



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/R/ADG(Trf)/TRF-125/SECL-2009/1486-90  
February 1, 2023

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Sapphire Electric Company Ltd. for January-March 2023 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 **January-March 2023** 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

  
( Engr. Mazhar Iqbal Ranjha )

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 042-111000100

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR SAPPHIRE ELECTRIC COMPANY LIMITED FOR JANUARY TO MARCH 2023 QUARTER.**

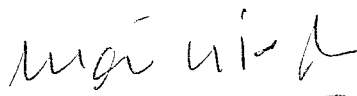
Pursuant to the decisions the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD), decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL") and decisions of the Authority dated April 2, 2021 and May 7, 2021 in the matter of application filed by CPPA-G for adjustment of ROE and ROEDC components of tariff pursuant to the agreement with SECL, the tariff of SECL in respect of January to March 2023 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 Nov 23, 2012, Dec 20, 2012, Apr 2, 2021 & May 7, 2021	Revised Jan-March 2023 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.3618
Cost of Working Capital - Gas	0.0449	0.0586
Cost of Working Capital - HSD	0.0961	0.1255
ROE - Local	0.6387	0.6387
ROE - Foreign	0.0632	0.1720
ROEDC - Local	0.1674	0.1674
ROEDC - Foreign	0.0178	0.0485
<b>Total (Gas)</b>	<b>1.1047</b>	<b>1.5796</b>
<b>Total (HSD)</b>	<b>1.1559</b>	<b>1.6465</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M – Foreign -Gas	0.2583	0.9684
Variable O&M – Foreign -HSD	0.3728	1.3976

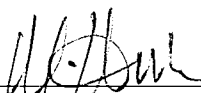
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

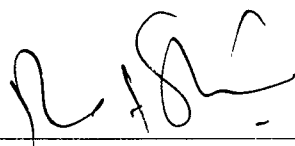
**AUTHORITY**



Mathar Niaz Rana (nsc)  
Member



Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member



Tauseef H. Farooqi  
Chairman

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

Tariff Components	Reference Nov 23, 2012, Dec 20, 2012, Apr 2, 2021 & May 7, 2021	Revised Jan-March 2023 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.3618
Cost of Working Capital - Gas	0.0449	0.0586
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Variable O&M – Foreign -Gas	0.2583	0.9684
Variable O&M – Foreign -HSD	0.3728	1.3976
<b>Indexation Values</b>		
CPI (General)	154.720	269.270
US CPI	216.177	297.711
Exchange Rate	83.350	226.900
KIBOR	12.60%	17.00%
Hours in the Quarter	-	2,160

\* For the purpose of indexation of Local O&M components for Jan-Mar 2023 quarter, CPI for Nov 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.

\*\*\* Based on the data declared by Sapphire Electric Company Limited.

