



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-301/EPTPL-2015/ **13806-10**

August 29, 2024

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Ash Disposal, Limestone and water Charges Components of Tariff for July-September 2023, January-March 2024, April-June 2024 and July-September 2024 Quarters for Engro Powergen Thar (Private) Limited

Dear Sir,

Please find enclosed herewith the Decision of the Authority (total 02 pages) regarding quarterly indexation/adjustment of tariff of Engro Powergen Thar (Private) Limited for July-September 2023, January-March 2024, April-June 2024 and July-September 2024 quarters on account of Ash Disposal, Limestone and water Charges variation in Case No. NEPRA/TRF-301/EPTPL-2015.

2. The Decision is being sent to the Federal Government for intimation 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


(Waseem Anwar Bhinder)

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

Copy to:

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, Fazi-e-Haq Road, Islamabad.
4. Chief Executive Officer, Engro Powergen Thar (Pvt.) Ltd., 16th Floor, The Harbor Front Building, HC-3, Marine Drive, Block-4, Clifton, Karachi.



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF ASH DISPOSAL, LIMESTONE AND WATER CHARGES COMPONENTS OF TARIFF FOR JULY-SEPTEMBER 2023, JANUARY-MARCH 2024, APRIL-JUNE 2024 AND JULY-SEPTEMBER 2024 QUARTERS FOR ENGRO POWERGEN THAR (PRIVATE) LIMITED.

1. Pursuant to the decision of the Authority dated March 13, 2015 in the matter of application of Engro Powergen Thar (Private) Limited (hereafter "EPTPL") for unconditional acceptance of Upfront Thar Coal tariff for 2x330 MW coal power plant, the relevant tariff components are required to be adjusted.
2. The power plant has achieved its COD on July 10, 2019. The decision in the matter of COD tariff true-up was issued on June 15, 2022 which was challenged in the Appellate Tribunal. The Petitioner also sought suspension of the operation of the subject decision from the Honorable Sindh High Court, Karachi through its Order dated July 20, 2022. Lately, the Appellate Tribunal on October 6, 2022 passed following Order:
"..... Contention heard. Following principle of parity the interim relief dated 07th September 2022 passed in appeal No. 40/NT/2022 (CPGCL appeal) will also be applicable in this case."
3. Accordingly, the Authority has decided to extend the provisional approval of tariff indexation/adjustment of reference tariff dated March 13, 2015 till the final decision of Sindh High Court and/or Appellate Tribunal. The said decision is without prejudice to the stance of NEPRA regarding the maintainability and grant of interim relief by Appellate Tribunal and shall be subject to outcome of legal proceedings pending in this regards.
4. During the approval of Indexation/Adjustment for July to September 2023 quarter, the Authority in-line with similar other power plants disallowed Ash Disposal, Limestone and Water Charges components on the basis that these are required to be adjusted as per actual. EPTPL challenged the above decision vide C.M. No. 03/NT/2023 in the Appellate Tribunal (NEPRA) and Appellate Tribunal (NEPRA) vide its Order dated October 4, 2023 directed NEPRA to ensure the implementation of the earlier orders of the Tribunal.
5. EPTPL requested to incorporate the Ash Disposal, Limestone and Water Charges components in the provisional quarterly indexation for July to September 2023 quarter in compliance with the Appellate Tribunal's Order. EPTPL also requested indexation/adjustment for January-March 2024 to July-September 2024 quarters along with Ash Disposal, Limestone and Water Charges components. The Authority issued quarterly indexation/adjustment decisions and mentioned that indexation of Ash Disposal, Limestone and Water Charges components shall be decided separately.
6. The Authority considered the requests of EPTPL and decided to incorporate the Ash Disposal, Limestone and Water Charges components in the provisional quarterly indexations/adjustments.
7. 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:-

"Ash Disposal, Limestone and Water Charges components have been incorporated in the quarterly indexation/adjustment of July-September 2023, January-March 2024, April-June 2024 and July-September 2024 quarters. The relevant tariff components are indicated hereunder and shall be immediately applicable."



Amir



Tariff Components	Reference Mar 13, 2015	Revised Jul-Sep 2023 Quarter	Revised Jan-Mar 2024 Quarter	Revised Apr-Jun 2024 Quarter	Revised Jul-Sep 2024 Quarter
Energy Purchase Price (Rs./KWh)					
Ash Disposal	0.2200	0.2200	0.2200	0.2200	0.2200
Limestone	0.0900	0.0900	0.0900	0.0900	0.0900
Water Charges (Capital Cost)	0.1574	0.1574	0.1574	0.1574	0.1574
Water Charges (O&M)	0.0600	0.0600	0.0600	0.0600	0.0600
Total	0.5274	0.5274	0.5274	0.5274	0.5274

8. Ash Disposal, Limestone and Water Charges components allowed to EPTPL are on provisional basis till the outcome of appeal in the Appellate Tribunal (NEPRA) and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Appellate Tribunal (NEPRA).
9. The above decision of the Authority 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.
10. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Amina Ahmed
Member

Engr. Rafique Ahmed Shaikh
Member

Waseem Mukhtar
Chairman



Waseem Mukhtar