



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-125/SECL-2009/ 5294-98

April 18, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for April-June 2024 Quarter for Sapphire Electric Company Limited (Case No. NEPRA/TRF-125/SECL-2009)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with revised tariff components at **Annex-I** (total 02 pages) regarding the quarterly indexation/adjustment of the tariff of Sapphire Electric Company Ltd. for the quarter **April-June 2024** on account of US CPI, N-CPI, 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 the 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),
'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 APRIL TO JUNE 2024 QUARTER 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), decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), 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 and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate and KIBOR variation.

The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

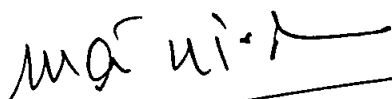
"Indexation/adjustment for April to June 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

Tariff Components	Reference Nov 23, 2012, Dec 20, 2012, Apr 2, 2021, Mar 10, 2021 & May 7, 2021	Revised Apr-Jun 2024 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M - Local	0.1321	0.2622
Fixed O&M - Foreign	0.0965	0.4629
Cost of Working Capital - Gas	0.0449	0.0739
Cost of Working Capital - HSD	0.0961	0.1581
ROE - Local	0.6387	0.6387
ROE - Foreign	0.0632	0.2112
ROEDC - Local	0.1674	0.1674
ROEDC - Foreign	0.0178	0.0595
Total (Gas)	1.1606	1.8757
Total (HSD)	1.2118	1.9599
Variable O&M (Rs./kWh)		
Variable O&M – Foreign -Gas	0.2583	1.2389
Variable O&M – Foreign -HSD	0.3728	1.7882


The above decision of the Authority along with 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. Rafique Ahmed Shaikh
Member



Waseem Mukhtar
Chairman

Engr. Maqsood Anwar Khan
Member

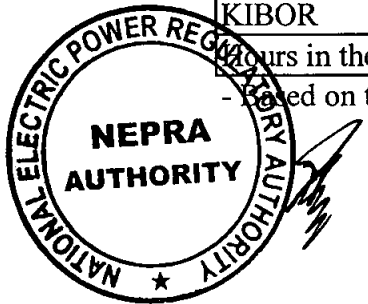
Amina Ahmed
Member



Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Nov 23, 2012, Dec 20, 2012, Apr 2, 2021, Mar 10, 2021 & May 7, 2021	Revised Apr-Jun 2024 Quarter	Indexation
Capacity Charge(Rs./kW/Hour)			
Fixed O&M - Local	0.1321	0.2622	N-CPI Local
Fixed O&M - Foreign	0.0965	0.4629	US CPI & Rs./US\$
Cost of Working Capital - Gas	0.0449	0.0739	KIBOR
Cost of Working Capital - HSD	0.0961	0.1581	KIBOR
ROE - Local	0.6387	0.6387	-
ROE - Foreign	0.0632	0.2112	Rs./US\$
ROEDC - Local	0.1674	0.1674	-
ROEDC - Foreign	0.0178	0.0595	Rs./US\$
Total (Gas)	1.1606	1.8757	
Total (HSD)	1.2118	1.9599	
Variable O&M (Rs./kWh)			
Variable O&M – Foreign -Gas	0.2583	1.2389	US CPI & Rs./US\$
Variable O&M – Foreign -HSD	0.3728	1.7882	US CPI & Rs./US\$
Indexation Values			Source
N-CPI (Local)	131.010	260.010	Pakistan Bureau of Statistics - Revised value of Feb 2024
US CPI	216.177	310.326	U.S. Bureau of Labor Statistics - Revised value of Feb 2024
Exchange Rate	83.350	278.500	NBP - Revised rate of Mar 29, 2024
KIBOR	12.60%	21.99%	SBP - Revised rate of Mar 29, 2024
Hours in the Quarter	-	2,184	

- Based on the data declared by Sapphire Electric Company Limited.



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