



National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

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No. NEPRA/R/ADG(Trf)/TRF-80/SPL-2007/ *1244-48*

July 25, 2023

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Saif Power Ltd. for July to September 2023 Quarter (Case No. NEPRA/TRF-80/SPL-2007)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised tariff components (**Annex-I**) (total 02 pages) regarding quarterly indexation/adjustment of tariff of Saif Power Ltd. for the quarter **July to September 2023** on account of US CPI, CPI (General) Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-80/SPL-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),
'A' Block, Pak Secretariats
Islamabad
CC:

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, Saif Power Ltd., 4th Floor, Kashmir Commercial Complex (KCC), Fazal-ul-Haq Road, Block-E, Blue Area, Islamabad



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR SAIF POWER LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.

Pursuant to the decision of the Authority dated June 20, 2011 in the matter of adjustment at Commercial Operation Date, decision of the Authority dated December 20, 2012 regarding change of index in the case of Saif Power Limited (hereinafter "SPL") 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 SPL, the tariff of SPL in respect of July to September 2023 quarter has been revised on account of US CPI, CPI (General) local, Exchange Rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference	Revised
	Jun 20, 2011, Dec 20, 2012 & Apr 2, 2021	Jul-Sep 2023 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M - Local	0.0792	0.1378
Fixed O&M - Foreign	0.1016	0.4853
Cost of Working Capital-Gas	0.0424	0.0734
Cost of Working Capital-HSD	0.0909	0.1573
ROE (Local)	0.6332	0.6332
ROE (Foreign)	0.0523	0.1788
ROEDC (Local)	0.1829	0.1829
ROEDC (Foreign)	0.0163	0.0557
Total (Gas)	1.1079	1.7471
Total (HSD)	1.1564	1.8310
Variable O&M (Rs./kWh)		
Variable O&M – Foreign - Gas	0.2650	1.2657
Variable O&M – Foreign - HSD	0.3825	1.8269

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

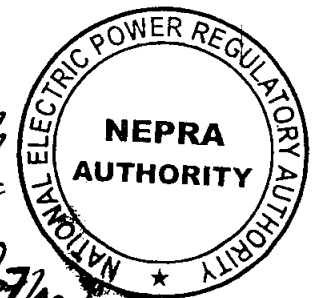
Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Tauseef H. Farooqi
Chairman

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Saif Power Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference	Revised	Indexation
	Jun 20, 2011, Dec 20, 2012 & Apr 2, 2021	Jul-Sep 2023 Quarter	
Capacity Charge(Rs./kW/Hour)			
Fixed O&M - Local	0.0792	0.1378	CPI Local
Fixed O&M - Foreign	0.1016	0.4853	US CPI & Rs./US\$
Cost of Working Capital-Gas	0.0424	0.0734	KIBOR
Cost of Working Capital-HSD	0.0909	0.1573	KIBOR
ROE (Local)	0.6332	0.6332	-
ROE (Foreign)	0.0523	0.1788	Rs./US\$
ROEDC (Local)	0.1829	0.1829	-
ROEDC (Foreign)	0.0163	0.0557	Rs./US\$
Total (Gas)	1.1079	1.7471	
Total (HSD)	1.1564	1.8310	
Variable O&M (Rs./kWh)			
Variable O&M – Foreign - Gas	0.2650	1.2657	US CPI & Rs./US\$
Variable O&M – Foreign - HSD	0.3825	1.8269	US CPI & Rs./US\$
Indexation Values			Source
CPI (General) - Local	154.720	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
US CPI	217.631	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
Exchange Rate	84.000	287.100	NBP - Revised rate of June 27, 2023
KIBOR	12.34%	22.91%	SBP - Revised rate of June 27, 2023
Hours in the Quarter	-	2,208	

- For the purpose of indexation of Local O&M components for Jul-Sep 2023 quarter, CPI for 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 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 Saif Power Limited.



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