-Foreign	1.8757	6.6332	LIBOR & Rs./US \$
Debt Servicing-Local	2.6775	2.6775	-
<b>Total</b>	<b>6.7889</b>	<b>14.3588</b>	-
<b>Indexation Values</b>			<b>Sources (Websites)</b>
CPI (General) of June 2020	229.270	269.270	Pakistan Bureau of Statistics
US CPI of May 2023	252.146	304.127	US Bureau of Labor Statistics
Exchange Rate of June 30, 2023	120.00	287.10	NBP
Libor 3-Month of June 30, 2023	0.20913%	5.54543%	Global-rates.com or moneycafe.com
Principal outstanding Foreign (USD.)		23,307,633	Tariff Determination
Principal outstanding Local (USD.)		21,728,010	
Benchmark Energy quarterly		41,610,000	

The above indexation is on the basis of information provided by DEL. The exchange rates and LIBOR rates of last working day of previous quarter have been applied for calculation. Insurance has not been considered because it is allowed as per actual on annual basis. For the purpose of indexation of O&M (Local) component for the quarter Jul-Sep 2023, May 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.

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.

