



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-125/SECL-2009/11806-11808
July 20, 2018

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Sapphire Electric Company Ltd. (Case No. NEPRA/TRF-125/SECL-2009)**

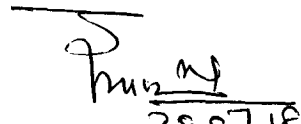
Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Sapphire Electric Company Ltd. for the quarter July – September 2018 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 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The Revised Tariff Components attached as Annex-I are to be notified in the official Gazette.

Enclosure: As above


(Syed Safeer Hussain)

Secretary,
Ministry of Energy,
(Power Division)
Government of Pakistan
'A' Block, Pak Secretariat
Islamabad.

CC:

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

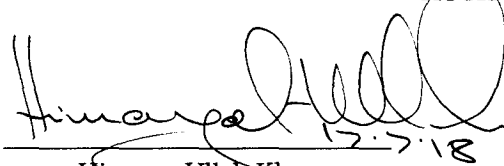
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED**

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 July-September 2018 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 Component	Revised July-Sep 2018
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1110
Fixed O&M - Foreign	0.0965	0.1638
Cost of Working Capital-Gas	0.0449	0.0276
Cost of Working Capital-HSD	0.0961	0.0590
Return on Equity	0.3964	0.5783
Return on Equity During Construction	0.1061	0.1548
Debt Servicing	1.3145	1.1762
Total (Gas)	2.0346	2.2117
Total (HSD)	2.0858	2.2431
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.4386
Variable O&M – Foreign -HSD	0.3728	0.6330

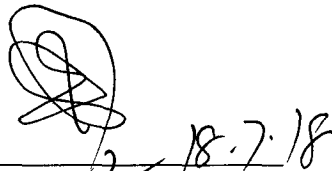
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

AUTHORITY

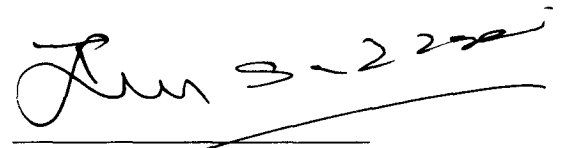


Himayat Ullah Khan
Member

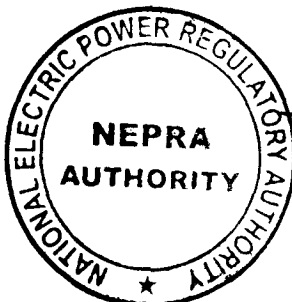
Saif Ullah Chattha
Member

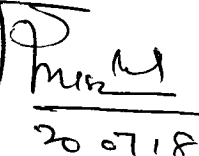


Rehmatullah Baloch
Vice Chairman



Brig (R) Tariq Sadozai
Chairman




20.07.18

Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Revised July-Sep 2018
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Variable O&M – Foreign -Gas	0.2583	0.4386
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Indexation Values		
CPI (General)	154.720	225.400
US CPI	216.177	251.588
Exchange Rate	83.350	121.600
KIBOR	12.60%	6.92%
Principal Outstanding (Rs. in Million)	12,268	4,561
Hours in the Quarter		2,208

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