



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-207/SEDPL-2012/40416-40418

November 3, 2021

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Sachal Energy Development (Pvt.) Ltd. [Case # NEPRA/TRF-207/SEDPL-2012]

Dear Sir,

Please find enclosed herewith the decision of the Authority along with adjusted/indexed tariff (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Sachal Energy Development (Pvt.) Ltd. for the quarter October-December 2021 on account of US CPI, CPI (General), Exchange Rate and LIBOR variation in Case No. NEPRA/TRF-207/SEDPL-2007.

2. The decision is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

Enclosure: As above


03 11 21
(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.

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR SACHAL ENERGY DEVELOPMENT (PVT.) LIMITED**

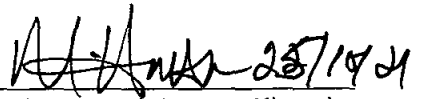
Pursuant to the decision of the Authority dated June 01, 2018 in the matter of tariff adjustment of Sachal Energy Development (Pvt.) Limited (SEDPL) at Commercial Operation Date (COD) notified vide S.R.O No 361(I)/2016 dated on November 06, 2018, the relevant tariff components of SEDPL in respect of quarter October-December, 2021 have been revised on account of US CPI, CPI (General), exchange rate and LIBOR variation 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.

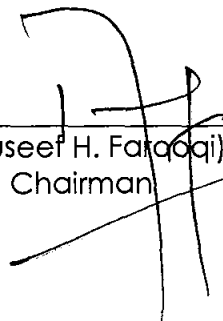
3. CPPA-G to ensure that all the payments are consistent with tariff determination.

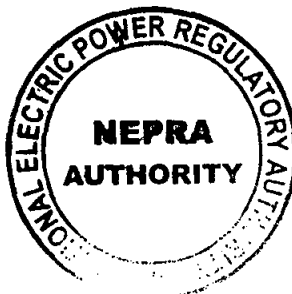
AUTHORITY


22/11/21
(Rehmatullah Baloch)
Member


25/11/21
(Engr. Maqsood Anwar Khan)
Member


26/11/21
(Rafique Ahmed Shaikh)
Member


(Tauseef H. Farooqi)
Chairman



Sachal Energy Development (Pvt) Limited
Quarterly Indexation/Adjustment of Tariff

| Tariff Component | Reference Tariff | Revised Oct-Dec 2021 |
|--------------------------------------|-------------------------|-----------------------------|
| (Rs./kWh) | | |
| Fixed O&M-Local | 0.7396 | 0.9336 |
| Fixed O&M-Foreign | 1.1840 | 2.1713 |
| Return on Equity | 3.3985 | 5.5542 |
| Return on Equity during Construction | 0.7352 | 1.2016 |
| Principal repayment of debt-Foreign | 7.9990 | 12.1056 |
| Interest-Foreign | 2.5124 | 2.9423 |
| Total | 16.5687 | 24.9084 |
| Indexation Values | | |
| CPI (General) | 213.320 | 269.270 |
| US CPI | 243.801 | 273.567 |
| Exchange Rate | 104.60 | 170.95 |
| LIBOR 6 month | 1.4154% | 0.1595% |

* For the purpose of indexation of Fixed O&M (Local) component for Oct-Dec 2021 quarter, CPI for Aug 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.

