



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-100/Laraib-2009/ 3067-71

February 29, 2024

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 at **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Laraib Energy Limited for the quarters **January-March 2024** 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

(Engr. Mazhar Iqbal Ranjha)

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 (CPPAG), 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 and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(1)12023 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 tariff components are required to be indexed as per the stipulated mechanism.

2. Accordingly the Authority in its collective and joint wisdom after examining from all aspects 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 **Jan-Mar 2024** 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.”

3. 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.

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

Authority

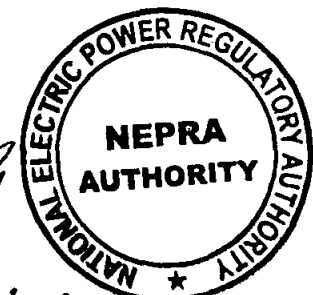
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



Laraib Energy Limited
Adjustment on Account of Quarterly Indexation

| Tariff Components | Reference | Jan - Mar 2024 | Indexation |
|---|---------------|----------------|---------------------------------------|
| | Rs./KWh | Rs./KWh | |
| Return on Equity | 1.9113 | 5.6422 | Rs./ US\$ |
| Return on Equity during Construction | 1.2254 | 3.6174 | Rs./ US\$ |
| Special Return on Equity | 0.4237 | 1.2508 | Rs./ US\$ |
| *Debt Service-Foreign | 2.4612 | 6.8783 | Rs./ US\$ & LIBOR |
| Water usage charges | 0.4124 | 0.7910 | Local CPI |
| Variable O & M Local | 0.0685 | 0.1314 | Local CPI |
| Fixed O & M Local | 0.8982 | 1.7227 | Local CPI |
| Fixed O & M Foreign | 0.4410 | 1.7357 | Rs./ US\$ & US CPI |
| Total | 7.8417 | 21.7695 | |
| Indexation Values | | | |
| 6 Monthly LIBOR | 0.4479% | 5.5840% | Business Recorder or Global-rates.com |
| Spread on LIBOR | 4.7500% | 4.7500% | |
| Exchange Rate Quarterly | 96.13 | 283.78 | NBP |
| Ex.Rate Semi Annual (for Foreign debt servicing only) | 96.13 | 287.72 | NBP |
| CPI General | 131.23 | 251.69 | Pakistan Bureau of Statistics |
| US CPI | 230.38 | 307.16 | US Bureau of Labor Statistics |
| Outstanding Loan (US\$) | | 5,649,386 | |
| Principal Repayment Amount (US\$) | | 5,649,386 | |
| Benchmark Energy KWh (Jan-Jun Period) | | 248,520,000 | |

Based on the data declared by LEL.

* "Debt Service-Foreign" shall be applicable till June 30, 2024 (semi-annual)

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