



National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/R/ADG(Trf)/TRF-360/TCB-I-2015/ 2424-28

March 14, 2024

Subject: - **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for October-December 2022 Quarter (Pre-Cod Period) 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 **October-December 2022** 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 OCTOBER TO DECEMBER 2022 QUARTER (PRE-COD PERIOD) FOR THAR COAL BLOCK-1 POWER GENERATION COMPANY (PRIVATE) LIMITED.

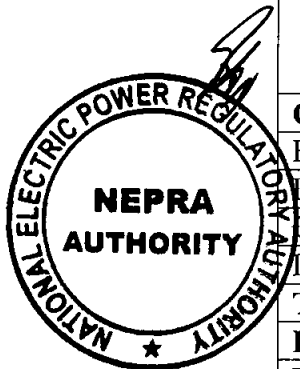
1. Pursuant to the decision of the Authority dated June 10, 2016 in the matter of approval of upfront Thar coal tariff for 2x660 MW coal power plant of Thar Coal Block-1 Power Generation Company (Private) Limited (hereafter "TCB-1") and decision of the Authority dated March 10, 2021 notified vide S.R.O. 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 and Exchange Rate variations.
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 October to December 2022 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.

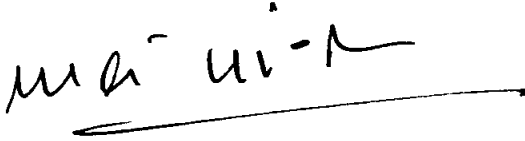
Tariff Components	Reference June 10, 2016 & Mar 10, 2021	Revised Oct-Dec 2022 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.4223
Fixed O&M - Local	0.1435	0.2835
Cost of Working Capital	0.1038	0.2887
Insurance	0.1021	0.1021
Total	0.4929	1.0966
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.2013
Variable O&M - Local	0.0456	0.0900
Ash Disposal	0.2200	0.2200
Limestone	0.0900	0.0900
Water Charges (O&M)	0.0600	0.0900
Water Charges (Capital Cost)	0.1574	0.1574
Water Charges (Government of Sindh)	0.2897	0.2897
Total	0.9311	1.1084

4. The above components shall be applicable during the Pre-COD period as per PPA on unit delivered basis. TCB-1 also informed that its testing period commenced from 26th December 2022, therefore, test energy price as per PPA shall be applicable during the testing period.
5. The indexation/adjustment in these components shall be subject to adjustment, if necessary, in the light of decision of the Authority in the COD tariff adjustment.

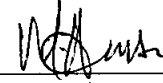


6. The above referred revised tariff components attached as **Annex-I** are to be notified in the Official Gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997).
7. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

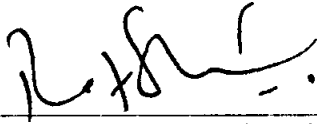
AUTHORITY



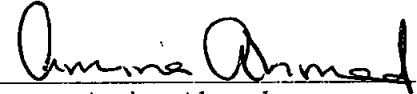
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



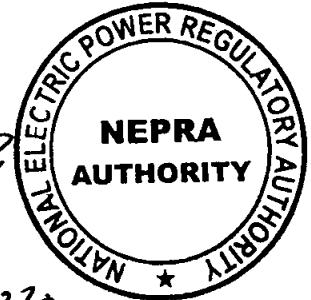
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



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

Tariff Components	Reference June 10, 2016 & Mar 10, 2021	Revised Oct-Dec 2022 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1435	0.4223	US CPI & Rs./US\$
Fixed O&M - Local	0.1435	0.2835	N-CPI Local
Cost of Working Capital	0.1038	0.2887	KIBOR & Fuel Cost
Insurance	0.1021	0.1021	
Total	0.4929	1.0966	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0684	0.2013	US CPI & Rs./US\$
Variable O&M - Local	0.0456	0.0900	CPI Local
Ash Disposal	0.2200	0.2200	
Limestone	0.0900	0.0900	
Water Charges (Government of Sindh)	0.2897	0.2897	-
Water Charges (Capital Cost)	0.1574	0.1574	
Water Charges (O&M)	0.0600	0.0600	
Total	0.9311	1.1084	
Indexation Values			Source
Exchange Rate (Rs./USD)	97.10	229.950	NBP - Revised rate of Sep 30, 2022
US CPI (All Urban Consumers)	238.343	296.171	U.S. Bureau of Labor Statistics - Revised value of Aug 2022
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 May 2020
N-CPI (Local)	131.01	187.840	Pakistan Bureau of Statistics - N-CPI value of Aug 2022
3 Monthly KIBOR	11.91%	15.77%	SBP - Revised rate of Sep 30, 2022

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

49

