



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/TRF-125/SECL-2009/15724-15726

October 12, 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)**

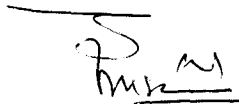
Dear Sir,

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 October – December 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

  
12 x 18  
( Syed Safer 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.

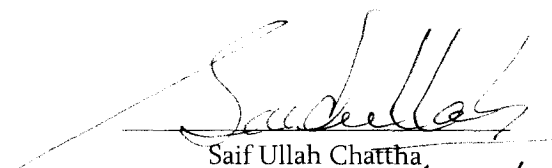
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF  
TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED**

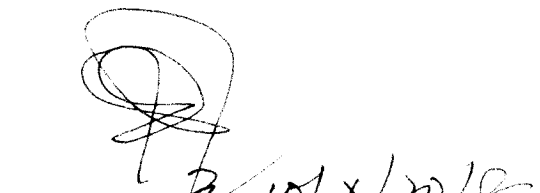
Pursuant to the decisions the Authority dated 23rd November 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated 20th December 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the tariff of SECL in respect of October-December 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:

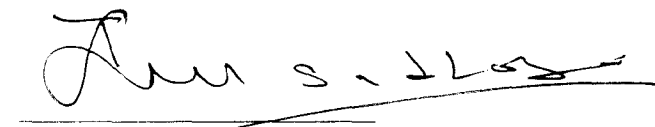
Tariff Components	Reference Component	Revised Oct-Dec 2018
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M – Local	0.0762	0.1129
Fixed O&M - Foreign	0.0965	0.1679
Cost of Working Capital-Gas	0.0449	0.0318
Cost of Working Capital-HSD	0.0961	0.0682
Return on Equity	0.3964	0.5912
Return on Equity During Construction	0.1061	0.1582
Debt Servicing	1.3145	1.2202
<b>Total (Gas)</b>	<b>2.0346</b>	<b>2.2822</b>
<b>Total (HSD)</b>	<b>2.0858</b>	<b>2.3186</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M – Foreign -Gas	0.2583	0.4493
Variable O&M – Foreign -HSD	0.3728	0.6485

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.

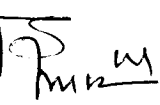
**AUTHORITY**

  
Saif Ullah Chattha  
Member 10.10.2018

  
Rehmatullah Baloch  
Vice Chairman

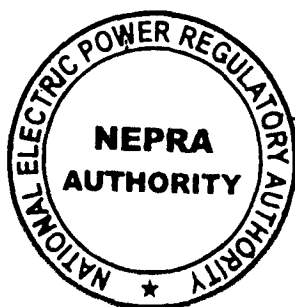
  
Brig (R) Tariq Saddozai  
Chairman



  
12.11.18

**Sapphire Electric Company Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference Component	Revised Oct-Dec 2018
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M – Local	0.0762	0.1129
Fixed O&M - Foreign	0.0965	0.1679
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<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M – Foreign -Gas	0.2583	0.4493
Variable O&M – Foreign -HSD	0.3728	0.6485
<b>Indexation Values</b>		
CPI (General)	154.720	229.270
US CPI	216.177	252.146
Exchange Rate	83.350	124.300
KIBOR	12.60%	8.32%
Principal Outstanding (Rs. in Million)	12,268	4,128
Hours in the Quarter		2,208



12 x 18