



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.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-125/SECL-2009/20782-20784

October 22, 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 October-December 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


(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**

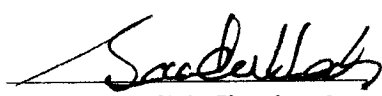
Pursuant to the decisions the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the tariff of SECL in respect of **Oct-Dec 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 Oct-Dec 2019
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1261
Fixed O&M – Foreign	0.0965	0.2153
Cost of Working Capital-Gas	0.0449	0.0487
Cost of Working Capital-HSD	0.0961	0.1043
Return on Equity	0.3964	0.7452
Return on Equity During Construction	0.1061	0.1995
Debt Servicing	1.3145	1.3293
Total (Gas)	2.0346	2.6641
Total (HSD)	2.0858	2.7197
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.5763
Variable O&M – Foreign -HSD	0.3728	0.8318

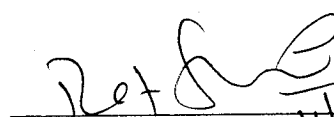
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

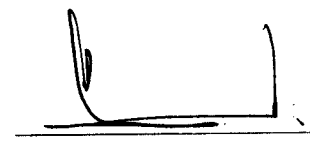
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

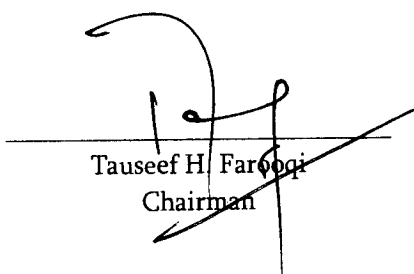
AUTHORITY

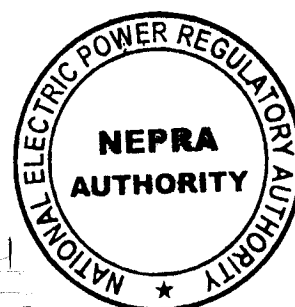

Saif Ullah Chattha 10.10.2019
Member


Rehmatullah Baloch 10/10/2019
Member


Rafique Ahmed Shaikh 11/10/19
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Revised Oct-Dec 2019
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1261
Fixed O&M - Foreign	0.0965	0.2153
Cost of Working Capital-Gas	0.0449	0.0487
Cost of Working Capital-HSD	0.0961	0.1043
Return on Equity	0.3964	0.7452
Return on Equity During Construction	0.1061	0.1995
Debt Servicing	1.3145	1.3293
Total (Gas)	2.0346	2.6641
Total (HSD)	2.0858	2.7197
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.5763
Variable O&M – Foreign -HSD	0.3728	0.8318
Indexation Values		
CPI (General)	154.720	255.940
US CPI	216.177	256.558
Exchange Rate	83.350	156.700
KIBOR	12.60%	13.85%
Principal Outstanding (Rs. in Million)	12,268	2,222
Hours in the Quarter		2,208

