



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/TRF-125/SECL-2009/1646-1648

January 16, 2020

**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)**

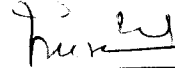
Dear Sir,

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 January – March 2020 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

  
16/01/20  
( 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 Jan-March 2020 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:

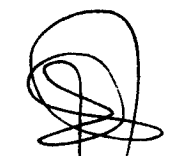
Tariff Components	Reference Component	Revised Jan-Mar 2020 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0762	0.1298
Fixed O&M - Foreign	0.0965	0.2140
Cost of Working Capital - Gas	0.0449	0.0478
Cost of Working Capital - HSD	0.0961	0.1024
Return on Equity	0.3964	0.7388
Return on Equity During Construction	0.1061	0.1978
Debt Servicing	1.3145	1.3232
<b>Total (Gas)</b>	<b>2.0346</b>	<b>2.6514</b>
<b>Total (HSD)</b>	<b>2.0858</b>	<b>2.7060</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign - Gas	0.2583	0.5728
Variable O&M - Foreign - HSD	0.3728	0.8267


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).

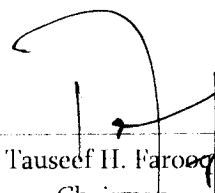
**AUTHORITY**

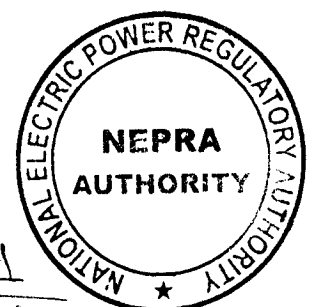
  
Saif Ullah Chattha  
Member  
14.1.2020

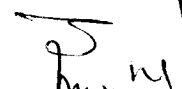
  
Rehmatullah Baloch  
Member  
14/1/2020

  
Engr. Rafique Ahmed Shaikh  
Member  
14/1/20

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooq  
Chairman



  
16/01/20

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

Tariff Components	Reference Component	Revised Jan-Mar 2020 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M – Local	0.0762	0.1298
Fixed O&M - Foreign	0.0965	0.2140
Cost of Working Capital - Gas	0.0449	0.0478
Cost of Working Capital - HSD	0.0961	0.1024
Return on Equity	0.3964	0.7388
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Variable O&M – Foreign -Gas	0.2583	0.5728
Variable O&M – Foreign -HSD	0.3728	0.8267
<b>Indexation Values</b>		
CPI (General)	154.720	263.590
US CPI	216.177	257.208
Exchange Rate	83.350	155.350
KIBOR	12.60%	13.55%
Principal Outstanding (Rs. in Million)	12,268	1,698
Hours in the Quarter		2,184

