



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-363/OSPL-2016/2383-88

February 10, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Oursun Pakistan Ltd. [Case No. NEPRA/TRF-363/OSPL-2016]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (**Annex-I**) (02 pages) regarding quarterly indexation/adjustment of Oursun Pakistan Ltd. tariff for the quarter January-March 2023 on account of US CPI, CPI (General), Exchange Rate, KIBOR and LIBOR variations in Case No. NEPRA/TRF-363/OSPL-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. Chief Executive Officer, K-Electric Limited (KEL), KE House, Punjab Chowrangi, 39 – B, Sunset Boulevard, Phase-II, Defence Housing Authority, Karachi
5. Chief Executive Officer, Oursun Pakistan Ltd., 10 Ali Block, New Garden Town, Lahore Tele: 042 – 35911 050 – 51

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF  
TARIFF FOR OURSUN PAKISTAN LIMITED**

Pursuant to the decision of the Authority dated November 20, 2019 in the matter of tariff adjustment of Oursun Pakistan Limited (OSPL) at Commercial Operation Date (COD) and motion for recalculation decision dated January 10, 2020 notified vide S.R.O. 179(I)/2020 dated March 4, 2020 and corrigendum of S.R.O. dated April 7, 2020, the relevant tariff components of OSPL in respect of quarter January-March, 2023 have been revised on account of US CPI, CPI (General), exchange rate, KIBOR and LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision(s) of the Authority indicated in Annex-I.

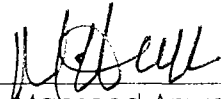
2. The adjusted/indexed tariff attached as **Annex-I** is to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. K Electric Limited (KE) to ensure that all the payments are consistent with tariff determination.

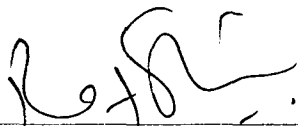
**AUTHORITY**



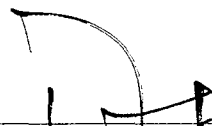
(Mathar Niaz Rana (nsc))  
Member



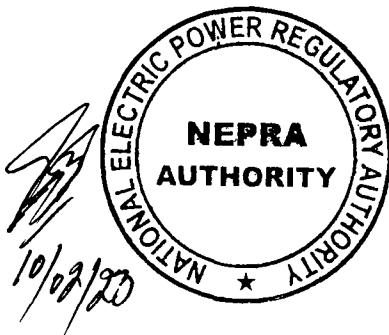
(Engr. Maqsood Anwar Khan)  
Member



(Rafique Ahmad Shaikh)  
Member



(Tauseef H. Farooqi)  
Chairman



**Oursun Pakistan Limited**  
**Quarterly Indexation/Adjustment of Tariff**

| Tariff Components                           | Reference<br>Tariff | Revised<br>Jan-Mar<br>2023 | Indexation                        |
|---|---------------------|----------------------------|-----------------------------------|
| Date of decisions                           | Jan 10, 2020        |                            |                                   |
|   | Rs./kWh             |                            |                                   |
| *Fixed O&M-Local                            | 1.2372              | 1.6523                     | CPI                               |
| Fixed O&M-Foreign                           | 0.5302              | 1.4293                     | US CPI & Rs./US \$                |
| Return on Equity                            | 3.7430              | 8.0884                     | Rs./US \$                         |
| Principal repayment of debt-Foreign         | 1.6139              | 3.4876                     | Rs./US \$                         |
| Interest-Foreign                            | 0.6906              | 2.1784                     | LIBOR & Rs./US \$                 |
| Principal repayment of debt-Local           | 4.2690              | 4.2690                     | -                                 |
| Interest-Local                              | 2.8830              | 6.2675                     | KIBOR                             |
| <b>Total</b>                                | <b>14.9669</b>      | <b>27.3725</b>             |                                   |
| <b>Indexation Values</b>                    |                     |                            | <b>Sources (Website)</b>          |
| CPI (General)-Revised value of Jun 2020     | 201.620             | 269.270                    | Pakistan Bureau of Statistics     |
| US CPI - Revised value of Nov 2022          | 238.654             | 297.711                    | US Bureau of Labor Statistics     |
| Exchange Rate- Revised rate of Dec 30, 2022 | 105.00              | 226.90                     | NBP                               |
| LIBOR 3 month- Revised rate of Dec 30, 2022 | 1.8857%             | 4.7673%                    | Global-rates.com or moneycafe.com |
| KIBOR 3 month- Revised rate of Dec 30, 2022 | 6.29%               | 17.00%                     | SBP                               |
| Principal Outstanding Foreign Loan (USD)    |                     | 8,272,950                  |                                   |
| Principal Outstanding Local Loan (Rs.)      |                     | 2,490,372,950              |                                   |
| Quarterly Benchmark Energy (kWh)            |                     | 19,710,000                 |                                   |

Above indexation is on the basis of the information provided by OSPL and verified by NEPRA.

\*For the purpose of indexation of Local O&M component for the quarter January-March 2023, the latest available data of CPI (General) i.e. for November 2022 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.

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.

OSPL has claimed indexation of local O & M on N-CPI (Nov 2022) which shall be allowed upon notification of aforementioned decision.

