



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-2009/14900-14902
August 19, 2019

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)**

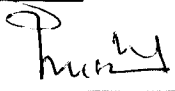
Dear Sir,

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 2019 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


19 08 19
(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**


1. 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-Sep 2019 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:

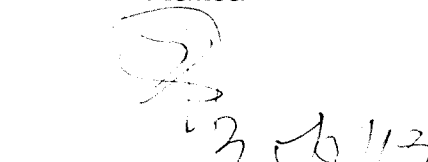
Tariff Components	Reference Component	Revised July-Sep 2019
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1211
Fixed O&M - Foreign	0.0965	0.2256
Cost of Working Capital-Gas	0.0449	0.0460
Cost of Working Capital-HSD	0.0961	0.0985
Return on Equity	0.3964	0.7823
Return on Equity During Construction	0.1061	0.2094
Debt Servicing	1.3145	1.3199
Total (Gas)	2.0346	2.7043
Total (HSD)	2.0858	2.7568
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.6039
Variable O&M – Foreign -HSD	0.3728	0.8716

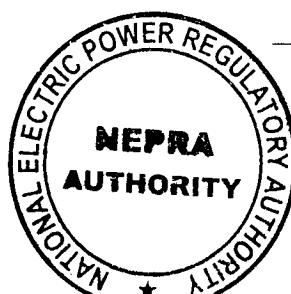
2. The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
3. CPPA (G) to ensure that all payments are consistent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


AUTHORITY

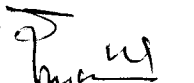

Saif Ullah Chattha
Member 2.8.2019


Rafique Ahmed Shaikh
Member


Rehmatullah Baloch
Member




Engineer Bahadur Shah
Vice Chairman 5/8/19


19.08.19

Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Revised July-Sep 2019
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1211
Fixed O&M - Foreign	0.0965	0.2256
Cost of Working Capital-Gas	0.0449	0.0460
Cost of Working Capital-HSD	0.0961	0.0985
Return on Equity	0.3964	0.7823
Return on Equity During Construction	0.1061	0.2094
Debt Servicing	1.3145	1.3199
Total (Gas)	2.0346	2.7043
Total (HSD)	2.0858	2.7568
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.6039
Variable O&M – Foreign -HSD	0.3728	0.8716
Indexation Values		
CPI (General)	154.720	245.940
US CPI	216.177	256.092
Exchange Rate	83.350	164.500
KIBOR	12.60%	12.97%
Principal Outstanding (Rs. in Million)	12,268	2,726
Hours in the Quarter		2,208

