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National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-242/HSML-2014/22402-06

November 18, 2022

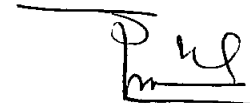
Subject: **Decision of the Authority for Quarterly Indexation/Adjustment of Tariff for Hamza Sugar Mills Limited (HSML) for the October-December 2022 Quarter (Case No. NEPRA/TRF-242/HSML-2014)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with Annex-I (02 pages) regarding quarterly indexation/adjustment of tariff of Hamza Sugar Mills Limited (HSML) for the October-December 2022 quarter in Case No. NEPRA/TRF-242/HSML-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


18.11.22

(Syed Safeer Hussain)

Secretary
Ministry of Energy
(Power Division)
'A' Block, Pak Secretariat
Islamabad

CC:

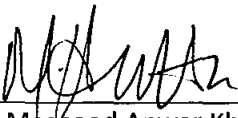
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. General Manager, Hamza Sugar Mills Ltd., A/22, S.I.T.E., Mauripur Road, Karachi-75730


DECISION OF THE AUTHORITY FOR QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF HAMZA SUGAR MILLS LIMITED (HSML) FOR THE QUARTER FROM OCTOBER-DECEMBER, 2022

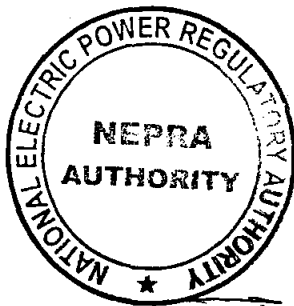
The Authority issued its decision in the matter of application of Hamza Sugar Mills Limited ("HSML") opting for upfront tariff on September 12, 2014. The Authority then issued its decision regarding one-time adjustment in the upfront Tariff of HSML on May 12, 2017. Later, the Authority vide decision dated April 09, 2021 in the matter of application filed by Central Power Purchasing Agency Guarantee Ltd. (CPPAGL) adjusted the aforesaid decision dated May 12, 2017 which has been notified through S.R.O 719(I)/2021 dated June 04, 2021.

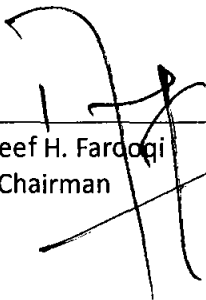
2. Pursuant to the aforesaid decisions of the Authority, the tariff of HSML for the quarter October-December, 2022 has been adjusted. The revised tariff for the quarter October-December, 2022 is attached herewith as **Annex-I**.
3. The adjusted/ indexed tariff attached as **Annex-I** is to be notified 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.
4. CPPAGL to ensure that all the payments are consistent with tariff determination.


AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member




Tauseef H. Fardooqi
Chairman


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Hamza Sugar Mills Limited (Rahim Yar Khan)
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Oct-Dec, 2022
	Rs./kWh	
Variable O&M - Local	0.1078	0.1465
Variable O&M - Foreign	0.3054	0.8670
Fixed O&M - Local	0.2875	0.3907
Return on Equity	0.7329	1.6588
Debt Service	3.8970	4.7216
Working Capital	0.1733	0.2678
Insurance	0.1543	0.1543
Total	5.6582	8.2067
Indexation Values		
CPI (General)	198.160	269.270
US CPI	236.119	296.171
Exchange Rate	101.600	229.95
3 Monthly KIBOR	9.50%	15.77%
<p>* For the purpose of indexation of Fixed O&M (Local) component for quarter Oct-Dec 2022, CPI for Aug 2022 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.</p> <p>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.</p> <p>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.</p>		

