



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-92/HUBCO-2008/ 11074-78

July 24, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for July-September 2024 Quarter for Narowal Energy Limited (formerly Hub Power Company Limited-Narowal) (Case No. NEPRA/TRF-92/HUBCO-2008)**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with revised tariff components at **Annex-I** (total 02 pages) regarding the quarterly indexation/adjustment of the tariff of Narowal Energy Ltd. for the quarter **July-September 2024** on account of US CPI, N-CPI, 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**

(Engr. Mazhar Iqbal Ranjha)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad

Copy to:

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)], 11th 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 JULY TO SEPTEMBER 2024 QUARTER 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), 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), 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 NEL 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 considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

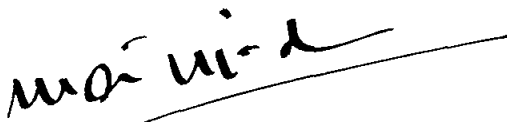
“Indexation/adjustment for July to September 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable.”


Tariff Components	Reference Jun 8, 2012, Dec 21, 2012, Apr 2, 2021 & Mar 10, 2021	Revised Jul to Sep 2024 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1446	0.6910
Fixed O&M - Local	0.0924	0.1797
Cost of Working Capital	0.2902	0.4488
ROE	1.0753	1.0753
ROEDC	0.2132	0.2132
Total Capacity Charge	1.8157	2.6080
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.3543	1.6930
Variable O&M - Local	0.5007	0.9737
Total Variable O&M	0.8550	2.6667


The above decision of the Authority along with 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.

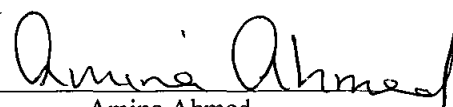
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).


AUTHORITY

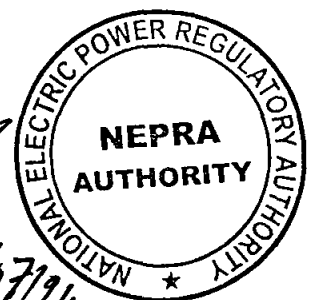

Mathar Niaz Rana (nsc)
Member


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Amina Ahmed
Member


Waseem Mukhtar
Chairman



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

Tariff Components	Reference Jun 8, 2012, Dec 21, 2012, Apr 2, 2021 & Mar 10, 2021	Revised Jul to Sep 2024 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Foreign	0.1446	0.6910	US CPI & Rs./US\$
Fixed O&M - Local	0.0924	0.1797	CPI
Cost of Working Capital	0.2902	0.4488	KIBOR
ROE	1.0753	1.0753	-
ROEDC	0.2132	0.2132	-
Total Capacity Charge	1.8157	2.6080	
Variable O&M (Rs./kWh)			
Variable O&M - Foreign	0.3543	1.6930	US CPI & Rs./US\$
Variable O&M - Local	0.5007	0.9737	CPI
Total Variable O&M	0.8550	2.6667	
Indexation Values			Source
Exchange Rate (Rs./USD)	84.200	278.800	NBP - Revised rate of Jun 28, 2024
US CPI (All Urban Consumers)	217.631	314.069	U.S. Bureau of Labor Statistics - Revised value of May 2024
N-CPI (Local)	131.010	254.780	Pakistan Bureau of Statistics - Revised value of May 2024
3 Monthly KIBOR	12.34%	20.24%	SBP - Revised rate of Jun 28, 2024
Hours in the quarter	-	2,208	

- Based on the data declared by Narowal Energy Limited.

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