



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/Addl. Dir(Tariff)/TRF-100/Laraib-2009/47521-47523
December 30, 2020

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Laraib Energy Limited (Case No. NEPRA/TRF-100/2009)**

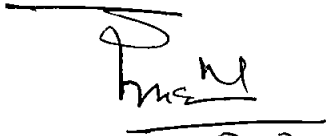
Dear Sir,

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 Laraib Energy Limited for the quarter October-December 2020 on account of KIBOR/LIBOR, US CPI, CPI (General) and Exchange Rate in Case No. NEPRA/TRF-100/2009.

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


30 12 20
(Syed Safer 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.

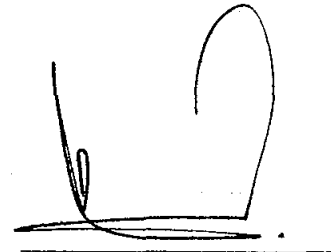
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR LARAIB ENERGY LIMITED**


Pursuant to the Decisions of the Authority dated 14th April, 2016 in the matter of tariff adjustment at Commercial Operation Date (COD) notified vide S.R.O No 585(1)/2016 dated 28th June 2016, Motion for Recalculation dated 26th May 2016 and Motion for Leave for Review filed by LEL against the Decision of the Authority at COD dated June 30th 2016, the tariff components of Laraib Energy Limited on account of KIBOR/LIBOR, US CPI, CPI (General) & Exchange rate for the quarter ending October to December 2020 have been revised in accordance with requisite indexation/adjustment mechanism stipulated in the decisions of the Authority as indicated in Annex-I.


2. The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
3. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

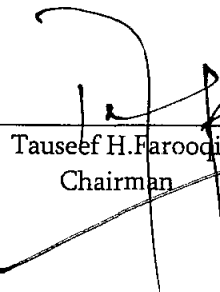
Authority

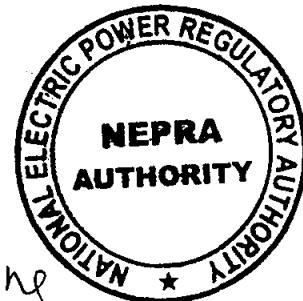

Engr. Rafique Ahmed Shaikh
Member

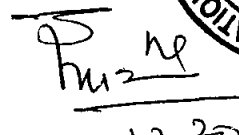

Engr. Bahadur Shah
Member


Rehmatullah Baloch
Member


Saif Ullah Chattha
Vice Chairman 16.12.2020


Tauseef H. Farooqi
Chairman




12/20

Laraib Energy Limited		
Adjustment on Account of Quarterly Indexation		
Tariff Components	Reference	Oct-Dec 2020
	Rs./KWh	Rs./KWh
Return on Equity	1.9113	3.3303
Return on Equity during Construction	1.2254	2.1352
Special Return on Equity	0.4237	0.7383
Debt Service-Foreign*	3.6624	4.9162
Debt Service-Local*	1.5454	0.8944
Water usage charges	0.2657	0.4124
Variable O & M Local	0.0441	0.0685
Fixed O & M Local	0.5786	0.8982
Fixed O & M Foreign	0.4410	0.8664
Total	10.0976	14.2597
Indexation Values		
6 Monthly KIBOR	9.57%	7.2400%
6 Monthly LIBOR	0.4479%	0.3669%
Exchange Rate Quarterly	96.13	167.50
Exchange Rate Semi Annual (for debt servicing only)	96.13	159.99
CPI General	172.78	268.21
US CPI	230.38	259.77

NOTE:-

* Insurance component of capacity charge is not part of quarterly indexation. It is adjusted annually on actual basis as per mechanism stipulated in the decision of the Authority.

*Debt servicing component indexed shall remain valid for the period Jul 01 to Dec 31, 2020

* For the purpose of indexation of Local O&M components for Oct-Dec 2020 quarter, CPIs of the last quarter i.e. July, August, September 2020 were 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 CPIs of April, May & 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.

