



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/SA(Tariff)/TRF-125/SECL-2009/18992-18994
July 27, 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)**

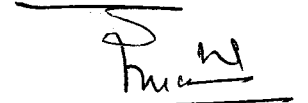
Dear Sir,

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 July – September 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


27 07 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**

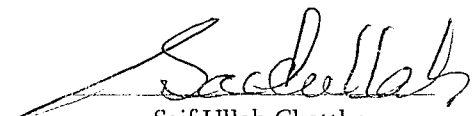
Pursuant to the decisions the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric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

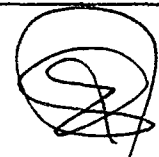
Tariff Components	Reference Component	Revised July-Sep 2020 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1321
Fixed O&M – Foreign	0.0965	0.2317
Cost of Working Capital - Gas	0.0449	0.0286
Cost of Working Capital - HSD	0.0961	0.0611
Return on Equity	0.3964	0.8025
Return on Equity During Construction	0.1061	0.2148
Debt Servicing	1.3145	1.2977
Total (Gas)	2.0346	2.7074
Total (HSD)	2.0858	2.7399
Variable O&M (Rs./kWh)		
Variable O&M – Foreign - Gas	0.2583	0.6202
Variable O&M – Foreign - HSD	0.3728	0.8952


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).

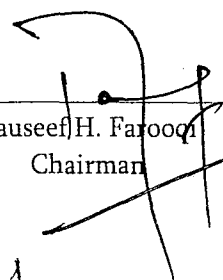
AUTHORITY


Saif Ullah Chattha
Member 16-7-2020


Rehmatullah Baloch
Member 17/7/2020


Engr. Rafique Ahmed Shaikh
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



27 07 20

Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Jul-Sep 2020
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1321
Fixed O&M - Foreign	0.0965	0.2317
Cost of Working Capital-Gas	0.0449	0.0286
Cost of Working Capital-HSD	0.0961	0.0612
Return on Equity	0.3964	0.8025
Return on Equity During Construction	0.1061	0.2148
Debt Servicing	1.3145	1.2977
Total (Gas)	2.0346	2.7074
Total (HSD)	2.0858	2.7400
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.6202
Variable O&M – Foreign -HSD	0.3728	0.8952
Indexation Values		
CPI (General)	154.720	268.250
US CPI	216.177	256.394
Exchange Rate	83.350	168.750
KIBOR	12.60%	7.26%
Principal Outstanding (Rs. in Million)	12,268	588
Hours in the Quarter		2,208

