



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/R/ADG(Trf)/TRF-125/SECL-2009/3809-3811  
January 25, 2021

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)**

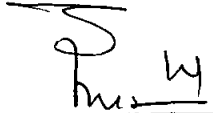
Dear Sir,

Please find enclosed herewith the subject 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 2021 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

  
250121  
( 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-Mar 2021 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 2021 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M – Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.2241
Cost of Working Capital - Gas	0.0449	0.0283
Cost of Working Capital - HSD	0.0961	0.0607
Return on Equity	0.3964	0.7647
Return on Equity During Construction	0.1061	0.2047
<b>Total (Gas)</b>	<b>0.7201</b>	<b>1.3544</b>
<b>Total (HSD)</b>	<b>0.7713</b>	<b>1.3868</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M – Foreign -Gas	0.2583	0.5999
Variable O&M – Foreign -HSD	0.3728	0.8658


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.

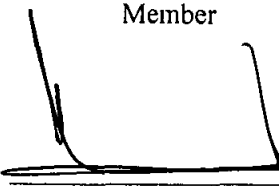
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

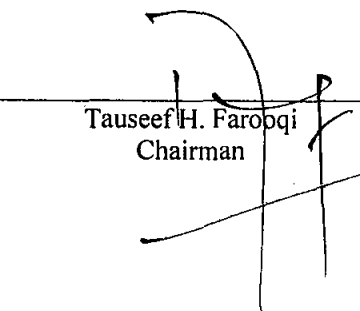
**AUTHORITY**

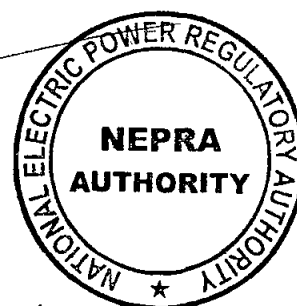
  
Saif Ullah Chattha  
Member 14.8.2021


  
2/19/1/21  
Rehmatullah Baloch  
Member

  
Engr. Rafique Ahmed Shah  
Member 15/1/21

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooqi  
Chairman



  
msw  
250121

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

Tariff Components	Reference Component	Revised Jan-Mar 2021 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M – Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.2241
Cost of Working Capital - Gas	0.0449	0.0283
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<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M – Foreign -Gas	0.2583	0.5999
Variable O&M – Foreign -HSD	0.3728	0.8658
<b>Indexation Values</b>		
CPI (General)	154.720	269.270
US CPI	216.177	260.229
Exchange Rate	83.350	160.800
KIBOR	12.60%	7.29%
Hours in the Quarter	-	2,160

\*For the purpose of indexation of Local O&M components for Jan-Mar 2021 quarter, CPI for November 2020 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. As per relevant provision of the PPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&M components is being made on provisional basis, subject to revision upon decision of new reference index value by the Authority.

