



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-325/TICL-2015/2414-18

February 10, 2023

Subject: Decision of the Authority for Quarterly Indexation/Adjustment of Tariff of Thal Industries Corporation Limited (Layyah Sugar Mills) for the quarter from January-March 2023 (Case No. NEPRA/TRF-325/TICL-2015)

Dear Sir,

Please find enclosed herewith the decision of the Authority alongwith Annex-I (02 pages) regarding quarterly indexation/adjustment of tariff of Thal Industries Corporation Limited (Layyah Sugar Mills) for the January-March 2023 quarter in Case No. NEPRA/TRF-325/TICL-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),
Government of Pakistan
'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 Commercial, Thal Industries Corporation Ltd., 2 D-1, Gulberg III, Lahore Tele: 042 – 3577 1066-71

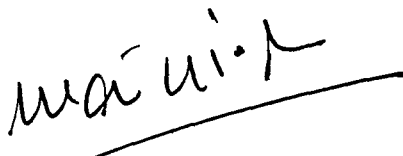


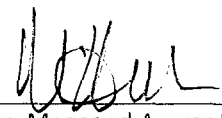
DECISION OF THE AUTHORITY FOR QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF THAL INDUSTRIES CORPORATION LIMITED (TICL) FOR THE QUARTER FROM JANUARY-MARCH, 2023


The Authority issued its decision in the matter of application of Thal Industries Corporation Limited ("TICL") opting for upfront tariff on August 07, 2015. The Authority then issued its decision regarding one-time adjustment in the upfront Tariff of TICL on March 09, 2018. 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 March 09, 2018 which has been notified through S.R.O 712(I)/2021 dated June 04, 2021.

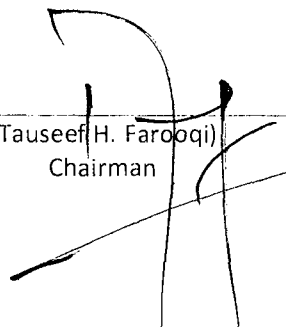
2. Pursuant to the aforesaid decisions of the Authority, the tariff of TICL for the quarter January-March, 2023 has been adjusted. The revised tariff for the quarter January-March, 2023 is attached herewith as **Annex-I**.
3. The adjusted/ indexed tariff attached as **Annex-I** is to be notified in the 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.

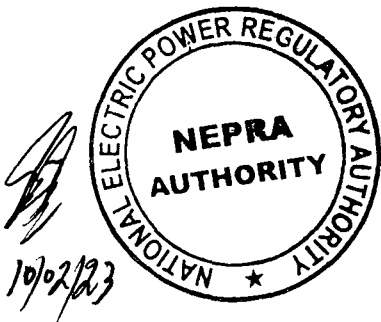
AUTHORITY


(Mathar Niaz Rana(nsc))
Member


(Engr. Maqsood Anwar Khan)
Member


(Rafique Ahmad Shaikh)
Member


(Tauseef H. Farooqi)
Chairman



Thal Industries Corporation Limited (Layyah Sugar Mills)
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Jan-Mar, 2023	Indexation
Date of decisions	Apr 09,2021 Mar 09, 2018		
	Rs./kWh		
Variable O&M - Local	0.1078	0.1465	CPI
Variable O&M - Foreign	0.3054	0.8600	US CPI & Rs./US \$
Fixed O&M - Local	0.2875	0.3907	CPI
Return on Equity	0.7327	1.6363	Rs./US \$
Debt Service	3.8970	4.9866	KIBOR
Working Capital	0.1733	0.2863	KIBOR
Insurance	0.1543	0.1543	-
Total	5.6580	8.4607	
Indexation Values			Sources (Websites)
CPI (General)-Revised value of Jun 2020	198.160	269.270	Pakistan Bureau of Statistics
US CPI- Revised value of Nov 2022	236.119	297.711	US Bureau of Labor Statistics
Exchange Rate- Revised rate of Dec 30, 2022	101.600	226.90	NBP
3 Month KIBOR- Revised rate of Dec 30, 2022	9.50%	17.00%	SBP
Principal Outstanding (Rs./MW)		51,681,400	
Quarterly Benchmark Energy (kWh)		36,464,580	
<p>Above indexation is on the basis of the information provided by TICL and verified by NEPRA. For the purpose of indexation of Fixed O&M (Local) component for the quarters Jan-Mar, 2023 , CPI for Nov 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.</p> <p>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>			

