



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-354/AJPPL-2016/34512-34514
August 17, 2021

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

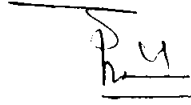
Dear Sir,

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 July – September 2021 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


17 08 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 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 July-September 2021 have 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.

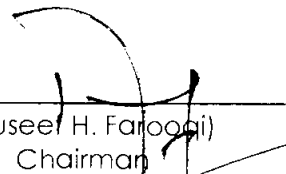
3. CPPA-G to ensure that all the payments are consistent with tariff deferment.

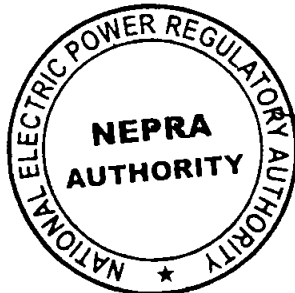
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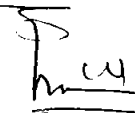

(Rehmatullah Baloch)
Member


(Engr. Maqsood Anwar Khan)
Member


(Rafique Ahmed Shaikh)
Member/Vice Chairman


(Tauseel H. Farooqi)
Chairman




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

Tariff Component	Reference Tariff	Revised July-Sep 2021
(Rs./kWh)		
Fixed O&M-Local *	1.3100	1.7495
Fixed O&M-Foreign	0.5614	0.9547
Return on Equity	3.9171	5.9055
Principal repayment of debt-Foreign	2.7892	4.2050
Interest-Foreign	1.2924	1.5813
Principal repayment of debt-Local	3.0813	3.0813
Interest-Local	1.4898	1.4898
Total	14.4412	18.9671

Indexation Values

CPI (General)	201.620	269.270
US CPI	238.654	269.195
Exchange Rate	105.00	158.300
LIBOR 3 month	1.2906%	0.1458%

* For the purpose of indexation of Fixed O&M (Local) component for July-September 2021 quarter, CPI for May 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.

