



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-369/LEPCL-2015/1788-92 September 13, 2022

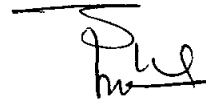
**Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment for July-September 2022 Quarter of Tariff for Lucky Electric Power Company Ltd. (LEPCL) (Case No. NEPRA/TRF-369/LEPCL-2015)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with Revised Tariff Components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Lucky Electric Power Company Ltd. for July-September 2022 quarter on account of US CPI, CPI Local, KIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation in Case No. NEPRA/TRF-369/LEPCL-2015.

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

  
130922  
( Syed Safer Hussain )

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

CC:

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, Lucky Electric Power Company Limited (LEPCL), 6-A, A. Aziz Hashim Tappa Street, Muhammad Ali Housing Society, Karachi Tele: 021 - 111 786 555



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXATION/  
ADJUSTMENT FOR JULY TO SEPTEMBER 2022 QUARTER OF TARIFF FOR LUCKY  
ELECTRIC POWER COMPANY LIMITED (LEPCL)**

Pursuant to the decision of the Authority dated 20<sup>th</sup> October 2016, notified vide S.R.O No. 946(I)/2017 dated 15<sup>th</sup> September 2017, in the matter of approval of upfront local coal tariff for 660 MW coal power plant of Lucky Electric Power Company Limited (hereinafter "LEPCL"), the relevant tariff components of LEPCL in respect of July to September 2022 quarter have been revised on account of US CPI, CPI Local, KIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff components are indicated hereunder and shall be immediately applicable:

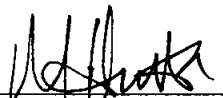
Tariff Components	Reference Tariff	Revised July to Sep 2022 Quarter
<b>Capacity Charge (Rs./KWh)</b>		
Fixed O&M – Foreign	0.1435	0.3734
Fixed O&M – Local	0.1435	0.1984
Cost of Working Capital	0.1055	0.8028
Insurance	0.1021	0.1021
Return on Equity (ROE)	1.4575	3.0921
Debt Repayment	0.6839	0.6839
Interest Charges	2.2445	2.7114
<b>Total</b>	<b>4.8805</b>	<b>7.9642</b>
<b>Energy Purchase Price (Rs./KWh)</b>		
Variable O&M – Foreign	0.0684	0.1780
Variable O&M – Local	0.0456	0.0631
<b>Total</b>	<b>0.1140</b>	<b>0.2411</b>

Indexation allowed to LEPCL is purely on provisional basis till finalization of its COD tariff by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority.

The revised tariff components of LEPCL attached as **Annex-I** are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

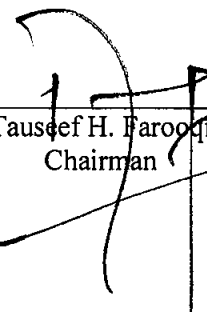
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmad Shaikh  
Member



  
Tauseef H. Farooqi  
Chairman

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**Lucky Electric Power Company Limited**  
**Quarterly Indexation/ Adjustment of Tariff**

<b>Tariff Components</b>	<b>Reference Tariff</b>	<b>Revised July to Sep 2022 Quarter</b>
<b>Capacity Charge (Rs./KWh)</b>		
Fixed O&M - Foreign	0.1435	0.3734
Fixed O&M - Local	0.1435	0.1984
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Variable O&M - Foreign	0.0684	0.1780
Variable O&M - Local	0.0456	0.0631
<b>Total</b>	<b>0.1140</b>	<b>0.2411</b>
<b>Indexation Values</b>		
Exchange Rate (Rs./USD)	97.100	206.000
US CPI (All Urban Consumers)	238.340	292.296
CPI (General) - Local	194.740	269.270
3 Month KIBOR	11.91%	15.16%
Coal Price (Rs./MT)	10,018.195	20,267.468
Coal Calorific Value (BTU/kg)	22,046.000	11,332.900
Principal Outstanding (Rs. Million)		76,968.230
Hours in Quarter	-	2,208

\* For the purpose of indexation of Local O&M components for July to September 2022 quarter, CPI for May 2022 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. As per relevant provision of the PPA, 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 decision of new reference index value by the Authority.

\*\* The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.

