



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/Dir(Tariff-I/Thermal)/TRF-92/HUBCO-2008/38664-66
Novembre 2, 2020

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Narowal Energy Ltd. (formerly Hub Power Company Ltd.-Narowal) (Case No. NEPRA/TRF-92/HUBCO-2008)**


Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of The Hub Power Company Ltd. for the quarter October - December 2020 on account of US CPI, CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-92/HUBCO-2008.

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 Revised Tariff Components attached as Annex-I are to be notified in the official Gazette.

Enclosure: As above


22 x 120
(Syed Safeer Hussain)

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.

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR NAROWAL ENERGY LIMITED (FORMERLY HUB POWER
COMPANY LIMITED – NAROWAL)**


Pursuant to the decision of the Authority dated June 8, 2012 in the matter of adjustment at Commercial Operation Date (COD) and the decision of the Authority dated December 21, 2012 regarding change of index in the case of Narowal Energy Limited (formerly Hub Power Company Limited – Narowal) "hereinafter NEL", the tariff of NEL in respect of Oct-Dec 2020 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 indicated hereunder shall be immediately applicable:


Tariff Components	Reference Component	Revised Oct-Dec 2020 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1446	0.3413
Fixed O&M - Local	0.0533	0.0928
Cost of Working Capital	0.2902	0.1878
ROE	0.5398	1.0668
ROEDC	0.1106	0.2186
Debt Servicing	1.5138	1.4776
Total Capacity Charge	2.6523	3.3849
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.3543	0.8362
Variable O&M - Local	0.2888	0.5026
Total Variable O&M	0.6431	1.3388


The above referred revised tariff components attached as Annex-I are 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.

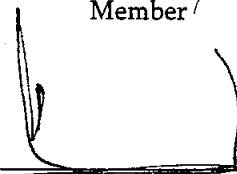
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

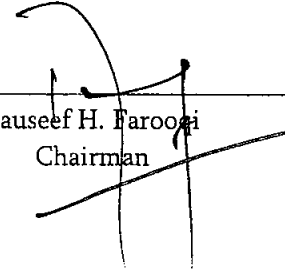
AUTHORITY

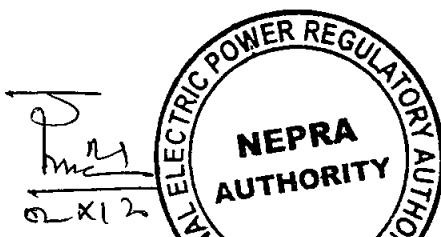

Saif Ullah Chattha
Member 26-10-2020


Engr. Rafique Ahmed Shaikh
Member 27/10/20


3/27/11/2021
Rehmatullah Baloch
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



Narowal Energy Limited
Formerly Hub Power Company Limited (Narowal)
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Revised Oct-Dec 2020 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1446	0.3413
Fixed O&M - Local	0.0533	0.0928
Cost of Working Capital	0.2902	0.1878
ROE	0.5398	1.0668
ROEDC	0.1106	0.2186
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Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.3543	0.8362
Variable O&M - Local	0.2888	0.5026
Total Variable O&M	0.6431	1.3388
Indexation values		
Exchange Rate (Rs./USD)	84.200	166.400
US CPI (All Urban Consumers)	217.631	259.918
CPI (General) - Local	154.720	269.270
3 Monthly KIBOR	12.34%	7.25%
Principal Outstanding (Rs. Mlns)	14,733	1,343
Hours in the quarter	-	2,208

*For the purpose of indexation of Local O&M components for Oct-Dec 2020 quarter, CPI for August 2020 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.

