



# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-92/HUBCO-2008/ <sup>6735-39</sup>  
April 28, 2022

**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 **April-June 2022** 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 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

  
( 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.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Narowal Energy Ltd. [formerly Hub Power Co. Ltd. (HUBCO)], 11<sup>th</sup> Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi  
Tele: 021 – 3587 4677

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR NAROWAL ENERGY LIMITED (FORMERLY HUB POWER COMPANY LIMITED – NAROWAL) FOR APRIL-JUNE 2022 QUARTER**


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 April-June 2022 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 April-June 2022 Quarter
<b>Capacity Charge (Rs./kW/Hour)</b>		
Fixed O&M - Foreign	0.1446	0.4102
Fixed O&M - Local	0.0533	0.0928
Cost of Working Capital	0.2902	0.2823
ROE	0.5398	1.1745
ROEDC	0.1106	0.2406
<b>Total Capacity Charge</b>	<b>1.1385</b>	<b>2.2004</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign	0.3543	1.0050
Variable O&M - Local	0.2888	0.5026
<b>Total Variable O&amp;M</b>	<b>0.6431</b>	<b>1.5076</b>

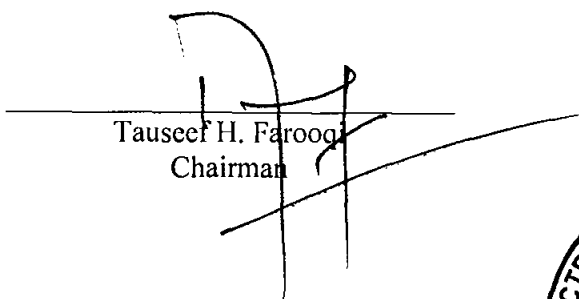
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

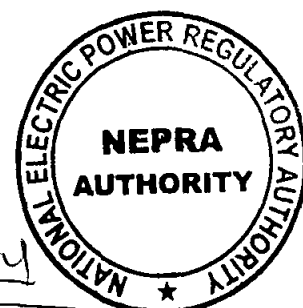
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

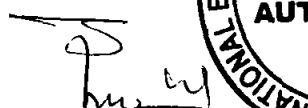
**AUTHORITY**

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Tauseef H. Farooq  
Chairman



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

Tariff Components	Reference Component	Revised April-June 2022 Quarter
<b>Capacity Charge (Rs./kW/Hour)</b>		
Fixed O&M - Foreign	0.1446	0.4102
Fixed O&M - Local	0.0533	0.0928
Cost of Working Capital	0.2902	0.2823
ROE	0.5398	1.1745
ROEDC	0.1106	0.2406
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<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign	0.3543	1.0050
Variable O&M - Local	0.2888	0.5026
<b>Total Variable O&amp;M</b>	<b>0.6431</b>	<b>1.5076</b>
<b>Indexation Values</b>		
Exchange Rate (Rs./USD)	84.200	183.200
US CPI (All Urban Consumers)	217.631	283.716
NCPI - Local	154.720	269.270
3 Monthly KIBOR	12.34%	11.95%
Hours in the quarter	-	2,184

\*For the purpose of indexation of Local O&M components for April-June 2022 quarter, CPI for February 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. 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.

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