



National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

Registrar

No. NEPRA/R/DG(Trf)/TRF-90/FPCDL-2007/ 34474-78

October 19, 2023


Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Foundation Power Company Dharki Limited for October to December 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 **October to December 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 OCTOBER TO DECEMBER 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), decision of the Authority dated March 6, 2015 in the matter of Motion for Leave for Review regarding Foundation Power Company Daharki Limited (FPCDL), decision of the Authority dated April 2, 2021 in the matter of application filed by CPPA-G for adjustment of ROE and ROEDC components of tariff pursuant to the agreement with FPCDL and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, exchange rate and KIBOR variation.

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

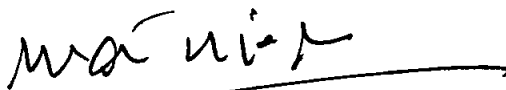
“Indexation/adjustment for October to December 2023 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable.”

Tariff Components	Reference Dec 20, 2012, Mar 6, 2015, Mar 10, 2021 & Apr 2, 2021	Revised Oct-Dec 2023 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Local	0.2292	0.4186
Fixed O&M - Foreign	0.0999	0.4929
Cost of Working Capital	0.0424	0.0714
ROE	0.3041	1.0554
ROEDC	0.0558	0.1937
Total	0.7314	2.2320
Variable O&M (Rs./kWh)		
Variable O&M - Local	0.1000	0.1826
Variable O&M - Foreign	0.2132	1.0519
Total	0.3132	1.2345

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).

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 Dec 20, 2012, Mar 6, 2015, Mar 10, 2021 & Apr 2, 2021	Revised Oct-Dec 2023 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Local	0.2292	0.4186	N-CPI Local
Fixed O&M - Foreign	0.0999	0.4929	US CPI & Rs./US\$
Cost of Working Capital	0.0424	0.0714	KIBOR
ROE	0.3041	1.0554	Rs./US\$
ROEDC	0.0558	0.1937	Rs./US\$
Total	0.7314	2.2320	
Variable O&M (Rs./kWh)			
Variable O&M - Local	0.1000	0.1826	N-CPI Local
Variable O&M - Foreign	0.2132	1.0519	US CPI & Rs./US\$
Total	0.3132	1.2345	
Indexation Values:			Source
Exchange Rate (Rs./USD)	83.300	289.100	NBP - Revised rate of Sep 28, 2023
US CPI (All Urban Consumers)	215.969	307.026	U.S. Bureau of Labor Statistics - Revised value of Aug 2023
N-CPI (Local)	131.01	239.270	Pakistan Bureau of Statistics - Revised value of Aug 2023
3 Monthly KIBOR	12.60%	22.66%	SBP - Revised rate of Sep 28, 2023
Hours in the quarter		2,208	

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



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