



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/TRF-124/OPCL-2009/12956-12958

October 20, 2014

**Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of  
Tariff for Orient Power Company (Pvt.) Ltd. (Case No. NEPRA/TRF-  
124/OPCL-2009(2))**

Dear Sir,

Please find enclosed herewith the decision of the Authority (02 pages) regarding quarterly indexation/adjustment of tariff of Orient Power Company (Pvt.) Ltd. for the quarter October-December 2014 on account of US CPI, CPI (Local), exchange rate and KIBOR variation in Case No. NEPRA/TRF-124/OPCL-2009(2).

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2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please note that revised tariff component attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

  
( Syed Safeer Hussain )

Secretary,  
Ministry of Water & Power,  
Government of Pakistan  
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT  
OF TARIFF FOR ORIENT POWER COMPANY (PRIVATE) LIMITED**

Pursuant to the decision of the Authority dated 12<sup>th</sup> January 2012 in the matter of motion for leave for review filed against the decision of the Authority at Commercial Operation Date (COD), Corrigendum dated 23<sup>rd</sup> April 2012 and decision of the Authority dated 21<sup>st</sup> December 2012 regarding change of index in the case of Orient Power Company (Private) Limited (OPCL), the tariff of OPCL in respect of October to December 2014 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<br>Decision<br>12 Jan 2012 | Revised<br>Oct- Dec 2014<br>Quarter |
|-------------------------------------|--------------------------------------|-------------------------------------|
| <b>Capacity Charge(Rs./kW/Hour)</b> |                                      |                                     |
| Fixed O&M – Local                   | 0.1336                               | 0.1716                              |
| Fixed O&M - Foreign                 | 0.1065                               | 0.1519                              |
| Cost of Working Capital-Gas         | 0.0473                               | 0.0375                              |
| Cost of Working Capital-HSD         | 0.1013                               | 0.0803                              |
| ROE                                 | 0.3964                               | 0.5057                              |
| ROEDC                               | 0.0795                               | 0.1014                              |
| Debt Servicing                      | 1.0298                               | 0.9124                              |
| <b>Total (Gas)</b>                  | <b>1.7931</b>                        | <b>1.8805</b>                       |
| <b>Total (HSD)</b>                  | <b>1.8471</b>                        | <b>1.9233</b>                       |
| <b>Variable O&amp;M (Rs./kWh)</b>   |                                      |                                     |
| Variable O&M – Gas (Foreign)        | 0.1459                               | 0.2081                              |
| Variable O&M – HSD (Foreign)        | 0.2392                               | 0.3412                              |

The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

**Authority**

(Khawaja Muhammad Naeem)

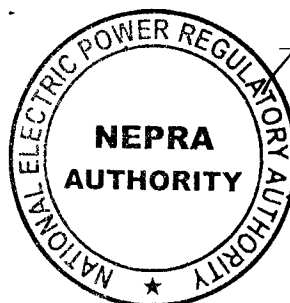
Member

(Maj (R) Haroon Rashid)

Member

Himayat Ullah Khan

Member



(Habibullah Khilji)  
Vice Chairman

  
20.10.14

**Orient Power Company (Pvt.) Limited**  
**Adjustment on account of Quarterly Indexations**

| <b>Tariff Components</b>                   | <b>Reference<br/>Decision<br/>12 Jan 2012</b> | <b>Revised<br/>Oct- Dec 2014<br/>Quarter</b> |
|--|---|--|
| <b><u>Capacity Charge(Rs./kW/Hour)</u></b> |   |  |
| Fixed O&M – Local                          | 0.1336  | 0.1716                                       |
| Fixed O&M - Foreign                        | 0.1065  | 0.1519                                       |
| Cost of Working Capital-Gas                | 0.0473  | 0.0375                                       |
| Cost of Working Capital-HSD                | 0.1013  | 0.0803                                       |
| ROE  | 0.3964  | 0.5057                                       |
| ROEDC                                      | 0.0795  | 0.1014                                       |
| Debt Servicing                             | 1.0298  | 0.9124                                       |
| <b>Total (Gas)</b>                         | <b>1.7931</b>                                 | <b>1.8805</b>                                |
| <b>Total (HSD)</b>                         | <b>1.8471</b>                                 | <b>1.9233</b>                                |
| <b><u>Variable O&amp;M (Rs./kWh)</u></b>   |   |  |
| Variable O&M – Gas (Foreign)               | 0.1459  | 0.2081                                       |
| Variable O&M – HSD (Foreign)               | 0.2392  | 0.3412                                       |
| <b><u>Indexation Values</u></b>            |   |  |
| CPI (General)                              | 154.720                                       | 198.700                                      |
| US CPI                                     | 212.709                                       | 237.852                                      |
| Exchange Rate                              | 80.500  | 102.700                                      |
| KIBOR                                      | 13.39%  | 10.18%                                       |
| Principal Outstanding (Rs. Mlns.)          | 9,358   | 6,868  |
| Hours in the Quarter                       |   | 2,208  |

**Note:-** Insurance component of capacity charge is not part of quarterly indexation. It is adjusted annually on actual basis as per mechanism stipulated in the decision of the Authority.

