



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DD(Tariff/RE)/TRF-156/FFCEL-2010/38754-56
November 2, 2020

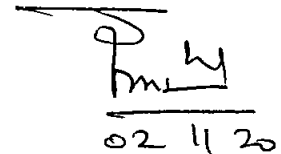
Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for the FFC Energy Ltd. (FFCEL) [Case # NEPRA/TRF-156/FFCEL-2010]**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised tariff Component (Annex-I) (02 pages) in the matter of quarterly indexation/adjustment of tariff of FFC Energy Ltd. for the quarter October - December 2020 on account of US CPI, CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-156/FFCEL-2010.

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 Component attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above


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(Syed Safeer Hussain)

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

CC:

1. Secretary, Cabinet Division, Cabinet Block, 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 FFC ENERGY LIMITED**

Pursuant to the decision of the Authority dated November 10, 2014 in the matter of tariff adjustment of FFC Energy Limited (FFCEL) at commercial operation date (COD), decision dated July 31, 2015 in the matter of motion for leave for review against the Decision of the Authority at COD and decision dated November 8, 2017 in the matter of revision in tariff due to reduction in interest on financing facility, the relevant components of tariff of FFCEL in respect of quarter October-December, 2020 have been revised on account of US CPI, CPI (Local), exchange rate and KIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decisions of the Authority indicated in Annex-I.

2. The above revised tariff component 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.

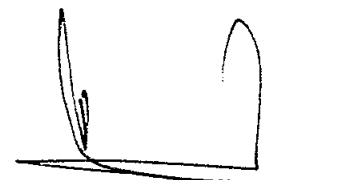
3. CPPA-G to ensure that all the payments are consistent with tariff determination.

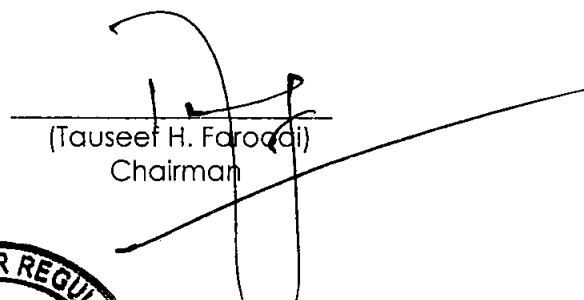
AUTHORITY

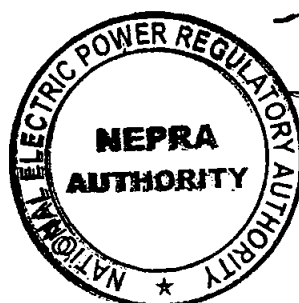

(Saif Ullah Chattha)
Member 26.10.2020

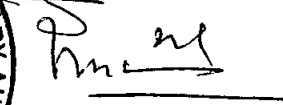

(Rafique Ahmed Shaikh)
Member


(Rehmatullah Baloch)
Member


(Engr. Bahadur Shah)
Member


(Tauseef H. Farooqi)
Chairman




02.11.20
I

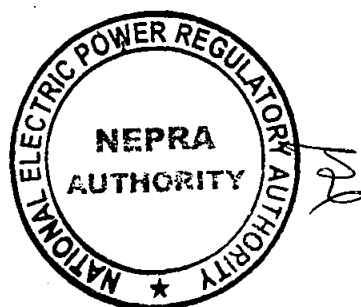
FFC Energy Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Year 8	Revised Oct-Dec 2020
(Rs./kWh)		
Fixed O&M-Local	1.0644	1.6584
Fixed O&M-Foreign	0.3981	0.7683
Return on Equity	3.0932	5.2737
Return on Equity during Construction	0.6404	1.0918
Principal repayment of debt	8.5839	8.5839
Interest	3.0797	2.5200
Total	16.8597	19.8961

Indexation Values

CPI (General)	172.820	269.270
US CPI	229.601	259.918
Exchange Rate	97.60	166.40
Kibor 6-Month	9.38%	7.24%

*For the purpose of indexation of Local O&M component for the quarter Oct-Dec 2020, 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.



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