



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Ph: 051-9206500, 9207200, Fax: 9210215
E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-125/SECL-2009/693-695
February 06, 2013

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Sapphire Electric Company Ltd (January-March 2013). (Case No. NEPRA/TRF-125/SECL-2009)** - Intimation of Decision of Tariff pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Sapphire Electric Company Ltd. for the quarter January-March 2013 on account of US CPI, CPI (Local), exchange rate and KIBOR variation in Case No. NEPRA/TRF-125/SECL-2009.

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 schedule to be notified in the official Gazette is attached as Annex-I.

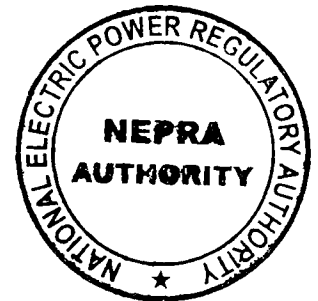
Enclosure: As above

(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, Islamabad.



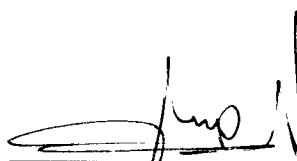
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED**


Pursuant to the decisions the Authority dated September 23rd November 2012 in the matter of motion for leave for review filed against the decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated 20th December 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the tariff of SECL in respect of for January-March 2013 quarter has 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 above referred decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

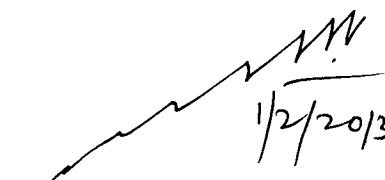
Tariff Components	Reference	Revised Jan-Mar 2013
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.0849
Fixed O&M - Foreign	0.0965	0.1197
Cost of Working Capital-Gas	0.0449	0.0346
Cost of Working Capital-HSD	0.0961	0.0741
Return on Equity	0.3964	0.4618
Return on Equity During Construction	0.1061	0.1236
Debt Servicing	1.3145	1.1193
Total (Gas)	2.0346	1.9439
Total (HSD)	2.0858	1.9834
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.3205
Variable O&M – Foreign -HSD	0.3728	0.4625

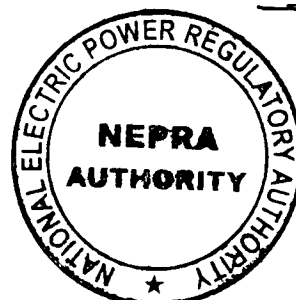
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

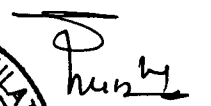
AUTHORITY


(Khawaja Muhammad Naeem)
Member


(Maj (R) Haroon Rashid)
Member


(Habibullah Khilji)
Chairman

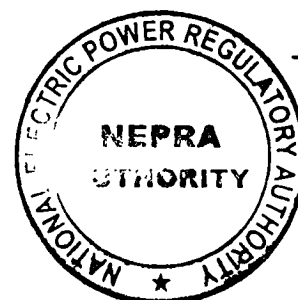



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Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference	Revised Jan-Mar 2013
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.0849
Fixed O&M - Foreign	0.0965	0.1197
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Variable O&M – Foreign -Gas	0.2583	0.3205
Variable O&M – Foreign -HSD	0.3728	0.4625
Indexation Values		
CPI (General)	154.720	172.420
US CPI	216.177	230.221
Exchange Rate	83.350	97.100
KIBOR	12.60%	9.31%
Principal Outstanding (Rs. in Million)	12,268.00	10,875.00
Hours in the Quarter		2160

150



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