



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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## Registrar

No. NEPRA/R/ADG(Trf)/TRF-360/TCB-I-2015/ 2275-79

February 14, 2024

Subject: - **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for January-March 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 **January-March 2024** on account of US CPI, N-CPI KIBOR/LIBOR 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 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:

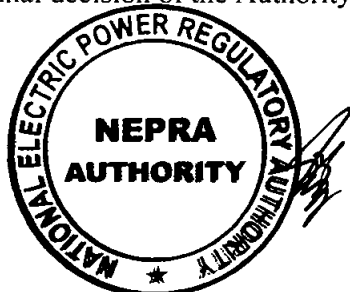
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive Officer, 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 JANUARY TO MARCH 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 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."
3. The revised components are indicated hereunder shall be immediately applicable.

Tariff Components	Reference June 10, 2016 & Mar 10, 2021	Revised Jan-Mar 2024 Quarter
<b>Capacity Charge (Rs./KWh)</b>		
Fixed O&M - Foreign	0.1435	0.5377
Fixed O&M - Local	0.1435	0.3820
Cost of Working Capital	0.1038	0.3102
ROE	1.5062	4.3805
Interest Charges	0.5771	3.5509
Debt Repayment	1.0921	3.1271
<b>Total</b>	<b>3.5662</b>	<b>12.2884</b>
<b>Energy Purchase Price (Rs./KWh)</b>		
Variable O&M - Foreign	0.0684	0.2563
Variable O&M - Local	0.0456	0.1213
Water Charges (Government of Sindh)	0.2897	0.2897
<b>Total</b>	<b>0.4037</b>	<b>0.6673</b>

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.





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).

**AUTHORITY**

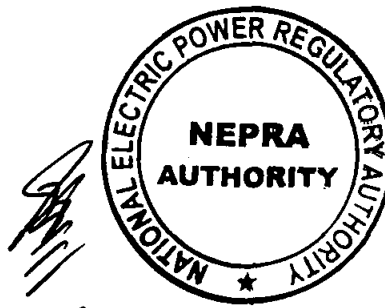
Mathar Niaz Rana (nsc)  
Member

Engr. Maqsood Anwar Khan  
Member

Engr. Rafique Ahmed Shaikh  
Member

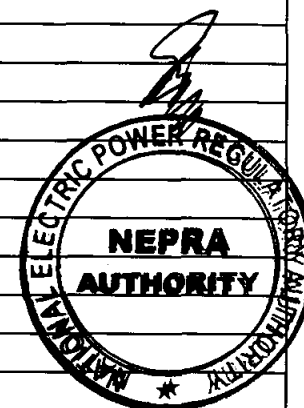
Amina Ahmed  
Member

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 Jan-Mar 2024 Quarter	Indexation
<b>Capacity Charge (Rs./KWh)</b>			
Fixed O&M - Foreign	0.1435	0.5377	US CPI & Rs./US\$
Fixed O&M - Local	0.1435	0.3820	N-CPI Local
Cost of Working Capital	0.1038	0.3102	KIBOR & Fuel Cost
ROE	1.5062	4.3805	Rs./US\$
Interest Charges	0.5771	3.5509	LIBOR & Rs./US\$
Debt Repayment	1.0921	3.1271	Rs./US\$
<b>Total</b>	<b>3.5662</b>	<b>12.2884</b>	
<b>Energy Purchase Price (Rs./KWh)</b>			
Variable O&M - Foreign	0.0684	0.2563	US CPI & Rs./US\$
Variable O&M - Local	0.0456	0.1213	CPI Local
Water Charges (Government of Sindh)	0.2897	0.2897	-
<b>Total</b>	<b>0.4037</b>	<b>0.6673</b>	
<b>Indexation Values</b>			<b>Source</b>
Exchange Rate (Rs./USD)	97.10	282.400	NBP - Revised rate of Dec 29, 2023
US CPI (All Urban Consumers)	238.343	307.051	U.S. Bureau of Labor Statistics - Revised value of Nov 2023
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	253.150	Pakistan Bureau of Statistics - N-CPI value of Nov 2023
3 Monthly KIBOR	11.91%	21.46%	SBP - Revised rate of Dec 29, 2023
3 Monthly LIBOR	0.45%	5.593%	Global-rates.com - Revised rate of Sep 29, 2023
Variable Coal Price (Rs./MT)	1,393.44	4,747.25	Weighted Average Variable Price of Coal Consumed during Oct 2023
Fixed Coal Price (Rs./MT)	3,528.12	8,210.85	Weighted Average Fixed Price of Coal Consumed during Oct 2023
Coal Calorific Value (BTU/Kg)	11,005.00	10,710.00	Weighted Average CV of Coal Consumed during Oct 2023
Principal Outstanding (USD. Million)	-	660.15	
Hours in the Quarter	-	2,184	



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