



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-367/TPTPL-2016/3636-40

October 30, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for ThalNova Power Thar (Pvt.) Ltd. for October-December 2023 Quarter [Case # NEPRA/TRF-367/TPTPL-2016]**

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 ThalNova Power Thar (Pvt.) Ltd. for **February 17, 2023 to July-September 2023** quarters on account of N-CPI variations in Case No. NEPRA/TRF-367/TPTPL-2016.

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

Copy to: (alongwith copy of subject Decision):

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 (CPPAG), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Thal Nova Power Thar (Private) Limited, 11<sup>th</sup> Floor, Ocean Tower Block-9, Main Clifton Road, Karachi, Tele: 0213 – 3587 4677-86, 0213-3583018

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXATION/ADJUSTMENT OF TARIFF FOR THALNOVA POWER THAR (PVT.) LIMITED FOR OCTOBER TO DECEMBER 2023 QUARTER.**

Pursuant to the decision of the Authority dated October 18, 2016 in the matter of approval of upfront Thar coal tariff for 330 MW coal power plant of ThalNova Power Thar (Pvt.) Limited (hereinafter "TNL") and the 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, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, KIBOR/LIBOR, Water Charges and Exchange Rate variation.

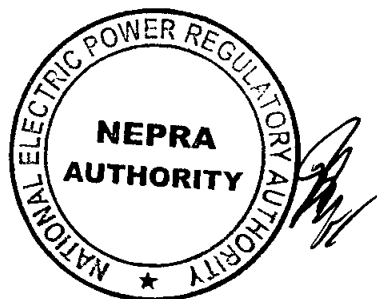
The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for October to December 2023 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 Oct 18, 2016 & Mar 10, 2021	Revised Oct to Dec 2023 Quarter
<b>Capacity Charge (Rs./KWh)</b>		
Fixed O&M - Foreign	0.1535	0.5887
Fixed O&M - Local	0.2114	0.3861
Cost of Working Capital	0.1094	0.3245
ROE	1.4075	4.1906
Interest Charges	0.6620	3.8885
Debt Repayment	1.0933	3.2875
<b>Total</b>	<b>3.6371</b>	<b>12.6659</b>
<b>Energy Purchase Price (Rs./KWh)</b>		
Variable O&M - Foreign	0.0684	0.2623
Variable O&M - Local	0.0628	0.1147
Water Charges (Govt. of Sindh)	0.2897	0.4131
<b>Total</b>	<b>0.4209</b>	<b>0.7901</b>

TNL also requested quarterly indexation/adjustment with reference components of Ash Disposal, Limestone, Insurance, Water Charges (Capital Cost) and Water Charges (O&M), as these are required to be adjusted as per actual at the time of COD adjustment, therefore, same has not been considered by the Authority in the instant interim tariff relief.

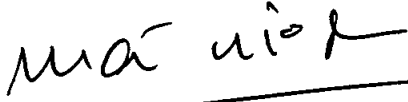
Indexation allowed to TNL is on provisional basis till the finalization of its COD tariff decision by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority in respect to COD tariff adjustment.



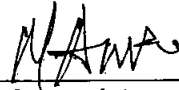
The revised tariff components of TNL attached as **Annex-I** are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

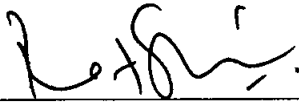
**AUTHORITY**



Mathar Niaz Rana (nsc)  
Member



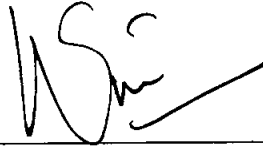
Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member



Amina Ahmed  
Member



Waseem Mukhtar  
Chairman



**ThalNova Power Thar (Private) Limited**  
**Quarterly Indexation/ Adjustment of Tariff**

Tariff Components	Reference Oct 18, 2016 & Mar 10, 2021	Revised Oct to Dec 2023 Quarter	Indexation
<b>Capacity Charge (Rs./kWh)</b>			
Fixed O&M - Foreign	0.1535	0.5887	US CPI & Rs./US\$
Fixed O&M - Local	0.2114	0.3861	N-CPI Local
Cost of Working Capital	0.1094	0.3245	KIBOR & Fuel Cost as per respective consumption of Local Coal
ROE	1.4075	4.1906	Rs./US\$
Interest Charges	0.6620	3.8885	LIBOR & Rs./US\$
Debt Repayment	1.0933	3.2875	Rs./US\$
<b>Total</b>	<b>3.6371</b>	<b>12.6659</b>	
<b>Energy Purchase Price (Rs./kWh)</b>			
Variable O&M - Foreign	0.0684	0.2623	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1147	N-CPI Local
Water Charges (Govt. of Sindh)	0.2897	0.4131	Price of Water
<b>Total</b>	<b>0.4209</b>	<b>0.7901</b>	
<b>Indexation Values</b>			<b>Source</b>
Exchange Rate (Rs./USD)	97.100	289.100	NBP - Revised rate of Sep 28, 2023
US CPI (All Urban Consumers)	238.340	307.026	U.S. Bureau of Labor Statistics - Revised value of Aug 2023
N-CPI (Local)	131.010	239.270	Pakistan Bureau of Statistics - Revised value of Aug 2023
3 Monthly LIBOR	0.45%	5.6571%	www.breconder.com - Revised value of Sep 2023
Price of Water (GoS) (Rs./1000 Gallons)	320.00	456.30	Govt. of Sindh notification dated March 30, 2022
Principal Outstanding (USD. Million)	-	351.22	
Hours in the Quarter	-	2,208	

- Based on the data declared by ThalNova Power Thar (Pvt.) Limited.

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