



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-359/NPPMCL-2016/ 31436-40

August 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 July-September 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** (total 02 pages) regarding quarterly indexation/adjustment of tariff of National Power Parks Management Company (Private) Limited at Balloki for the quarter **July-September 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


(Engr. Mazhar Zqbal Ranjha)

Secretary
Ministry of Energy, Power Division,
'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, 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 JULY TO SEPTEMBER 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 July to September 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:

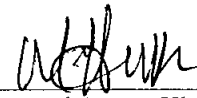
Tariff Components	Reference May 20, 2020 & Feb 18, 2021		Revised Jul - Sep 2023 Quarter	
	RLNG	HSD	RLNG	HSD
Capacity Charge (Rs./kW/hr)				
Fixed O&M - Local	0.0258	0.0284	0.0308	0.0339
Fixed O&M - Foreign	0.1242	0.1369	0.4052	0.4466
Cost of Working Capital	0.0697	0.0768	0.5364	0.5912
ROE	0.2822	0.3111	0.7616	0.8396
Debt Repayment	0.5116	0.5638	0.5116	0.5638
Interest Charges	0.2506	0.2762	0.7363	0.8115
Total	1.2641	1.3932	2.9819	3.2866
Energy Charge (Rs./kWh)				
Variable O&M - Foreign	0.1357	0.1722	0.4427	0.5618

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

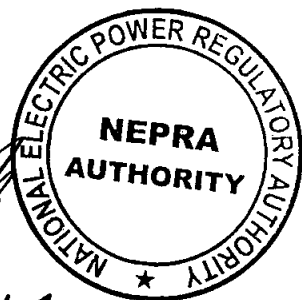


Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member

Tauseef H. Farooqi
Chairman



17/8/23

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 Jul - Sep 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	0.4052	0.4466	US CPI & Rs./US\$
Cost of Working Capital	0.0697	0.0768	0.5364	0.5912	KIBOR & Fuel Price.
ROE	0.2822	0.3111	0.7616	0.8396	Rs./US\$
Debt Repayment	0.5116	0.5638	0.5116	0.5638	-
Interest Charges	0.2506	0.2762	0.7363	0.8115	KIBOR
Total	1.2641	1.3932	2.9819	3.2866	
Energy Charge (Rs./kWh)					
Variable O&M - Foreign	0.1357	0.1722	0.4427	0.5618	US CPI & Rs./US\$
Indexation Values:					Source
Exchange Rate (Rs./USD)	106.380	106.380	287.100	287.10	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	251.588	251.588	304.127	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
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%	22.91%	22.91%	SBP - Revised rate of June 27, 2023
Principal Outstanding (Rs. Million)	-	-	32,325.80	32,325.80	
RLNG Fuel Price (Rs./MMBTU)	1,448.83	112.94	3,474.45	223.11	
Hours in the Quarter	-	-	2,208	2,208	

- For the purpose of indexation of Local O&M components for Jul-Sep 2023, CPI value of May 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 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.

2/2

