



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/ADG(Trf)/TRF-242/HSML-2014/ 799-03

January 17, 2024

Subject: **Decision of the Authority for Quarterly Indexation/Adjustment of Local O&M Component for the Quarters October-December 2020 to July-September 2023 for Hamza Sugar Mills Limited (Case No. NEPRA/TRF-242/HSML-2014)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of Local O&M Components of tariff of Hamza Sugar Mills Limited (HSML) for the **October-December 2020 to July-September 2023** quarters 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

(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. General Manager, Hamza Sugar Mills Ltd., A/22, S.I.T.E., Mauripur Road, Karachi-75730

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION OF LOCAL O&M COMPONENT FOR THE QUARTERS OCT-DEC 2020 TO JUL-SEP 2023 FOR HAMZA SUGAR MILLS LIMITED

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 and the Authority issued its decision dated March 10, 2021 notified vide SRO No. 1041(I)/2023 on August 9, 2023 in the matter of Change of Base Year 2007-08 to 2015-16 for Consumer Price Index (CPI), the local O&M components of tariff are required to be adjusted on account of variation in N-CPI

2. The Authority through its decisions approved Local O&M Components of tariff w.e.f. Oct-Dec 2020 to Jul-Sep 2023 quarters based on last available CPI value i.e. 269.270 of June 2020 (Base Year 2007-08) on provisional basis subject to decision of the Authority for change in CPI index and its notification in the Official Gazette.

3. Subsequent to the notification of the decision, HSML vide its letter dated Oct 26, 2023 requested for revision of Local O&M components based on N-CPI values for Oct-Dec 2020 to Jul-Sept 2023 quarters.

4. The Authority in its collective and joint wisdom considering all aspect decided with consensus as under; which will be hereafter called as decision of the Authority in the matter.

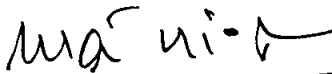
"Local O&M components have been revised on account of N-CPI variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority dated March 10, 2021. The revised tariff indicated at Annex-I shall be immediately applicable."

5. The instant decision shall supersede the relevant decision of the Authority to the extent of Local O&M components dated Dec 08, 2020, Feb 03, 2021, April 09, 2021, Nov 03, 2021, Feb 18, 2022, May 17, 2022, Aug 11, 2022, Nov 18, 2022, Feb 10, 2023, May 29, 2023 and Aug 09, 2023.

6. 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.

7. CPPAGL to ensure that all the payments are consistent with tariff determination.

AUTHORITY




(Mathar Niaz Rana (nsc))
Member



(Engr. Maqsood Anwar Khan)
Member



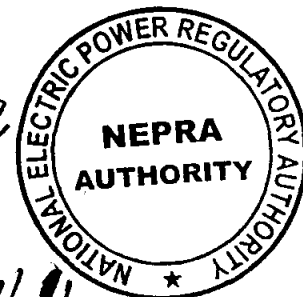
(Rafique Ahmed Shaikh)
Member



(Amina Ahmed)
Member



(Waseem Mukhtar)
Chairman



Hamza Sugar Mills Ltd
Quarterly Indexation/Adjustment of Tariff

Description	Reference	Revised	Revised	Revised	Revised	Revised	Revised Reference as per decision dated Feb 18, 2022	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised
		Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	1 Oct 2021-28 Nov 2021		29 Nov 2021-31 Dec 2023	Jan-Mar 2022	Apr-Jun 2022	Jul-Sep 2022	Oct-Dec 2022	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023
Local O&M variable	0.1620	0.1685	0.1754	0.1769	0.1796	0.1825	0.1458	0.1643	0.1760	0.1787	0.1839	0.2090	0.2180	0.2351	0.2537
Local O&M Fixed	0.4324	0.4496	0.4681	0.4722	0.4793	0.4872	0.3892	0.4385	0.4699	0.4771	0.4908	0.5580	0.5819	0.6276	0.6772
NCPI	131.01	136.230	141.83	143.09	145.24	147.61	131.01	147.61	158.18	160.61	165.23	187.84	195.89	211.28	227.96

Based on the data declared by Hamza Sugar mills limited

