



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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## Registrar

No. NEPRA/R/DG(Trf)/TRF-90/FPCDL-2007/ 34711-15

October 19, 2023

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Local O & M Components of Tariff for October-December 2020 to July-September 2023 Quarters and ROE and ROEDC Components for July-September 2023 Quarter for Foundation Power Company Daharki Limited [CASE NO. NEPRA/TRF-90/FPCDL-2007]

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I & Annex-II** (total 04 pages) regarding quarterly indexation/adjustment of tariff for Foundation Power Company Daharki Ltd. for the quarters **October-December 2020 to July-September 2023** on account of N-CPI Variations and **July-September 2023** on account of ROE and ROEDC Components of tariff 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)  
1<sup>st</sup> Floor, Block No. 2, Fauji Tower, 68 Tipu Road, Chaklala, Rawalpindi.



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF LOCAL O&M COMPONENTS OF TARIFF FOR OCT-DEC 2020 TO JUL-SEP 2023 QUARTERS AND ROE AND ROEDC COMPONENTS FOR JUL-SEP 2023 QUARTER FOR FOUNDATION POWER COMPANY DAHARKI LIMITED.**

Pursuant to the Decisions of the Authority dated March 10, 2021 notified vide S.R.O. 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) and dated April 2, 2021 notified vide SRO No. 10(I)/2020 on January 6, 2022 in the matter of application filed by CPPA-G for adjustment of ROE & ROEDC components of tariff pursuant to the agreement dated Feb 11, 2021 with Foundation Power Company Daharki Limited (FPCDL), the local variable & fixed O&M components of tariff in respect of October - December 2020 to July - September 2023 quarters are required to be adjusted on account of National-CPI (N-CPI) variations and the reduced ROE and ROEDC components of tariff in respect of July - September 2023 quarter are required to be adjusted on account of exchange rate variations.

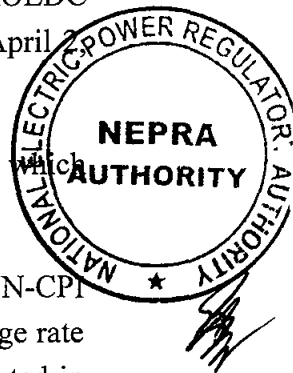
The Authority through its various decisions approved Local variable & fixed O&M components of tariff w.e.f. October-December 2020 to July-September 2023 quarters based on last available CPI value i.e. 269.270 of June 2020 (Base Year 2007-08) on provisional basis subject to decision of the Authority for change in CPI index and its notification in the Official Gazette. Similarly, the Authority approved ROE and ROEDC components for July - September 2023 quarter based on previous ROE and ROEDC components of tariff.

Subsequent to the notification of the decision regarding change of base year for CPI, FPDCL vide its letter dated September 4, 2023 requested for revision of Local variable & fixed O&M components based on N-CPI values for October - December 2020 to July - September 2023 quarters. FPDCL also requested for revision of ROE & ROEDC components w.e.f. 1<sup>st</sup> July 2023 onwards based on the Authority decision dated April 2, 2021.

The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-

“Local variable & fixed O&M components have been revised on account of N-CPI variation and ROE & ROEDC components have been revised on account of exchange rate variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated at **Annex-I & II** shall be immediately applicable.”

The instant decision shall supersede the relevant decisions of the Authority to the extent of Local Variable & Fixed O&M components dated October 27, 2020, February 3, 2021, April 27, 2021, July 26, 2021, October 20, 2021, January 21, 2022, April 28, 2022, August

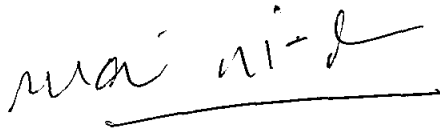


11, 2022, October 21, 2022, February 1, 2023 and May 5, 2023. The instant decision shall also supersede decision dated August 2, 2023 to the extent of Local Variable & Fixed O&M and ROE & ROEDC components.

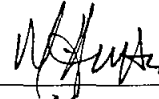
This decision is to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997).

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

**AUTHORITY**



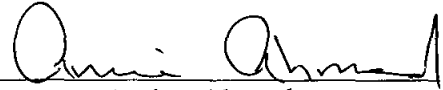
Mathar Niaz Rana (nsc)  
Member



Engr. Maqsood Anwar Khan  
Member



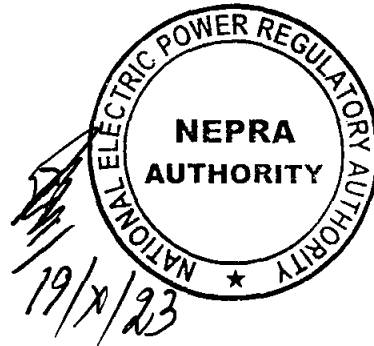
Engr. Rafique Ahmed Shaikh  
Member



Amina Ahmed  
Member



Waseem Mukhtar  
Chairman



**Foundation Power Company Daharki Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Revised	Indexation
	Mar 10, 2021	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	Apr-Jun 2022	Jul-Sep 2022	Oct-Dec 2022	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	
Capacity Charge (Rs./kW/Hour)														
Fixed O&M - Local	0.2292	0.2383	0.2481	0.2503	0.2541	0.2582	0.2767	0.2810	0.2891	0.3286	0.3427	0.3696	0.3988	N-CPI Local
Variable O&M (Rs./kWh)														
Variable O&M - Local	0.1000	0.1040	0.1083	0.1092	0.1109	0.1127	0.1207	0.1226	0.1261	0.1434	0.1495	0.1613	0.1740	N-CPI Local
Indexation Values														
National Consumer Price Index (NCPI)	131.010	136.230	141.830	143.090	145.240	147.610	158.180	160.610	165.230	187.840	195.890	211.280	227.960	PBS - Revised value for the relevant quarter

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



**Foundation Power Company Daharki Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference Tariff Dec 20, 2012, Mar 6, 2015 & Apr 2, 2021	Revised Jul-Sep 2023 Quarter	Indexation
<b>Capacity Charge (Rs./kW/Hour)</b>			
ROE	0.3041	1.0481	Rs./US\$
ROEDC	0.0558	0.1923	Rs./US\$
<b>Indexation Values:</b>			<b>Source</b>
Exchange Rate (Rs./USD)	83.300	287.100	NBP - Revised rate of June 27, 2023

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

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