



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-85/HPGCL-2007/ 10882-86

May 12, 2023

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Halmore Power Generation Company Ltd. for April-June 2023 Quarter (Case No. NEPRA/TRF-85/HPGCL-2007)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff for Halmore Power Generation Company Ltd. for the April-June 2023 quarter on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-85/HPGCL-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. Chief Executive Officer, Halmore Power Generation Company Ltd.
94-A, Commercial Broadway, Phase-8, Defence Housing Authority, Lahore
[Tele #: 042 – 35700 870-3 (4 lines)]

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR HALMORE POWER GENERATION COMPANY LIMITED FOR APRIL TO JUNE 2023 QUARTER.

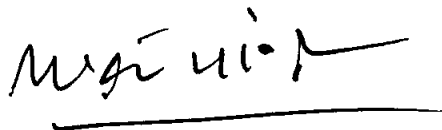
Pursuant to the decision of the Authority dated January 8, 2014 in the matter of tariff adjustments at COD, decision of the Authority dated November 6, 2014 in the matter of Motion for Leave for Review against COD decision, decision of the Authority dated December 20, 2012 regarding change of index in case of Halmore Power Generation Company Limited (HPGCL) and 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 HPGCL, the relevant tariff components of HPGCL in respect of April to June 2023 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 | Revised |
|--------------------------------------|---|-------------------------|
| | Nov 6, 2014, Dec 20, 2012 & Apr 2, 2021 | Apr-Jun 2023 Quarter |
| Capacity Charge (Rs./kW/Hour) | | |
| Fixed O&M - Local | 0.0772 | 0.1344 |
| Fixed O&M - Foreign | 0.1021 | 0.4643 |
| Cost of Working Capital (Gas) | 0.0561 | 0.0874 |
| Cost of Working Capital (HSD) | 0.1201 | 0.1872 |
| ROE | 0.3381 | 1.1182 |
| ROEDC | 0.1718 | 0.5682 |
| Total-Gas | 0.7453 | 2.3725 |
| Total-HSD | 0.8093 | 2.4723 |
| Variable O&M (Rs./kWh) | | |
| Variable O&M - Gas (foreign) | 0.2737 | 1.2446 |
| Variable O&M - HSD (foreign) | 0.3951 | 1.7967 |

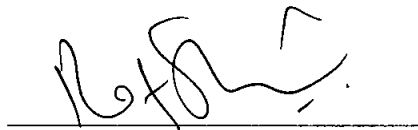
The attached **Annex-I** is to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

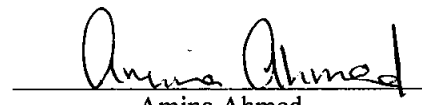
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

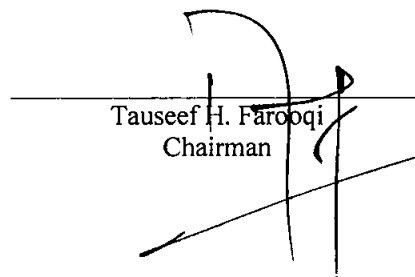
AUTHORITY


Mathar Niaz Rana (nsc)
Member

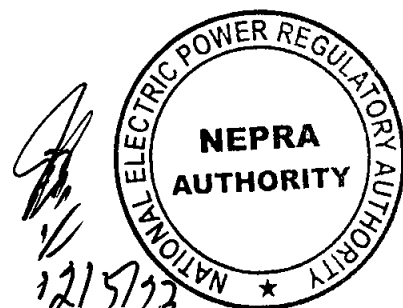

Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Amina Ahmed
Member


Tauseef H. Farooqi
Chairman

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Halmore Power Generation Company Limited
Quarterly Indexation/Adjustment of Tariff

| Tariff Components | Reference | Revised | Indexation |
|--------------------------------------|---|----------------------|---|
| | Nov 6, 2014, Dec 20, 2012 & Apr 2, 2021 | Apr-Jun 2023 Quarter | |
| Capacity Charge (Rs./kW/Hour) | | | |
| Fixed O&M - Local | 0.0772 | 0.1344 | CPI Local |
| Fixed O&M - Foreign | 0.1021 | 0.4643 | US CPI & Rs./US\$ |
| Cost of Working Capital (Gas) | 0.0561 | 0.0874 | KIBOR |
| Cost of Working Capital (HSD) | 0.1201 | 0.1872 | KIBOR |
| ROE | 0.3381 | 1.1182 | Rs./US\$ |
| ROEDC | 0.1718 | 0.5682 | Rs./US\$ |
| Total-Gas | 0.7453 | 2.3725 | |
| Total-HSD | 0.8093 | 2.4723 | |
| Variable O&M (Rs./kWh) | | | |
| Variable O&M - Gas (foreign) | 0.2737 | 1.2446 | US CPI & Rs./US\$ |
| Variable O&M - HSD (foreign) | 0.3951 | 1.7967 | US CPI & Rs./US\$ |
| Indexation Values | | | Source |
| Exchange Rate (Rs./USD) | 85.900 | 284.100 | NBP - Revised rate of March 31, 2023 |
| US CPI (All Urban Consumers) | 218.803 | 300.840 | U.S. Bureau of Labor Statistics - Revised value of Feb 2023 |
| CPI (General) - Local | 154.72 | 269.270 | Pakistan Bureau of Statistics - Revised value of Jun 2020 |
| 3 Monthly KIBOR | 13.40% | 21.98% | SBP - Revised rate of March 31, 2023 |
| Hours in the quarter | - | 2,184 | |

- For the purpose of indexation of Local O&M components for Apr-Jun 2023 quarter, CPI for Feb 2023 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

- Based on the data declared by Halmore Power Generation Company Limited.

J. J. S. A

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