



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-193/MPCL-2011/13869-73
July 26, 2022

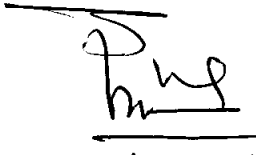
Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Tariff Metro Power Company Ltd. (Case No. NEPRA/TRF-193/MPCL-2011)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along Annex-I (02 pages) regarding quarterly indexation/adjustment of Metro Power Company Ltd. for the quarter July - September 2022 on account of US CPI, CPI Local, Exchange Rate (PKR/USD), LIBOR and KIBOR variations in Case No. NEPRA/TRF-193/MPCL-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


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(Syed Safeer Hussain)

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

CC:

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, Metro Power Company Limited, 36-F, Block 6, P.E.C.H.S., Karachi

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR METRO POWER COMPANY LIMITED**

Pursuant to the decision of the Authority dated February 22, 2019 in the matter of tariff adjustment of Metro Power Company Limited (MPCL) at Commercial Operation Date (COD) notified vide S.R.O No 571(I)/2019 dated May 20, 2019 and decision dated December 05, 2019 on motion for leave for review filed by MPCL, the relevant tariff components of MPCL in respect of quarter from July-September, 2022 have been revised on account of US CPI, CPI (Local), exchange rate (PKR/USD), LIBOR and KIBOR 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 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.


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


AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member/Vice Chairman




Tauseef H. Farooqi
Chairman


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Metro Power Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Jul-Sep 2022
	(Rs./kWh)	
Fixed O&M-Local	0.4137	0.5374
Fixed O&M-Foreign	1.4022	3.3552
Return on Equity	3.5263	6.9579
Return on Equity during Construction	0.9781	1.9299
Principal repayment of debt-Foreign	3.0386	5.9956
Interest-Foreign	0.6744	1.8554
Principal repayment of debt-Local	3.7087	3.7087
Interest-Local	1.4605	3.0423
Total	15.2024	27.3824
Indexation Values		
CPI (General)	207.300	269.270
US CPI	241.038	292.296
Exchange Rate	104.40	206.000
LIBOR 6 month	0.9200%	2.9351%
KIBOR 6 month	6.06%	15.35%
<p>* For the purpose of indexation of Fixed O&M (Local) component for Jul-Sep 2022 quarter, CPI for May 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.</p> <p>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.</p> <p>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.</p>		

