



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.  
Tel: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/ADG(Trf)/TRF-125/SECL-2009/ 11068-72

July 24, 2024

**Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for July-September 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 **July-September 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

**Copy to:**

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 JULY TO SEPTEMBER 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:-

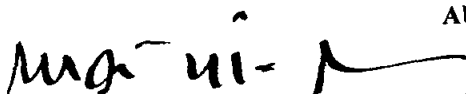
"Indexation/adjustment for July to September 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

| Tariff Components                   | Reference<br>Nov 23, 2012,<br>Dec 20, 2012,<br>Apr 2, 2021,<br>Mar 10, 2021 &<br>May 7, 2021 | Revised<br>Jul-Sep 2024<br>Quarter |
|-------------------------------------|--|------------------------------------|
| <b>Capacity Charge(Rs./kW/Hour)</b> |  |                                    |
| Fixed O&M - Local                   | 0.1321   | 0.2569                             |
| Fixed O&M - Foreign                 | 0.0965   | 0.4690                             |
| Cost of Working Capital - Gas       | 0.0449   | 0.0682                             |
| Cost of Working Capital - HSD       | 0.0961   | 0.1460                             |
| ROE - Local                         | 0.6387   | 0.6387                             |
| ROE - Foreign                       | 0.0632   | 0.2114                             |
| ROEDC - Local                       | 0.1674   | 0.1674                             |
| ROEDC - Foreign                     | 0.0178   | 0.0595                             |
| <b>Total (Gas)</b>                  | <b>1.1606</b>  | <b>1.8711</b>                      |
| <b>Total (HSD)</b>                  | <b>1.2118</b>  | <b>1.9489</b>                      |
| <b>Variable O&amp;M (Rs./kWh)</b>   |  |                                    |
| Variable O&M - Foreign - Gas        | 0.2583   | 1.2552                             |
| Variable O&M - Foreign - HSD        | 0.3728   | 1.8117                             |

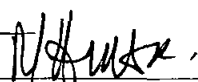
The above decision of the Authority along with revised tariff components attached as **Annex-I** are to be notified in the Official Gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

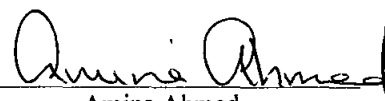
**AUTHORITY**



Mathar Niaz Rana (nsc)  
Member



Engr. Maqsood Anwar Khan  
Member

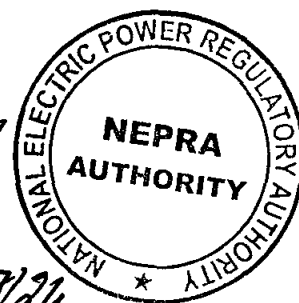


Amina Ahmed  
Member

Engr. Rafique Ahmed Shaikh  
Member



Waseem Mukhtar  
Chairman



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

| Tariff Components                   | Reference<br>Nov 23, 2012,<br>Dec 20, 2012,<br>Apr 2, 2021,<br>Mar 10, 2021 &<br>May 7, 2021 | Revised<br>Jul-Sep 2024<br>Quarter | Indexation  |
|-------------------------------------|--|------------------------------------|---|
| <b>Capacity Charge(Rs./kW/Hour)</b> |  |                                    |   |
| Fixed O&M - Local                   | 0.1321   | 0.2569                             | N-CPI Local   |
| Fixed O&M - Foreign                 | 0.0965   | 0.4690                             | US CPI & Rs./US\$   |
| Cost of Working Capital - Gas       | 0.0449   | 0.0682                             | KIBOR   |
| Cost of Working Capital - HSD       | 0.0961   | 0.1460                             | KIBOR   |
| ROE - Local                         | 0.6387   | 0.6387                             | -   |
| ROE - Foreign                       | 0.0632   | 0.2114                             | Rs./US\$  |
| ROEDC - Local                       | 0.1674   | 0.1674                             | -   |
| ROEDC - Foreign                     | 0.0178   | 0.0595                             | Rs./US\$  |
| <b>Total (Gas)</b>                  | <b>1.1606</b>  | <b>1.8711</b>                      |   |
| <b>Total (HSD)</b>                  | <b>1.2118</b>  | <b>1.9489</b>                      |   |
| <b>Variable O&amp;M (Rs./kWh)</b>   |  |                                    |   |
| Variable O&M – Foreign -Gas         | 0.2583   | 1.2552                             | US CPI & Rs./US\$   |
| Variable O&M – Foreign -HSD         | 0.3728   | 1.8117                             | US CPI & Rs./US\$   |
| <b>Indexation Values</b>            |  |                                    | <b>Source</b>   |
| N-CPI (Local)                       | 131.010  | 254.780                            | Pakistan Bureau of Statistics - Revised value of May 2024   |
| US CPI                              | 216.177  | 314.069                            | U.S. Bureau of Labor Statistics - Revised value of May 2024 |
| Exchange Rate                       | 83.350   | 278.800                            | NBP - Revised rate of Jun 28, 2024                          |
| KIBOR                               | 12.60%   | 20.24%                             | SBP - Revised rate of Jun 28, 2024                          |
| Hours in the Quarter                | -  | 2,208                              |   |

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

