



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-125/SECL-2009/3689-3691
April 19, 2013

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff (for April-June, 2013) for Sapphire Electric Company Ltd. (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 (April-June, 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 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.

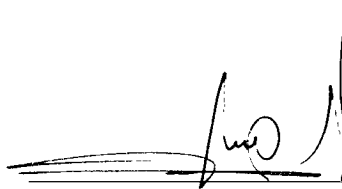
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED**

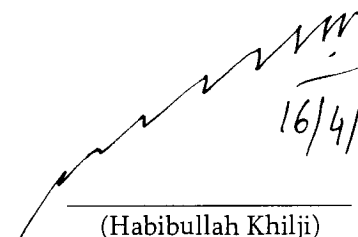
Pursuant to the decisions the Authority dated 23rd November 2012 in the matter of motion for leave for review filed against the decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated 20th December 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the tariff of SECL in respect of for April-June 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 Apr-Jun 2013
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.0862
Fixed O&M - Foreign	0.0965	0.1222
Cost of Working Capital-Gas	0.0449	0.0354
Cost of Working Capital-HSD	0.0961	0.0758
Return on Equity	0.3964	0.4675
Return on Equity During Construction	0.1061	0.1251
Debt Servicing	1.3145	1.1374
Total (Gas)	2.0346	1.9738
Total (HSD)	2.0858	2.0142
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.3272
Variable O&M – Foreign -HSD	0.3728	0.4722


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.

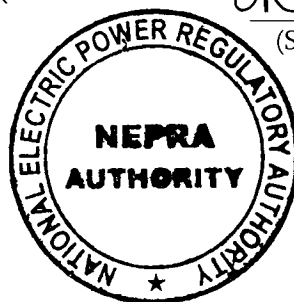
AUTHORITY



(Khawaja Muhammad Naeem)
Member


(Habibullah Khilji)
Member


(Maj) (R) Haroon Rashid)
Member


(Shoukat Ali Kundi)
Vice Chairman




19.4.13

Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference	Revised Apr-Jun 2013
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.0862
Fixed O&M - Foreign	0.0965	0.1222
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Variable O&M – Foreign -Gas	0.2583	0.3272
Variable O&M – Foreign -HSD	0.3728	0.4722
Indexation Values		
CPI (General)	154.720	175.110
US CPI	216.177	232.166
Exchange Rate	83.350	98.300
KIBOR	12.60%	9.53%
Principal Outstanding (Rs. in Million)	12,268.00	10,688.00
Hours in the Quarter		2184

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.

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