



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-263/CPL-2014/ 25993-97

August 09, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Chiniot Power Limited (CPL) [Case No. NEPRA/TRF-263/CPL-2014]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff for Chiniot Power Limited (CPL) for the quarter **July to September 2023** on account of US CPI, CPI (General), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-263/CPL-2014.

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 (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Project Director, Chiniot Power Limited, 55-K, Model Town, Lahore
Tele: 042 – 3585 7233 – 35



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR CHINIOT POWER LIMITED (CPL)**

Pursuant to the decision of the Authority dated January 22, 2016 regarding One-time Adjustment of Upfront Tariff of Chiniot Power Limited ("CPL") notified vide S.R.O 156(I)/2016 dated February 24, 2016 and corrigendum dated October 31, 2016, the tariff of CPL has been revised for the quarter Jul-Sep, 2023, on account of US CPI, CPI (General), exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the aforementioned decision(s) of the Authority as indicated in **Annex-I**.

2. The aforementioned adjusted/indexed tariff mentioned in **Annex-I** is 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.

3. CPPA-G to ensure that all the payments are consistent with tariff determination.

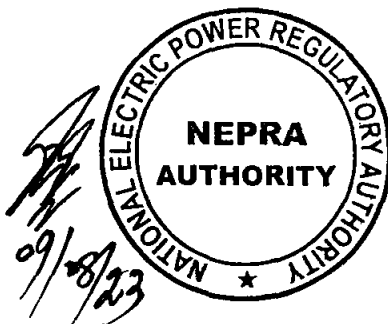
AUTHORITY

(Mathar Niaz Rana (nsc))
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmed Shaikh)
Member

(Amina Ahmed)
Member

(Tauseef H. Farooqi)
Chairman

Chiniot Power Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Tariff	Indexation
Date of decisions	Jan 22, 2016 Oct 31, 2016	Jul-Sep 2023	
	Rs./kWh		
Variable O&M - Local	0.1197	0.1627	CPI
Variable O&M - Foreign	0.3393	1.2349	US CPI & Rs./US \$
Fixed O&M - Local	0.3194	0.4340	CPI
Return on Equity	1.0346	2.9236	Rs./US \$
Debt Service	3.8970	4.9954	KIBOR
Working Capital	0.1733	0.3737	KIBOR
Insurance	0.2204	0.2204	-
Total	6.1037	10.3447	
Indexation Values			Sources (Website)
CPI (General)-Revised value of June 2020	198.160	269.270	Pakistan Bureau of Statistics
US CPI- Revised value of May 2023	236.119	304.127	US Bureau of Labor Statistics
Exchange Rate- Revised rate of June 30, 2023	101.60	287.10	NBP
3 Month KIBOR- Revised rate of June 30, 2023	9.50%	22.91%	SBP
Principal Outstanding (Rs./MW)		29,785,500	
Quarterly Benchmark Energy (kWh)		51,821,208	

Above indexation is on the basis of the information provided by CPI and verified by NEPRA.

For the purpose of indexation of Fixed O&M (Local) component for Jul-Sep 2023 quarter, CPI for May 2023 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16.

The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16, however, that decision shall be implemented upon Notification in the Official Gazette.

As per relevant provision of the EPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&M components is being made on provisional basis, subject to revision upon notification of the Authority's decision of revised index.

