



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/ 2842-46

February 25, 2025

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for January-March 2025 Quarter for Port Qasim Electric Power Company (Private) Limited**

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 2025** quarter on account of US CPI, N-CPI, KIBOR, SOFR, 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 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, 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-MARCH 2025 QUARTER FOR PORT QASIM ELECTRIC POWER COMPANY (PRIVATE) LIMITED.

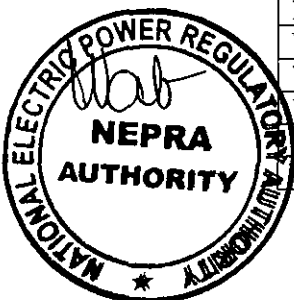
Pursuant to the decision of the Authority dated February 13, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Port Qasim Electric Power Company (hereafter "PQEPCL"), decision of the Authority dated September 27, 2019 notified vide S.R.O No. 1383(I)/2019 on November 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, 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 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, KIBOR, SOFR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation.

PQEPCL vide its letter dated January 1, 2025 submitted a request for quarterly indexation/adjustment for January-March 2025 quarter. Accordingly, the tariff of PQEPCL 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.

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. PQEPCL 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 Sep 27, 2019, Mar 10, 2021 & Sep 26, 2023	Revised Jan-Mar 2025 Quarter
Capacity Charge (Rs./KW/h)		
Fixed O&M - Foreign	0.1632	0.5454
Fixed O&M - Local	0.1977	0.4006
Fixed O&M - Foreign (Jetty)	0.0250	0.0659
Fixed O&M - Local (Jetty)	0.0230	0.0230
Cost of Working Capital	0.1535	0.7162
Return on Equity	0.8896	2.3855
Debt Repayment	1.6314	4.4641
Interest Charge	0.4118	1.3509
Total	3.4952	9.9516
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0778	0.2600
Variable O&M - Local	0.0628	0.1272
Variable O&M - Foreign (Jetty)	0.0014	0.0037
Variable O&M - Local (Jetty)	0.0008	0.0008
Total	0.1428	0.3917



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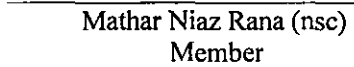

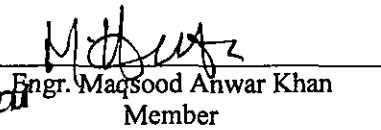
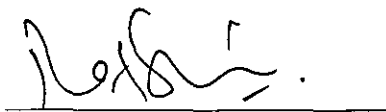
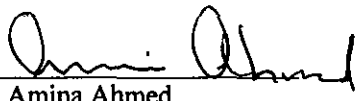
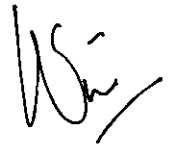


PQEPCL has consumed mixed coal i.e. imported & local during the quarter. Accordingly, ROE and cost of working capital components have been adjusted in accordance with the Para 19.1 and Para 20.2.2 of the decision dated September 27, 2019.

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 2025 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1632	0.5454	US CPI & Rs./US\$
Fixed O&M - Local	0.1977	0.4006	N-CPI Local
Fixed O&M - Foreign (Jetty)	0.0250	0.0659	Rs./US\$
Fixed O&M - Local (Jetty)	0.0230	0.0230	-
Cost of Working Capital	0.1535	0.7162	KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal.
Return on Equity	0.8896	2.3855	Rs./US\$ & respective consumption of Local & Imported Coal.
Debt Repayment	1.6314	4.4641	Rs./US\$
Interest Charge	0.4118	1.3509	SOFR & Rs./US\$
Total	3.4952	9.9516	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0778	0.2600	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1272	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	0.3917	
Indexation Values			Source
Exchange Rate (Rs./USD)	105.730	278.850	NBP - Revised rate of Dec 31, 2024
US CPI (All Urban Consumers)	248.991	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	6.500%	12.140%	SBP - Revised rate of Dec 31, 2024
3 Monthly SOFR + CAS	2.362%	4.56671%	Global-rates.com - Revised rate of Dec 31, 2024
Imported Coal Price (Rs./Ton)	9,672	35,459.04	Weighted Average Price of Coal Consumed during Oct & Nov 2024.
Imported Coal Calorific Value (BTU/Kg)	17,942	21,674.74	Weighted Average CV of Coal Consumed during Oct & Nov 2024.
Local Coal Price (Rs./Ton)	-	42,354.27	Weighted Average Price of Coal Consumed during Oct & Nov 2024.
Local Coal Calorific Value (BTU/Kg)	-	22,394.54	Weighted Average CV of Coal Consumed during Oct & Nov 2024.
Imported Coal Quantity (M. Ton)	-	258,138.00	80.73% of Total Coal Consumed during Oct & Nov 2024.
Local Coal Quantity (M. Ton)	-	61,636.09	19.27% of Total Coal Consumed during Oct & Nov 2024.
Principal Outstanding (USD. Million)	-	614.41	
Hours in the quarter	-	2,160	

- 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.

