



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-90/FPCDL-2007/ 20282-86

August 02, 2023

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Foundation Power Company Dharki Limited for July to September 2023 Quarter [CASE NO. NEPRA/TRF-90/FPCDL-2007]

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (02 pages) regarding quarterly indexation/adjustment of tariff for Foundation Power Company Daharki Ltd. for the quarter **July to September 2023** on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-90/FPCDL-2007.

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. Director, Foundation Power Company (Daharki) Ltd. (FPCDL)
1st Floor, Block No. 2, Fauji Tower, 68 Tipu Road, Chaklala, Rawalpindi.

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR FOUNDATION POWER COMPANY DAHARKI LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.


Pursuant to the Decision of the Authority dated November 28, 2013 in the matter of tariff adjustments at Commercial Operation Date, Decision of the Authority dated December 20, 2012 in the matter of change of index from WPI (Manufacture) to CPI (General) and Decision of the Authority dated March 6, 2015 in the matter of Motion for Leave for Review regarding Foundation Power Company Daharki Limited (FPCDL), the tariff of FPCDL in respect of July to September 2023 quarter has been revised on account of US CPI, CPI Local, exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decisions of the Authority. The revised tariff components hereunder shall be immediately applicable:

Tariff Components	Reference Tariff Dec 20, 2012 & Mar 6, 2015	Revised Jul-Sep 2023 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Local	0.1322	0.2301
Fixed O&M - Foreign	0.0999	0.4849
Cost of Working Capital	0.0424	0.0721
ROE	0.4199	1.4472
ROEDC	0.0770	0.2654
Total	0.7714	2.4997
Variable O&M (Rs./kWh)		
Variable O&M - Local	0.0577	0.1004
Variable O&M - Foreign	0.2132	1.0348
Total	0.2709	1.1352

The attached **Annex-I** is to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

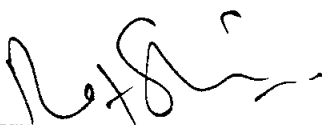
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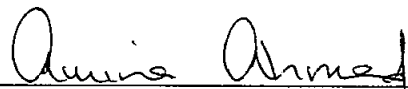
Mathar Niaz Rana (nsc)
Member



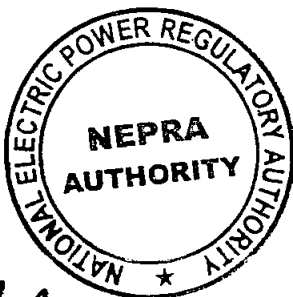
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Tauseef H. Farooqi
Chairman

Foundation Power Company Daharki Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff Dec 20, 2012 & Mar 6, 2015	Revised Jul-Sep 2023 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Local	0.1322	0.2301	CPI Local
Fixed O&M - Foreign	0.0999	0.4849	US CPI & Rs./US\$
Cost of Working Capital	0.0424	0.0721	KIBOR
ROE	0.4199	1.4472	Rs./US\$
ROEDC	0.0770	0.2654	Rs./US\$
Total	0.7714	2.4997	
Variable O&M (Rs./kWh)			
Variable O&M - Local	0.0577	0.1004	CPI Local
Variable O&M - Foreign	0.2132	1.0348	US CPI & Rs./US\$
Total	0.2709	1.1352	
Indexation Values:			Source
Exchange Rate (Rs./USD)	83.300	287.100	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	215.969	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
CPI (General) - Local	154.72	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Monthly KIBOR	12.60%	22.91%	SBP - Revised rate of June 27, 2023
Hours in the quarter		2,208	

- For the purpose of indexation of Local O&M components 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. As per relevant provision of the PPA, 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 decision of new reference index value by the Authority.

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

- Based on the data declared by Foundation Power Company Daharki Limited.

Dr. A. Nadeem

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