



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-125/SECL-2009/6130-34
April 26, 2022

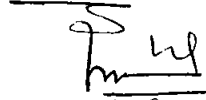
Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Sapphire Electric Company Ltd. for April-June 2022 Quarter (Case No. NEPRA/TRF-125/SECL-2009)

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 **April-June 2022** 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 sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above


26 04 22
(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.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Sapphire Electric Company Ltd., 7-A/K, Main Boulevard, Gulberg-II, Lahore



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED FOR APRIL TO JUNE 2022 QUARTER

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 April to June 2022 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 April to June 2022 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.2784
Cost of Working Capital - Gas	0.0449	0.0429
Cost of Working Capital - HSD	0.0961	0.0918
Return on Equity	0.3964	0.8713
Return on Equity During Construction	0.1061	0.2332
Total (Gas)	0.7201	1.5584
Total (HSD)	0.7713	1.6073
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.7451
Variable O&M – Foreign -HSD	0.3728	1.0754

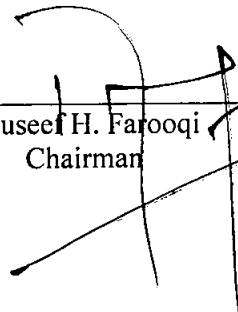
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

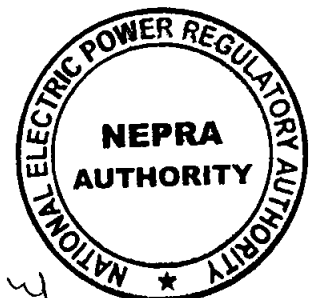
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

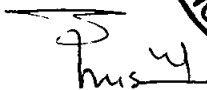
AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman




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Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Component	Revised April to June 2022 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.2784
Cost of Working Capital - Gas	0.0449	0.0429
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Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	0.7451
Variable O&M – Foreign -HSD	0.3728	1.0754
Indexation Values		
CPI (General)	154.720	269.270
US CPI	216.177	283.716
Exchange Rate	83.350	183.200
KIBOR	12.60%	11.95%
Hours in the Quarter	-	2,184

* For the purpose of indexation of Local O&M components for Apr-Jun 2022 quarter, CPI for Feb 2022 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.

** The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.

3 *[Signature]*

[Signature]

