



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-347/QATPL-2016/33125-33127

August 2, 2021

**Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment on RLNG for Quaid-e-Azam Thermal Power Private Ltd. (Case No. NEPRA/TRF-347/QATPL-2016)**


Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised tariff components (Annex-I) regarding quarterly indexation/adjustment of tariff of Quaid-e-Azam Thermal Power Private Ltd. for the quarter July – September 2021 on account of US CPI, CPI (General), Exchange Rate and KIBOR variation and revised ROE Component for 6<sup>th</sup> October-December 2020 and Jan-March, 2021 quarters (Annex-II) (03 Pages) in Case No. NEPRA/TRF-347/QATPL-2016.

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(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The revised tariff components attached as Annex-I & II are to be notified in the official Gazette.

Enclosure: As above

  
02 08 21  
( Syed Safeer Hussain )

Secretary  
Ministry of Energy (Power Division)  
'A' Block, Pak Secretariat  
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 ON RLNG FOR QUAID-E-AZAM THERMAL POWER  
(PRIVATE) LIMITED**

Pursuant to the Authority's decision dated April 14, 2016 in the matter of Tariff Petition filed by Quaid-e-Azam Thermal Power (Private) Limited (hereinafter "QATPL") and decision of the Authority dated February 24, 2021 in the matter of reduction of return on equity component, the relevant tariff components of QATPL in respect of Jul-Sep 2021 quarter have been revised on account of US CPI, CPI (General), 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	Revised Jul-Sep 2021 Quarter
<b>Capacity Charge (Rs./kW/h)</b>		
Fixed O&M - Local	0.0647	0.0858
Fixed O&M - Foreign	0.1453	0.2487
Cost of Working Capital	0.0970	0.1849
Insurance	0.0574	0.0574
ROE	0.3117	0.4699
Debt Servicing (Debt + Interest)	0.9281	0.9779
<b>Total</b>	<b>1.6042</b>	<b>2.0246</b>
<b>Energy Charge ((Rs./kWh)</b>		
Variable O&M - Foreign	0.3169	0.5424

In pursuance to the Authority decision dated February 24, 2021 in the matter of reduction in the ROE component, QATPL requested revised ROE component for 6<sup>th</sup> Oct- Dec 2020 & Jan-March 2021 quarters. The Authority has considered the request of QATPL and approved the revised ROE components which are indicated hereunder:

Tariff Components	Reference	Revised	Revised
		6th Oct -Dec 2020	Jan-March 2021
		Quarter	Quarter
Capacity Charge (Rs./kW/h)			
ROE	0.3117	0.4940	0.4773

Indexation allowed to QATPL is purely on provisional basis till finalization of its COD tariff by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority.

The above referred revised tariff components attached as **Annex-I & Annex-II** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

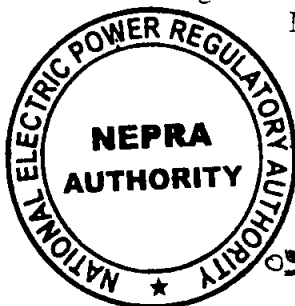
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

27/7/21  
Rehmatullah Baloch  
Member

Engr. Rafique Ahmed Shaikh  
Member

28/7/21  
Engr. Maqsood Anwar Khan  
Member



Tauseef H. Farooq  
Chairman

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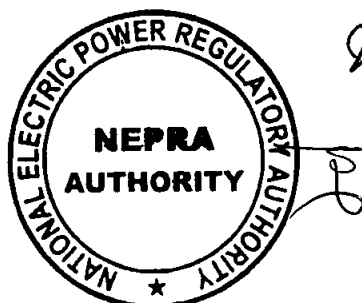
**Annex-I**

**Quaid-e-Azam Thermal Power Private Limited  
Quarterly Indexation/Adjustment of Tariff**

<b>Tariff Components</b>	<b>Reference</b>	<b>Revised Jul-Sep 2021 Quarter</b>
<b>Capacity Charge (Rs./kW/h)</b>		
Fixed O&M - Local	0.0647	0.0858
Fixed O&M - Foreign	0.1453	0.2487
Cost of Working Capital	0.0970	0.1849
Insurance	0.0574	0.0574
ROE	0.3117	0.4699
Debt Servicing (Debt + Interest)	0.9281	0.9779
<b>Total</b>	<b>1.6042</b>	<b>2.0246</b>
<b>Energy Charge ((Rs./kWh)</b>		
Variable O&M - Foreign	0.3169	0.5424
<b>Indexation Values</b>		
Exchange Rate (Rs./USD)	105.000	158.30
US CPI (All Urban Consumers)	237.111	269.195
CPI (General) - Local	202.980	269.270
3 Monthly KIBOR	6.36%	7.45%
Principal Outstanding (USD. Million)	-	46,663.83
RLNG Fuel Price (Rs./MMBTU)	735.00	1,475.56
Hours in the Quarter	-	2,208

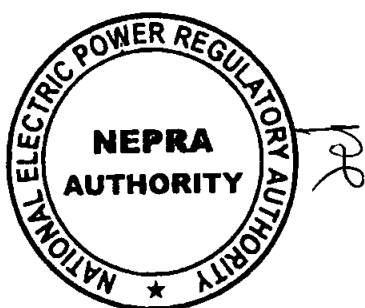
\* For the purpose of indexation of Local O&M components for Jul-Sep 2021 quarter, CPI for May 2021 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. 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.



**Quaid-e-Azam Thermal Power Private Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference	Revised	Revised
		6th Oct -Dec 2020	Jan-March 2021
		Quarter	Quarter
Capacity Charge (Rs./kW/h)			
ROE	0.3117	0.4940	0.4773
Indexation Values			
Exchange Rate (Rs./USD)	105.000	166.40	160.80



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4