



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-265/RYKML-2014/40405-40407
November 12, 2021

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for RYK Mills Limited (RYKML) [Case No. NEPRA/TRF-265/RYKML-2014]**


Dear Sir,

Please find enclosed herewith the decision of the Authority along with (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of RYK Mills Limited (RYKML) for the quarter October-December 2021 on account of US CPI, CPI (General), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-265/RYKML-2014.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The adjusted/indexed tariff attached as Annex-I is to be notified in the Official Gazette.

Enclosure: As above


12 11 21
(Syed Safer 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.

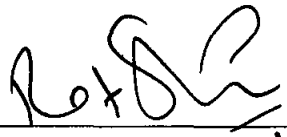
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR RYK MILLS LIMITED (RYKML)**

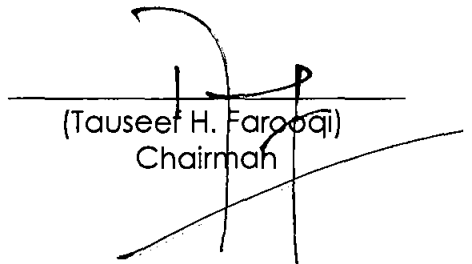
1. Pursuant to the decision of the Authority dated November 02, 2015 regarding One-Time Adjustment of Upfront Tariff of RYK Mills Limited ("RYKML") on achieving commercial operations, notified vide S.R.O No. 22(I)/2016 dated January 07, 2016 and a corrigendum issued by the Authority dated October 31, 2016 regarding the decision dated November 02, 2015, the tariff of RYKML has been revised for the quarter Oct-Dec, 2021, 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. The revised tariff indicated in **Annex-I**, shall be applicable for the energy sold during the specified quarter.
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.

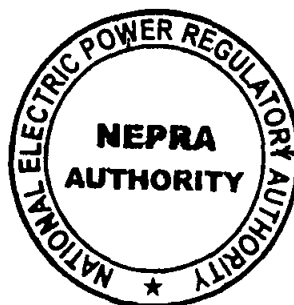
AUTHORITY


22/11/21
(Rehmatullah Baloch)
Member


(Engr. Maqsood Anwar Khan)
Member


22/11/21
(Rafique Ahmed Shaikh)
Member/Vice Chairman


(Tauseef H. Farooqi)
Chairman



RYK Mills Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Oct-Dec, 2021
Rs./kWh		
Variable O&M - Local	0.1197	0.1627
Variable O&M - Foreign	0.3393	0.6614
Fixed O&M - Local	0.3194	0.4340
Return on Equity	1.0346	1.7408
Debt Service	3.8970	3.7004
Working Capital	0.1733	0.1474
Insurance	0.2204	0.2204
Total	6.1037	7.0671
Indexation Values		
CPI (General)	198.160	269.270
US CPI	236.119	273.567
Exchange Rate	101.60	170.95
3 Monthly KIBOR	9.50%	7.78%

* For the purpose of indexation of local O&M components for Oct-Dec 2021 quarter, CPI for Aug 2021 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.

