



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-360/TCB-I-2015/ 7265-69

May 17, 2024

Subject: - **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for April-June 2024 Quarter for Thar Coal Block-I Power Generation 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 Thar Coal Block-I Power Generation Company (Private) Limited for the quarter **April-June 2024** on account of US CPI, N-CPI KIBOR and Exchange Rate variation in Case No. NEPRA/TRF-360/TCB-I-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 the 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, Thar Coal Block-I Power Generation Company (Pvt.) Limited, No. A-1, Navy Housing Scheme, Zam Zama Link Road, Clifton Block-9, Karachi



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR APRIL TO JUNE 2024 QUARTER FOR THAR COAL BLOCK-1 POWER GENERATION COMPANY (PRIVATE) LIMITED.

1. Pursuant to the decision of the Authority dated June 10, 2016 in the matter of approval of upfront Thar coal tariff for 2x660 MW coal power plant of Thar Coal Block-1 Power Generation Company (Private) Limited (hereafter "TCB-1") and decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 9, 2023 in the matter of change of base year 2007-08 to base year 2015-16 for Consumer Price Index for indexation of fixed & variable O&M (Local) components, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, KIBOR/LIBOR and Exchange Rate variation.
2. 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 April to June 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."
3. The revised components are indicated hereunder shall be immediately applicable.

Tariff Components	Reference June 10, 2016 & Mar 10, 2021	Revised Apr-Jun 2024 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.5359
Fixed O&M - Local	0.1435	0.3924
Cost of Working Capital	0.1038	0.3423
ROE	1.5062	4.3200
Interest Charges	0.5771	3.4131
Debt Repayment	1.0921	3.1218
Total	3.5662	12.1255
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.2554
Variable O&M - Local	0.0456	0.1246
Water Charges (Government of Sindh)	0.2897	0.2897
Total	0.4037	0.6697

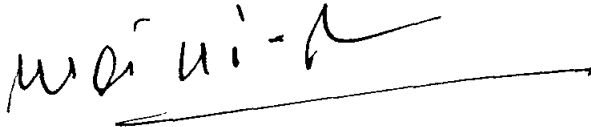
4. TCB-1 also requested quarterly indexation/adjustment with reference components of Ash Disposal, Limestone, Insurance, Water Charges (Capital Cost) and Water Charges (O&M), as these are required to be adjusted as per actual at the time of COD adjustment, therefore, same has not been considered by the Authority in the instant interim tariff relief.
5. Indexation allowed to TCB-1 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.



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6. 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 (XL of 1997).
7. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

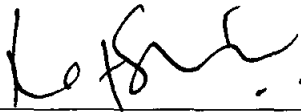
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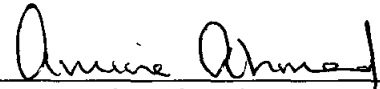
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



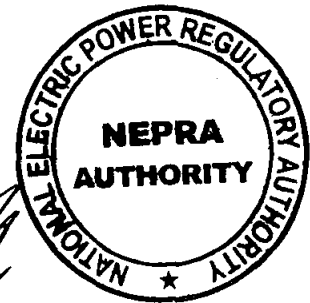
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



17/05/24

Thar Coal Block-1 Power Generation Company (Private) Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference June 10, 2016 & Mar 10, 2021	Revised Apr-Jun 2024 Quarter	Indexation
Capacity Charge (Rs./KWh)			
Fixed O&M - Foreign	0.1435	0.5359	US CPI & Rs./US\$
Fixed O&M - Local	0.1435	0.3924	N-CPI Local
Cost of Working Capital	0.1038	0.3423	KIBOR & Fuel Cost
ROE	1.5062	4.3200	Rs./US\$
Interest Charges	0.5771	3.4131	LIBOR & Rs./US\$
Debt Repayment	1.0921	3.1218	Rs./US\$
Total	3.5662	12.1255	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0684	0.2554	US CPI & Rs./US\$
Variable O&M - Local	0.0456	0.1246	CPI Local
Water Charges (Government of Sindh)	0.2897	0.2897	-
Total	0.4037	0.6697	
Indexation Values			Source
Exchange Rate (Rs./USD)	97.10	278.500	NBP - Revised rate of Mar 29, 2024
US CPI (All Urban Consumers)	238.343	310.326	U.S. Bureau of Labor Statistics - Revised value of Feb 2024
CPI (General) - Local	194.74	-	Pakistan Bureau of Statistics - CPI value of Jun 2014
CPI (General) - Local (May 2020)	268.25	-	Pakistan Bureau of Statistics - CPI value of Jun 2020
N-CPI (Local)	131.01	260.010	Pakistan Bureau of Statistics - N-CPI value of Feb 2024
3 Monthly KIBOR	11.91%	21.99%	SBP - Revised rate of Mar 29, 2024
3 Monthly LIBOR	0.45%	5.560%	Global-rates.com - Revised rate of Mar 28, 2024
Variable Coal Price (Rs./MT)	1,393.44	5,416.26	Weighted Average Variable Price of Coal Consumed during Jan 2024
Fixed Coal Price (Rs./MT)	3,528.12	8,198.10	Weighted Average Fixed Price of Coal Consumed during Jan 2024
Coal Calorific Value (BTU/Kg)	11,005.00	10,710.00	Weighted Average CV of Coal Consumed during Jan 2024
Principal Outstanding (USD. Million)	-	645.48	
Hours in the Quarter	-	2,184	

Based on the data declared by Thar Coal Block-1 Power Generation Company (Private) Limited.

