



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/DD(Tariff/RE)/TRF-354/AJPPL-2016/40587-89
November 11, 2020

Subject: **Decision of National Electric Power Regulatory Authority in the matter of Quarterly Indexation / Adjustment of Tariff for AJ Power (Private) Ltd. (AJPPL) [Case No. NEPRA/TRF-354/AJPPL-2016]**

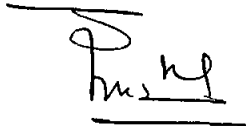
Dear Sir,

Please find enclosed herewith the decision of the Authority along with Annex-I (02 pages) regarding quarterly indexation/adjustment of tariff of AJ Power (Pvt.) Ltd. for the quarter October - December 2020 on account of US CPI, CPI (Local), Exchange Rate and LIBOR variation in Case No. NEPRA/ TRF-354/AJPPL-2016.

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

Enclosure: As above


11 11 20
(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 AJ POWER (PRIVATE) LIMITED**


Pursuant to the decision of the Authority dated July 08, 2019 in the matter of tariff adjustment of AJ Power (Private) Limited at Commercial Operation Date (COD) notified vide S.R.O. 1157(I)/2019 on September 19, 2019, the relevant tariff components of AJPPL in respect of quarter October-December 2020 has been revised on account of US CPI, CPI (Local), 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.

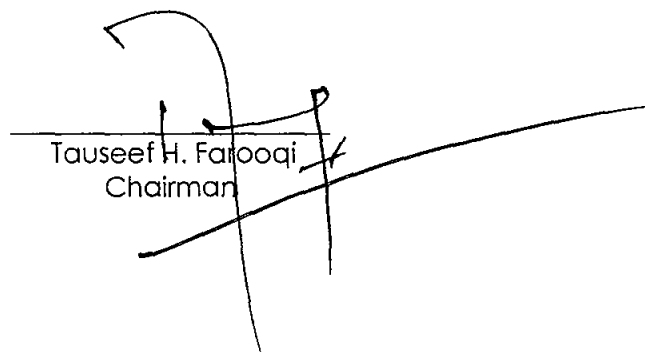
AUTHORITY


(Saif Ullah Chattha)
Member 4.11.2020

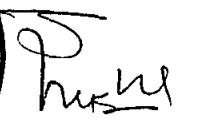

(Rafique Ahmed Shaikh)
Member


(Rehmatullah Baloch)
Member 3/5/11/2020


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



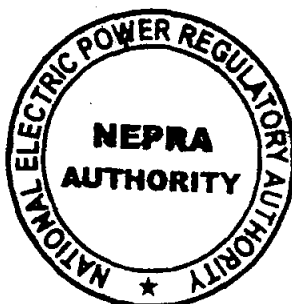

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Annex-I

AJ Power (Private) Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Oct-Dec 2020
	(Rs./kWh)	
Fixed O&M-Local	1.3100	1.7495
Fixed O&M-Foreign	0.5614	0.9690
Return on Equity	3.9171	6.2077
Principal repayment of debt-Foreign	2.7892	4.4202
Interest-Foreign	1.2924	1.6571
Principal repayment of debt-Local	3.0813	3.0813
Interest-Local	1.4898	1.4898
Total	14.4412	19.5745
Indexation Values		
CPI (General)	201.620	269.270
US CPI	238.654	259.918
Exchange Rate	105.00	166.400
LIBOR 3 month	1.2906%	0.2339%

*For the purpose of indexation of Local O&M component for the quarter Oct-Dec 2020, the latest available data of CPI (General) i.e. for August 2020 published by Pakistan Bureau of Labour Statistics was required to be used. However, Pakistan Bureau of Labour Statistics has discontinued the publication of CPI for the base year 2007-08 w.e.f July 2020 and replaced the same with National-CPI for the base year of 2015-16. Accordingly, as per the applicable provision of Energy Purchase Agreement (EPA), the last available CPI of June 2020 (base year of 2007-08) has been used for the instant adjustment. The adjustment w.r.t Local O&M is being made on provisional basis, subject to revision upon decision of new reference index value of CPI by the Authority.



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11/11/2020