



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/ 1405-09

January 29, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for January to March 2024 Quarter for Port Qasim Electric Power Company (Private) Limited [CASE NO. NEPRA/TRF-299/PQEPCPL-2015]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components at **Annex-I** (total 03 pages) regarding quarterly indexation/adjustment of tariff of Port Qasim Electric Power Company (Private) Ltd. for **January-March 2024** quarter on account of US CPI, N-CPI, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation in Case No. NEPRA/TRF-299/PQEPCPL-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

(Engr. Mazhar Iqbal Ranjha)

Secretary
Ministry of Energy
(Power Division)
'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, Port Qasim Electric Power Company (Pvt.) Limited, Level 6, West Wing, Serena Business Complex, Sector G-5/1, Islamabad.

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR JANUARY TO MARCH 2024 QUARTER FOR PORT QASIM ELECTRIC POWER COMPANY (PRIVATE) LIMITED.

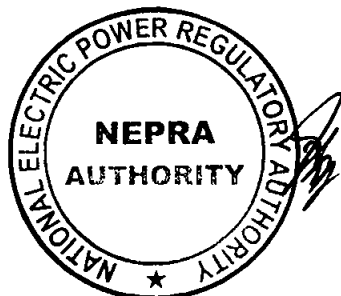
Pursuant to the decision of the Authority dated February 13, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Port Qasim Electric Power Company (hereafter "PQEPCL"), decision of the Authority dated September 27, 2019 notified vide S.R.O No. 1383(I)/2019 on November 15, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of PQEPCL, decision of the Authority dated March 10, 2021 notified vide S.R.O. 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 September 26, 2023 notified vide S.R.O. No. 1559(I)/2023 on November 08, 2023 in the matter of request by PQEPCL for extension of the Jetty O&M Contract, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation.

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 to March 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 hereunder shall be immediately applicable."

Tariff Components	Reference Sep 27, 2019, Mar 10, 2021 & Sep 26, 2023	Revised Jan-Mar 2024 Quarter
Capacity Charge (Rs./KW/h)		
Fixed O&M - Foreign	0.1632	0.5375
Fixed O&M - Local	0.1977	0.3820
Fixed O&M - Foreign (Jetty)	0.0250	0.0668
Fixed O&M - Local (Jetty)	0.0230	0.0230
Cost of Working Capital	0.1535	0.7469
Return on Equity	0.8896	2.5538
Debt Repayment	1.5331	4.2018
Interest Charge	0.5101	1.9255
Total	3.4952	10.4373
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0778	0.2563
Variable O&M - Local	0.0628	0.1213
Variable O&M - Foreign (Jetty)	0.0014	0.0037
Variable O&M - Local (Jetty)	0.0008	0.0008
Total	0.1428	0.3821

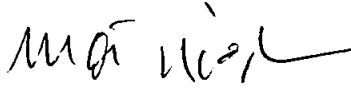
PQEPCL has consumed mixed coal i.e. imported & local during the quarter. Accordingly, ROE and cost of working capital components have been adjusted in accordance with the Para 19.1 & 20.2.b(2) of decision dated September 27, 2019.



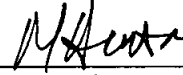
The above decision of the Authority along with revised tariff components attached as **Annex-I** are to be notified in the Official Gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

AUTHORITY



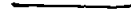
Mathar Niaz Rana (nsc)
Member



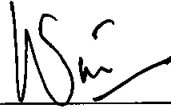
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



Port Qasim Electric Power Company (Private) Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Sep 27, 2019, Mar 10, 2021 & Sep 26, 2023	Revised Jan-Mar 2024 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1632	0.5375	US CPI & Rs./US\$
Fixed O&M - Local	0.1977	0.3820	N-CPI Local
Fixed O&M - Foreign (Jetty)	0.0250	0.0668	Rs./US\$
Fixed O&M - Local (Jetty)	0.0230	0.0230	-
Cost of Working Capital	0.1535	0.7469	KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal.
Return on Equity	0.8896	2.5538	Rs./US\$ & respective consumption of Local & Imported Coal.
Debt Repayment	1.5331	4.2018	Rs./US\$
Interest Charge	0.5101	1.9255	LIBOR & Rs./US\$
Total	3.4952	10.4373	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0778	0.2563	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1213	N-CPI Local
Variable O&M - Foreign (Jetty)	0.0014	0.0037	Rs./US\$
Variable O&M - Local (Jetty)	0.0008	0.0008	-
Total	0.1428	0.3821	
Indexation Values			Source
Exchange Rate (Rs./USD)	105.730	282.400	NBP - Revised rate of Dec 29, 2023
US CPI (All Urban Consumers)	248.991	307.051	U.S. Bureau of Labor Statistics - Revised value of Nov 2023
N-CPI (Local)	131.010	253.150	Pakistan Bureau of Statistics - Revised value of Nov 2023
Monthly KIBOR	6.500%	21.460%	SBP - Revised rate of Dec 29, 2023
Monthly LIBOR	2.362%	5.593%	global -rates.com - Revised rate of Dec 29, 2023
Imported Coal Price (Rs./Ton)	9,672	35,697.07	Weighted Average Price of Coal Consumed during Oct to Dec 2023.
Imported Coal Calorific Value (BTU/Kg)	17,942	18,384.92	Weighted Average CV of Coal Consumed during Oct to Dec 2023.
Local Coal Price (Rs./Ton)	-	33,774.26	Weighted Average Price of Coal Consumed during Oct to Dec 2023.
Local Coal Calorific Value (BTU/Kg)	-	20,717.02	Weighted Average CV of Coal Consumed during Oct to Dec 2023.
Imported Coal Quantity (M. Ton)	-	18,569.79	12.82% of Total Coal Consumed during Oct to Dec 2023.
Local Coal Quantity (M. Ton)	-	126,313.41	87.18% of Total Coal Consumed during Oct to Dec 2023.
Principal Outstanding (USD. Million)	-	779.82	
Hours in the quarter	-	2,184	

- The cost of working capital is calculated on the basis of 30 days receivable for imported and local coal, 90 days inventory for imported coal whereas 30 days inventory for local coal, actual consumption %age for respective coal and actual CV for respective coal.

- Based on the data declared by Port Qasim Electric Power Company (Private) Limited.

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