



National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/ADG(Trf)/TRF-354/AJPPL-2016/ 1550-54

February 01, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff of AJ Power (Private) Limited for the Quarter January-March 2024 [Case No. NEPRA/TRF-354/AJPPL-2016]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of AJ Power (Pvt.) Ltd. for the quarter **January-March 2024** on account of US CPI, N-CPI (Local), Exchange Rate and LIBOR variation in Case No. NEPRA/ TRF-354/AJPPL-2016.

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. Company Secretary, AJ Power (Pvt.) Ltd., 127-S, Quaid-e-Azam Industrial Estate, Township, Kotlakhpat, Lahore.

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION OF TARIFF
FOR AJ POWER (PRIVATE) LIMITED FOR THE QUARTER JAN-MAR 2024**

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. Thereafter, the Authority approved the Application/Review Motion for Revision of Upfront Tariff Determination of AJPPL filed by CPPA-G for Reduction of ROE and O&M Component and Decision of the Authority was issued on April 9, 2021. The relevant tariff components of AJPPL in respect of quarter Jan-Mar 2024 have been revised on account of US CPI, N-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.

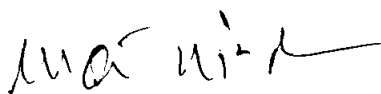
2. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter;

“Indexation/adjustment for Jan-Mar 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated in Annex-1 shall be immediately applicable.”

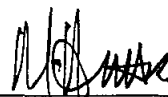
3. The adjusted/ indexed tariff attached as **Annex-I** is to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

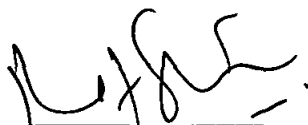
AUTHORITY



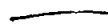
(Mathar Niaz Rana (nsc))
Member



(Engr. Maqsood Anwar Khan)
Member



(Rafique Ahmed Shaikh)
Member

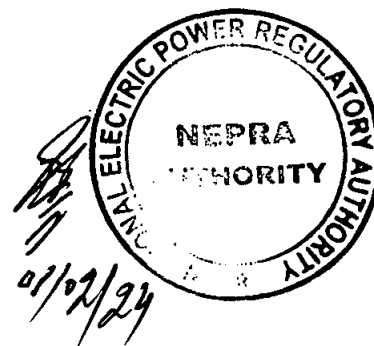


(Amina Ahmed)
Member



(Waseem Mukhtar)
Chairman

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

Tariff Component	Reference Tariff	Revised Tariff	Indexation
Date of Decisions	Jul 08, 2019 Apr 09, 2021	Jan-Mar 2024	
	Rs./kWh		
Fixed O&M-Local	1.4815	1.8601	CPI
Fixed O&M-Foreign	0.4772	1.6512	US CPI & Rs./US \$
Return on Equity	3.0023	8.0748	Rs./US \$
Principal repayment of debt-Foreign	3.3142	8.9136	Rs./US \$
Interest-Foreign	0.7674	3.6457	LIBOR & Rs./US \$
Principal repayment of debt-Local	3.4710	3.4710	-
Interest-Local	1.1001	1.1001	-
Total	13.6137	28.7165	
Indexation Values			Sources (Websites)
CPI (General) of Nov 2023	201.620	253.150	Pakistan Bureau of Statistics
US CPI of Nov 2023	238.654	307.051	Bureau of Labor Statistics
Exchange Rate of Dec 31, 2023	105.000	282.400	NBP
LIBOR 3 month available on Dec 31, 2023	1.2906%	5.5930%	Global-rates.com
Principal Outstanding Foreign Loan (US\$/MW)		193,877	
Principal Outstanding Local Loan (Rs./MW)		22,707,875	
Quarterly Benchmark Energy (kWh)		372,300	

Above indexation is on the basis of the data declared by AJPL.

