



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)/TRF-156/FFCEL-2010/2475-79

February 17, 2022

Subject: Decision of the Authority for Quarterly Indexation/Adjustment of Tariff of FFC Energy Ltd. for the period from November 29, 2021 – December 31, 2021 and for the Quarter from January – March 2022 [Case # NEPRA/TRF-156/FFCEL-2010]

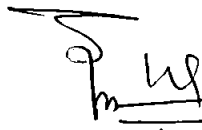
Dear Sir,

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 period from November 29, 2021-December 31, 2021 and for the quarter from January-March 2022 in Case No. NEPRA/TRF-156/FFCEL-2010.

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.

3. The adjusted/indexed tariff attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above


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(Syed Safer 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.
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, FFC Energy Limited, 156, The Mall Road Rawalpindi Cantt
Cell: 0333-5125769 Ph: 111332111, 8450001

DECISION OF THE AUTHORITY FOR QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF FFC ENERGY LIMITED FOR THE PERIOD FROM NOVEMBER 29, 2021-DECEMBER 31, 2021 AND FOR THE QUARTER FROM JANUARY-MARCH, 2022

The Authority issued its decision on July 31, 2015 in the matter of motion for leave for review against the tariff adjustment decision of the Authority at COD. The Authority then issued its decision regarding revision in tariff due to reduction in interest on financing facility on November 8, 2017. Later, the Authority vide decision dated April 09, 2021 in the matter of application filed by Central Power Purchasing Agency Guarantee Ltd. (CPPAGL) adjusted the aforesaid decision dated July 31, 2015 which has been notified through S.R.O 718(I)/2021 dated June 04, 2021.

2. The aforesaid decision of the Authority dated April 09, 2021 was approved to become effective as per the timeline agreed in the Master Agreement signed between CPPAGL and FFCEL. CPPAGL vide letter dated January 06, 2022 has informed that the said decision dated April 09, 2022 has become effective on November 29, 2021.

3. In pursuance to decisions issued on July 31, 2015 and November 8, 2017, the Authority on November 04, 2021 adjusted/indexed the tariff of FFCEL for the quarter October-December, 2021. Now in pursuant to decision dated April 09, 2021, the adjusted/indexed tariff for the quarter October-December, 2021 issued on November 04, 2021 is being modified, which shall be applicable from November 29, 2021 till December 31, 2021. In addition, the tariff for the quarter January-March, 2022 has also been adjusted in accordance with above decisions. The revised tariff for the period from November 29, 2021-December 31, 2021 and for the quarter January-March, 2022 is attached herewith as **Annex-I**.

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.

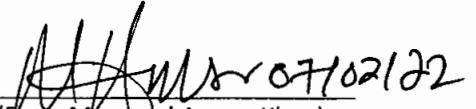
5. CPPAGL to ensure that all the payments are consistent with tariff determination.

AUTHORITY

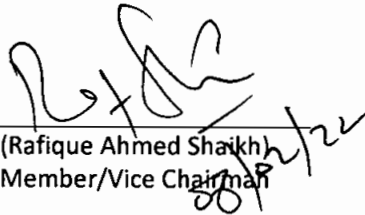


(Rehmatullah Baloch)
Member

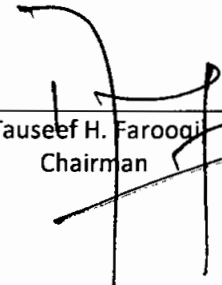
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(Engr. Maqsood Anwar Khan)
Member



(Rafique Ahmed Shaikh)
Member/Vice Chairman



(Tauseef H. Farooqi)
Chairman



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FFC Energy Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Nov 29-Dec 31, 2021	Reference Tariff	Revised Jan-Mar 2022
(Rs./kWh)				
Fixed O&M-Local	1.0644	1.6584	1.0644	1.6584
Fixed O&M-Foreign	0.3981	0.8308	0.3981	0.8787
Return on Equity	2.3654	4.1431	2.3654	4.3127
Return on Equity during Construction	0.5416	0.9486	0.5416	0.9875
Principal repayment of debt	9.5976	9.5976	10.7310	10.7310
Interest	2.0660	1.7862	0.9325	1.1443
Total	16.0331	18.9647	16.0330	19.7126
Indexation Values				
CPI (General)	172.820	269.270	172.820	269.270
US CPI	229.601	273.567	229.601	277.948
Exchange Rate	97.60	170.95	97.60	177.95
Kibor 6-Month	9.38%	7.69%	9.38%	11.46%

* For the purpose of indexation of Fixed O&M (Local) component for Oct-Dec, 2021 and Jan-Mar 2022 quarters, CPI for August 2021 and November 2021 respectively 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.

