



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-89/LPTL-2007/ 10324-28

May 5, 2023

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Liberty Power Tech Ltd. for April to June 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-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Liberty Power Tech Ltd. for the quarter April to June 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 Iqbal 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 APRIL TO JUNE 2023 QUARTER.

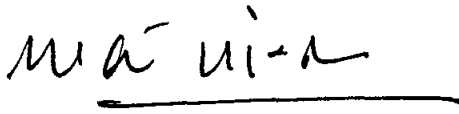
Pursuant to the decision of the Authority dated May 11, 2012 in the matter of Motion for Leave for Review against the decision of the Authority at Commercial Operation Date (COD), decision of the Authority dated December 20, 2012 regarding change of index in the case of Liberty Power Tech Limited (hereinafter "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 April to June 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 Apr-Jun 2023 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1225	0.5571
Fixed O&M - Local	0.0933	0.1624
Cost of Working Capital	0.2243	0.3483
ROE	0.8795	0.8795
ROEDC	0.1354	0.1354
Total	1.4550	2.0827
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.5406	2.4583
Variable O&M - Local	0.2244	0.3905
Total	0.7650	2.8488

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.

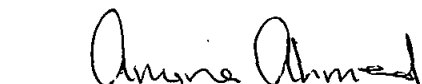
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

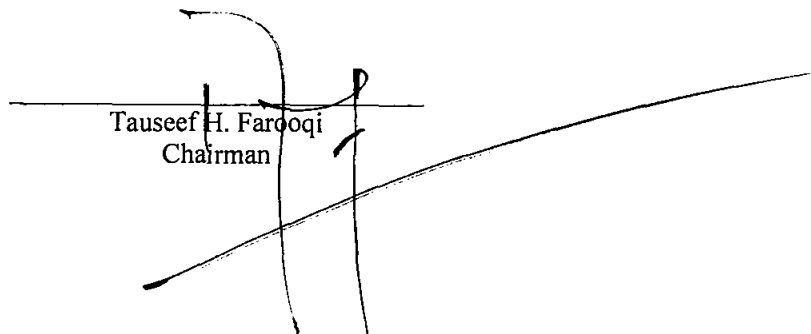
AUTHORITY


Mathar Niaz Rana (nsc)
Member


Engr. Maqsood Anwar Khan
Member


Engr. Raffique Ahmed Shaikh
Member


Amina Ahmed
Member


Tauseef H. Farooqi
Chairman



Liberty Power Tech Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference May 11, 2012, Dec 20, 2012 & Apr 2, 2021	Revised Apr-Jun 2023 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Foreign	0.1225	0.5571	US CPI & Rs./US\$
Fixed O&M - Local	0.0933	0.1624	CPI Local
Cost of Working Capital	0.2243	0.3483	KIBOR
ROE	0.8795	0.8795	-
ROEDC	0.1354	0.1354	-
Total	1.4550	2.0827	
Variable O&M (Rs./kWh)			
Variable O&M - Foreign	0.5406	2.4583	US CPI & Rs./US\$
Variable O&M - Local	0.2244	0.3905	CPI Local
Total	0.7650	2.8488	
Indexation values			Source
Exchange Rate (Rs./USD)	85.900	284.100	NBP - Revised rate of Mar 31, 2023
US CPI (All Urban Consumers)	218.803	300.840	U.S. Bureau of Labor Statistics - Revised value of Feb 2023
CPI (General) - Local	154.720	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Monthly KIBOR	13.46%	21.98%	SBP - Revised rate of Mar 31, 2023
Hours in the quarter	-	2,184	

- For the purpose of indexation of Local O&M components for Apr-Jun 2023 quarter, CPI for Feb 2023 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 and verified by NEPRA.

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