



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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## Registrar

No. NEPRA/R/ADG(Trf)/TRF-100/Laraib-2009/ 36252-56

November 08, 2023

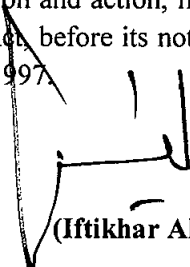
Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Laraib Energy Limited (Case No. NEPRA/TRF-100/2009)

Dear Sir,

Please find enclosed herewith the decision of the Authority along revised tariff components **(Annex-I)** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Laraib Energy Limited for the quarter **July to September 2023** on account of Exchange rate variation, CPI local, US CPI, and LIBOR 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

  
8/11/23  
(Iftikhar Ali Khan)

Secretary,  
Ministry of Energy (Power Division),  
'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, 2<sup>nd</sup> 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 14<sup>th</sup> April, 2016 in the matter of tariff adjustment at Commercial Operation Date (COD) notified vide S.R.O No 585(1)/2016 dated 28<sup>th</sup> June 2016, Motion for Recalculation dated 26<sup>th</sup> May 2016 and Motion for Leave for Review filed by LEL against the Decision of the Authority at COD dated June 30<sup>th</sup> 2016, the tariff components are required to be indexed as per the stipulated mechanism.

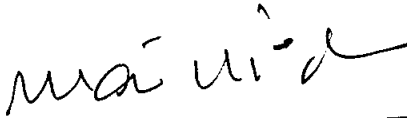
2. Accordingly the Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as the decision of the Authority in the matter:

“The Fixed O&M local and Foreign, Variable O&M local, Water Use Charge (WUC), Return on Equity (ROE), Return on Equity During Construction (ROEDC), Special Return on Equity (SROE) and Debt Servicing components have been indexed provisionally in accordance with the Authority’s decision NEPRA/R/DG(Trf)/TRF-100/Laraib-2009/35934-38 dated October 31, 2023 for Jul-Sept 2023 quarter on account of exchange rate variation, CPI local, US CPI and LIBOR. The revised tariff indicated in the attached Annex-I shall be immediately applicable.”

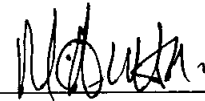
2. The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

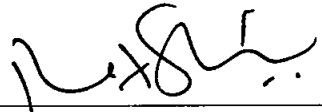
Authority



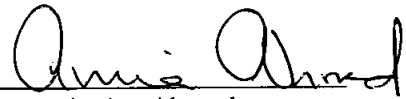
Mathar Niaz Rana (nsc)  
Member



Engr. Maqsood Anwar Khan  
Member



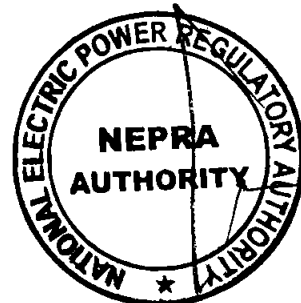
Engr. Rafique Ahmed Shaikh  
Member



Amina Ahmed  
Member



Waseem Mukhtar  
Chairman



8/11/23

**Laraib Energy Limited**  
**Adjustment on Account of Quarterly Indexation**

Tariff Components	Reference	July - Sep 2023	Indexation
	Rs./KWh	Rs./KWh	
Return on Equity	1.9113	5.6962	Rs./ US\$
Return on Equity during Construction	1.2254	3.6521	Rs./ US\$
Special Return on Equity	0.4237	1.2628	Rs./ US\$
*Debt Service-Foreign	2.4612	7.7056	Rs./ US\$ & LIBOR
Water usage charges	0.2657	0.4124	Local CPI
Variable O & M Local	0.0441	0.0685	Local CPI
Fixed O & M Local	0.5786	0.8982	Local CPI
Fixed O & M Foreign	0.4410	1.7354	Rs./ US\$ & US CPI
<b>Total</b>	<b>7.3510</b>	<b>21.4312</b>	
<b>Indexation Values</b>			
6 Monthly LIBOR	0.4479%	5.7623%	Business Recorder or Global-rates.com
Spread on LIBOR	4.7500%		
Exchange Rate Quarterly	96.13	286.50	NBP
Ex.Rate Semi Annual (for Foreign debt servicing only)	96.13	273.36	NBP
CPI General	172.78	268.21	Pakistan Bureau of Statistics
US CPI	230.38	304.20	US Bureau of Labor Statistics
Outstanding Loan (US\$)		11,298,772	
Principal Repayment Amount (US\$)		5,649,386	
Benchmark Energy KWh (July-Dec Period)		221,480,000	

Based on the data declared by LEL.

For the purpose of indexation of Local O&M and WUC components for July-September 2023 quarter, CPIs of the last quarter i.e. Apr, May, Jun 2023 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 the request as per the decision of the Authority notified vide S.R.O 1041(I)/2023 dated August 09, 2023.

\* "Debt Service-Foreign" shall be applicable till December 31, 2023 (semi-annual)

