



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-359/NPPMCL-2016/2867-71

February 17, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for National Power Parks Management Company (Private) Limited for its Power Project at Balloki for January-March 2023 Quarter (Case No. NEPRA/TRF-359/NPPMCL-2016)**

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 National Power Parks Management Company (Private) Limited for the quarter January-March 2023 on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-359/NPPMCL-2016.

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

Secretary
Ministry of Energy, Power Division,
'A' Block, Pak Secretariat
Islamabad


(Engr. Mazhar Iqbal Ranjha) 17/02/23

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, National Power Parks Management Company (Pvt.) Ltd. Second Floor 7-C-1, Gulberg-III, Lahore

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR NATIONAL POWER PARKS MANAGEMENT COMPANY (PRIVATE) LIMITED FOR ITS POWER PROJECT AT BALLOKI FOR JANUARY TO MARCH 2023 QUARTER.

Pursuant to the Authority's decision dated February 19, 2020 in the matter of tariff adjustments at Commercial Operation Date (COD) of National Power Parks Management Company (Private) Limited for its power project at Balloki (hereinafter "NPPMCL-Balloki"), decision of the Authority dated May 20, 2020 notified S.R.O. No. 485(I)/2021 in the matter of Review Motion against COD decision and decision of the Authority dated February 18, 2021 in the matter for revision of ROE component, the relevant tariff components of NPPMCL-Balloki in respect of January to March 2023 quarter have been revised on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

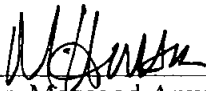
Tariff Components	Reference May 20, 2020 & Feb 18, 2021		Revised Jan - Mar 2023 Quarter	
	RLNG	HSD	RLNG	HSD
Capacity Charge (Rs./kW/hr)				
Fixed O&M - Local	0.0258	0.0284	0.0308	0.0339
Fixed O&M - Foreign	0.1242	0.1369	0.3135	0.3455
Cost of Working Capital	0.0697	0.0768	0.2916	0.3214
ROE	0.2822	0.3111	0.6019	0.6636
Debt Repayment	0.4693	0.5172	0.4693	0.5172
Interest Charges	0.2929	0.3228	0.6304	0.6947
Total	1.2641	1.3932	2.3375	2.5763
Energy Charge (Rs./kWh)				
Variable O&M - Foreign	0.1357	0.1722	0.3425	0.4346

The revised tariff components attached as **Annex-I** are 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.

AUTHORITY



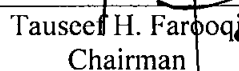
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Tauseef H. Farooqi
Chairman



National Power Parks Management Company (Private) Limited
Balloki Power Project
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference May 20, 2020 & Feb 18, 2021		Revised Jan - Mar 2023 Quarter		Indexation
	RLNG	HSD	RLNG	HSD	
Capacity Charge (Rs./kW/hr)					
Fixed O&M - Local	0.0258	0.0284	0.0308	0.0339	CPI Local
Fixed O&M - Foreign	0.1242	0.1369	0.3135	0.3455	US CPI & Rs./US\$
Cost of Working Capital	0.0697	0.0768	0.2916	0.3214	KIBOR & Fuel Price.
ROE	0.2822	0.3111	0.6019	0.6636	Rs./US\$
Debt Repayment	0.4693	0.5172	0.4693	0.5172	-
Interest Charges	0.2929	0.3228	0.6304	0.6947	KIBOR
Total	1.2641	1.3932	2.3375	2.5763	
Energy Charge (Rs./kWh)					
Variable O&M - Foreign	0.1357	0.1722	0.3425	0.4346	US CPI & Rs./US\$
Indexation Values:					Source
Exchange Rate (Rs./USD)	106.380	106.380	226.900	226.90	NBP - Revised rate of Dec 30, 2022
US CPI (All Urban Consumers)	251.588	251.588	297.711	297.711	U.S. Bureau of Labor Statistics - Revised value of Nov 2022
CPI (General) - Local	225.400	225.400	269.270	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Monthly KIBOR	6.92%	6.92%	17.00%	17.00%	SBP - Revised rate of Dec 30, 2022
Principal Outstanding (Rs. Million)	-	-	34,856.25	34,856.25	
RLNG Fuel Price (Rs./MMBTU)	1,448.83	112.94	3,009.45	223.11	
Hours in the Quarter	-	-	2,160	2,160	

* For the purpose of indexation of Local O&M components for Jan-Mar 2023, CPI value of 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 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 NCPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.

*** Based on the data declared by National Power Parks Management Company (Private) Limited.

