



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-89/LPTL-2007/2321-25

February 10, 2023

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Liberty Power Tech Ltd. for January-March 2023 Quarter (Case No. NEPRA/TRF-89/LPTL-2007)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-1) (02 pages) regarding quarterly indexation/adjustment of tariff of Liberty Power Tech Ltd. for the quarter January-March 2023 on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-89/LPTL-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 Qbal/Ranjha)

Secretary,
Ministry of Energy (Power Division)
Government of Pakistan
'A' Block, Pak Secretariat,
Islamabad.

Copy to: (alongwith copy of subject Decision):

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, Liberty Power Tech Limited (LPTL), A/51-A, S.I.T.E, Karachi 75700

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR LIBERTY POWER TECH LIMITED FOR JANUARY TO MARCH 2023 QUARTER.

Pursuant to the decision of the Authority dated May 11, 2012 in the matter of Motion for Leave for Review against the decision of the Authority at Commercial Operation Date (COD), decision of the Authority dated December 20, 2012 regarding change of index in the case of Liberty Power Tech Limited (hereinafter "LPTL") 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 LPTL, the tariff of LPTL in respect of January to March 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 decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

| Tariff Components | Reference May 11, 2012, Dec 20, 2012 & Apr 2, 2021 | Revised Jan-Mar 2023 Quarter |
|--------------------------------------|---|------------------------------------|
| Capacity Charge (Rs./kW/Hour) | | |
| Fixed O&M - Foreign | 0.1225 | 0.4403 |
| Fixed O&M - Local | 0.0933 | 0.1624 |
| Cost of Working Capital | 0.2243 | 0.2764 |
| ROE | 0.8795 | 0.8795 |
| ROEDC | 0.1354 | 0.1354 |
| Total | 1.4550 | 1.8940 |
| Variable O&M (Rs./kWh) | | |
| Variable O&M - Foreign | 0.5406 | 1.9429 |
| Variable O&M - Local | 0.2244 | 0.3905 |
| Total | 0.7650 | 2.3334 |

The above referred revised tariff components attached as **Annex-I** are 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

Mathar Niaz Rana (nsc)
Member

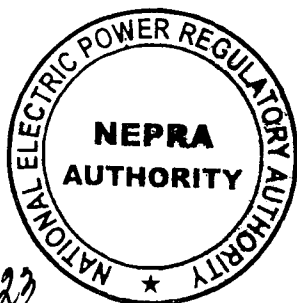
Engr. Maqsood Anwar Khan

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh

Engr. Rafique Ahmed Shaikh
Member

Tauseef H. Farooqi
Chairman



19/2/23

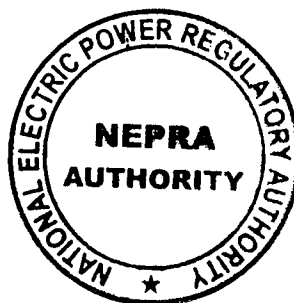
Liberty Power Tech Limited
Quarterly Indexation/Adjustment of Tariff

| Tariff Components | Reference May 11, 2012, Dec 20, 2012 & Apr 2, 2021 | Revised Jan-Mar 2023 Quarter | Indexation |
|--------------------------------------|---|---|---|
| Capacity Charge (Rs./kW/Hour) | | | |
| Fixed O&M - Foreign | 0.1225 | 0.4403 | US CPI & Rs./US\$ |
| Fixed O&M - Local | 0.0933 | 0.1624 | CPI Local |
| Cost of Working Capital | 0.2243 | 0.2764 | KIBOR |
| ROE | 0.8795 | 0.8795 | - |
| ROEDC | 0.1354 | 0.1354 | - |
| Total | 1.4550 | 1.8940 | |
| Variable O&M (Rs./kWh) | | | |
| Variable O&M - Foreign | 0.5406 | 1.9429 | US CPI & Rs./US\$ |
| Variable O&M - Local | 0.2244 | 0.3905 | CPI Local |
| Total | 0.7650 | 2.3334 | |
| Indexation values | | | Source |
| Exchange Rate (Rs./USD) | 85.900 | 226.900 | NBP - Revised rate of Dec 30, 2022 |
| US CPI (All Urban Consumers) | 218.803 | 297.711 | U.S. Bureau of Labor Statistics - Revised value of Nov 2022 |
| CPI (General) - Local | 154.720 | 269.270 | Pakistan Bureau of Statistics - Revised value of Jun 2020 |
| 3 Monthly KIBOR | 13.46% | 17.00% | SBP - Revised rate of Dec 30, 2022 |
| Hours in the quarter | - | 2,160 | |

- For the purpose of indexation of Local O&M components for Jan-Mar 2023 quarter, CPI for Nov 2022 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 Liberty Power Tech Limited .



[Handwritten signatures and initials]