



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-156/FFCEL-2010/34668-34670

August 17, 2021

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]

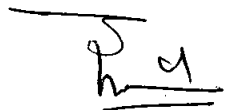
Dear Sir,

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 July – September 2021 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


170824 s
(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 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 July-September, 2021 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.

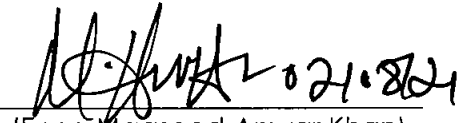
2. The above revised tariff component attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

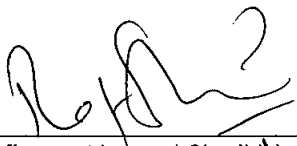
AUTHORITY


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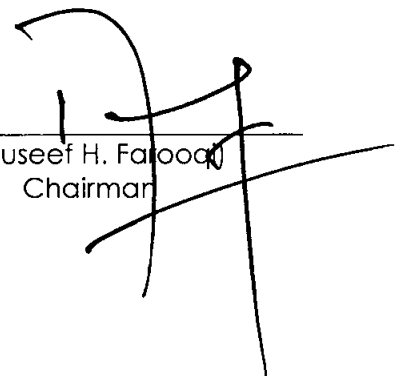
(Rehmatullah Baloch)
Member


20/8/21

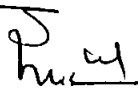
(Engr. Maqsood Anwar Khan)
Member


20/8/21

(Rafique Ahmed Shaikh)
Member



(Tauseef H. Farooq)
Chairman


17/08/21

FFC Energy Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Jul-Sep 2021
(Rs./kWh)		
Fixed O&M-Local	1.0644	1.6584
Fixed O&M-Foreign	0.3981	0.7570
Return on Equity	3.0932	5.0169
Return on Equity during Construction	0.6404	1.0387
Principal repayment of debt	9.5976	9.5976
Interest	2.0660	1.7862
Total	16.8597	19.8548
Indexation Values		
CPI (General)	172.820	269.270
US CPI	229.601	269.195
Exchange Rate	97.60	158.30
Kibor 6-Month	9.38%	7.69%

* For the purpose of indexation of Fixed O&M (Local) component for Jul-Sep 2021 quarter, CPI for May 2021 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.

