



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-172/SHPL-2011/ **3073-77**

February 29, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for 147 MW Patrind Hydropower Project (Star Hydro Power Limited) (Case No. NEPRA/TRF-172/SHPL-2011)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 Pages) regarding quarterly indexation/adjustment of tariff for 147 MW Patrind Hydropower Project of Star Hydro Power Ltd. for the quarter **January-March 2024** on account of Exchange rate Variation, N-CPI Local, US CPI and LIBOR variation in Case No. NEPRA/TRF-172/SHPL-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

(Engr. Mazhar Iqbal Ranjha)

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

Copy to: (alongwith copy of subject Decision):

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, Star Hydro Power Limited (SHPL), Usman Square, 3rd & 4th Floor, Main Double Road, E-11/2, Islamabad.

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR 147 MW PATRIND
HYDROPOWER PROJECT (STAR HYDRO LIMITED)**

Pursuant to the Authority's Determination in case No.NEPRA/R/SA(Tariff)TRF-172/SHPL-2011/19480-19482 dated July 29, 2020, notified vide S.R.O. 962/(I)/2021 dated July 29, 2021, and the decision of the Authority dated March 01, 2021 notified vide S.R.O. No. 1041(1)/2023 on August 09, 2023, in the matter of change of base year 2007-2008 to base year 2015-16, the tariff components are required to be indexed as per stipulated mechanism.

Accordingly, the Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as the decision of the Authority in the matter:

“ The Local Variable & Fixed O&M, Foreign O&M, Water Use Charge (WUC), Debt Servicing, Return on Equity (ROE) and Return on Equity During Construction (ROEDC) components have been indexed for Jan-Mar 2024 quarter on account of exchange rate variation, N-CPI local, US CPI and LIBOR. The revised tariff indicated in the attached Annex-I shall be immediately applicable.”

The revised tariff components attached as **Annex-I** are 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.

CPPA (G) to ensure that all payments are consistent with tariff determination(s).

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



Star Hydro Power Limited
Quarterly Indexation/Adjustment

Component	Reference	Jan 01 - Mar 31 2024	Indexation
Variable O & M Local (Rs/kWh)	0.0425	0.0815	N-CPI
Water usage charges (Rs/kWh)	0.1715	0.3148	N-CPI
Fixed O & M Foreign (Rs/kW/Month)	162.3038	546.0744	US CPI & Rs./US\$
Fixed O & M Local (Rs/kW/Month)	133.1233	255.3305	Local CPI
Return On Equity (Rs/kW/Month)	793.1840	2,230.6354	Rs./US\$
Return on Equity During Construction (Rs/kW/Month)	484.0221	1,361.1934	Rs./US\$
Principal Repayment (Rs/kW/Month)	1,176.3101	3,353.8951	Rs./US\$
Interest Charges (Rs/kW/Month)	494.3580	2,384.8662	LIBOR & Rs./US\$
Indexation Values		Sources (Website)	
Exchange Rate for O&M	105.4400	283.784615	NBP
Exchange Rate for Return	100.9100	283.7846	NBP
Exchange Rate Semi Annual for Debt	100.9100	287.7173	NBP
N-CPI Local Quarterly	131.2267	251.6933	Pakistan Bureau of Statistics
N-CPI Local Annual for WUC	121.0950	222.3367	Pakistan Bureau of Statistics
CPI- US Quarterly	245.7080	307.1560	US Bureau of Labor Statistics
6 Month LIBOR	1.4477%	5.5860%	Global-rates.com
Spread	4.75%	4.75%	
Principal outstanding Foreign (US\$ in Millions)		144.5035	
Capacity (MW)		147	

*Based on the data declared by Star Hydro Power Limited.

*WUC is subject to indexation annually w.e.f from November 08 due to the fact that SHPL achieved COD on this date. Thus WUC is indexed w.e.f from November 08, 2023 and will remain applicable till November 07, 2024.

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