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National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-100/Laraib-2009/2090/-05

October 28, 2022

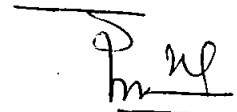
Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Laraib Energy Limited (Case No. NEPRA/TRF-100/2009)**

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 **July 1, 2022 to September 30, 2022** on account of LIBOR, US CPI, CPI (General) and Exchange Rate in Case No. NEPRA/TRF-100/2009.

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, Laraib Energy Ltd., Office No. 12, 2nd Floor, Executive Complex, G-8 Markaz, Islamabad Tele: 051 – 2255 431 – 32



**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 LIBOR, US CPI, CPI (General) & Exchange rate for the quarter July 01, 2022 to September 30, 2022 have been revised in accordance with requisite indexation/adjustment mechanism stipulated in the decisions of the Authority as indicated in Annex-I.

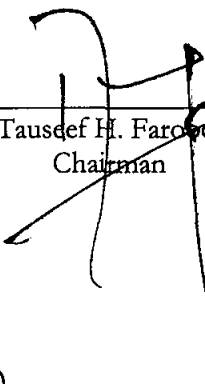
2. The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
3. CPPA(G) to ensure that all payments are consistent with the tariff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

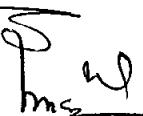
Authority


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member




Tauseef H. Farooqi
Chairman


28 x 22

Laraib Energy Limited
Adjustment on Account of Quarterly Indexation

Tariff Components	Reference	July - Sept 2022
	Rs./KWh	Rs./KWh
Return on Equity	1.9113	3.8830
Return on Equity during Construction	1.2254	2.4895
Special Return on Equity	0.4237	0.8608
*Debt Service-Foreign	3.6624	5.4923
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	1.1378
Total	8.5522	15.2425
Indexation Values		
6 Monthly LIBOR	0.4479%	2.94%
Exchange Rate Quarterly	96.13	195.30
Exchange Rate Semi Annual (for Foreign debt servicing only)	96.13	186.64
CPI General	172.78	268.21
US CPI	230.38	292.57

NOTE:-

For the purpose of indexation of Local O&M and WUC components for July-September 2022 quarter, CPIs of the last quarter i.e. April, May, June 2022 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 and WUC components are 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.

* "Debt Service-Foreign" shall be applicable till Dec 31, 2022 (semi-annual)

