



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/ADG(Trf)/TRF-308/HSRPEL-2015/ 3043-47

February 26, 2025

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for January-March 2025 Quarter for Huaneng Shandong Ruyi (Pakistan) Energy Private Limited

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along Annex-I (total 03 pages) regarding quarterly indexation/adjustment of tariff of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited for the quarter **January-March 2025** on account of US CPI, N-CPI, Exchange Rate, KIBOR, SOFR, Coal Price(s) and Coal Calorific Value(s) variation in Case No. NEPRA/TRF-308/HSRPEL-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

Wasim Anwar Bhinder
(Wasim 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, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Huaneng Shandong Ruyi (Pakistan) Energy (Pvt.) Ltd. House No. 4, A, Street No.20, F-8/2, Islamabad

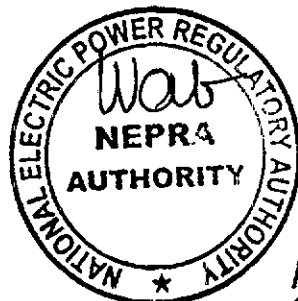


DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION /ADJUSTMENT OF TARIFF FOR JANUARY-MARCH 2025 QUARTER FOR HUANENG SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED.

1. Pursuant to the Decision of the Authority dated March 31, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited (hereafter "HSRPEL"), decision of the Authority dated January 17, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD), decision of the Authority dated March 10, 2021 notified vide SRO No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components and decision of the Authority dated December 5, 2024 and December 13, 2024 notified vide S.R.O. No. 73(I)/2025 on January 28, 2025 in the matter of Suo Moto regarding transition from London Interbank Offered Rate (LIBOR) to Secured Overnight Financing Rate (SOFR), the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate, KIBOR, SOFR, Coal Price(s) and Coal Calorific Value(s) variation.
2. HSRPEL vide its letter dated January 6, 2025 submitted a request for quarterly indexation/adjustment for January-March 2025 quarter. Accordingly, the tariff of HSRPEL in respect of January-March 2025 quarter has been revised on account of US CPI, N-CPI, KIBOR, SOFR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation in accordance with the requisite indexation/adjustment mechanism stipulated in the above decision(s) of the Authority.
3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for January-March 2025 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 indicated hereunder shall be immediately applicable. HSRPEL is further directed to submit the debt servicing adjustment requests as per applicability of decision from July 1, 2023 to December 31, 2024 immediately. Failure to do so, may result in holding the next quarterly indexations"

| Tariff Components | Reference Jan 17, 2019 & Mar 10, 2021 | Revised Jan - Mar 2025 Quarter |
|--|---|--------------------------------------|
| Capacity Charge (Rs./KW/h) | | |
| Fixed O&M - Foreign | 0.1601 | 0.5456 |
| Fixed O&M - Local | 0.1976 | 0.4004 |
| Cost of Working Capital | 0.1541 | 1.0718 |
| Return on Equity | 0.9438 | 2.5162 |
| Principal Outstanding | 1.5565 | 4.1765 |
| Interest Charge | 0.2575 | 1.1206 |
| Total | 3.2696 | 9.8311 |
| Energy Purchase Price (Rs./KWh) | | |
| Variable O&M - Foreign | 0.0763 | 0.2600 |
| Variable O&M - Local | 0.0628 | 0.1272 |
| Total | 0.1391 | 0.3872 |





4. The above decision of the Authority along with revised tariff components attached as **Annex-I** are 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.
5. 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

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



Huaneng Shandong Ruyi (Pakistan) Energy (Pvt) Company Ltd.
Quarterly Indexation/Adjustment of Tariff

| Tariff Components | Reference Jan 17, 2019 & Mar 10, 2021 | Revised Jan - Mar 2025 Quarter | Indexation |
|--|---|--------------------------------------|---|
| Capacity Charge (Rs./KW/h) | | | |
| Fixed O&M - Foreign | 0.1601 | 0.5456 | US CPI & Rs./US\$ |
| Fixed O&M - Local | 0.1976 | 0.4004 | N-CPI Local |
| Cost of Working Capital | 0.1541 | 1.0718 | KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal. |
| Return on Equity | 0.9438 | 2.5162 | Rs./US\$ & respective consumption of Local & Imported Coal. |
| Principal Outstanding | 1.5565 | 4.1765 | Rs./US\$ |
| Interest Charge | 0.2575 | 1.1206 | SOER & Rs./US\$ |
| Total | 3.2696 | 9.8311 | |
| Energy Purchase Price (Rs./KWh) | | | |
| Variable O&M - Foreign | 0.0763 | 0.2600 | US CPI & Rs./US\$ |
| Variable O&M - Local | 0.0628 | 0.1272 | N-CPI Local |
| Total | 0.1391 | 0.3872 | |
| Indexation Values | | | Source |
| Exchange Rate (Rs./USD) | 104.594 | 278.850 | NBP - Revised rate of Dec 31, 2024 |
| US CPI (All Urban Consumers) | 246.819 | 315.493 | U.S. Bureau of Labor Statistics - Revised value of Nov 2024 |
| N-CPI (Local) | 131.010 | 265.460 | Pakistan Bureau of Statistics - Revised value of Nov 2024 |
| 3 Monthly KIBOR | 6.150% | 12.140% | SBP - Revised rate of Dec 31, 2024 |
| 3 Monthly Term SOFR + CAS | 1.380% | 4.56671% | www.cmegroup.com - Revised rate of Dec 31, 2024 |
| Imported Coal Price (Rs./Ton) | 13,605 | 51,242 | Weighted Average Price of Coal Consumed during Oct-Dec 2024 |
| Imported Coal Calorific Value (BTU/Kg) | 23,768 | 22,518 | Weighted Average CV of Coal Consumed during Oct-Dec 2024 |
| Imported Coal Quantity (M. Ton) | - | 142,561 | Total Coal Consumed during Oct-Dec 2024 |
| Principal Outstanding (USD. Million) | - | 476.48 | |
| Hours in the quarter | - | 2,160 | |

- Based on the data declared by Huaneng Shandong Ruyi (Pakistan) Energy (Pvt) Company Ltd.

Am 7

