



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

Registrar

No. NEPRA/ADG(Trf)/PAR-148/SNPCL-II-2015/ 1045-49

January 22, 2024

Subject: **DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR JANUARY TO MARCH 2024 QUARTER FOR SINDH NOORIABAD POWER COMPANY PRIVATE LIMITED PHASE-II (CASE NO. NEPRA/PAR-148/SNPCL-2015)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components at **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Sindh Nooriabad Power Company (Pvt) Limited Phase-II for the quarter **January-March 2024** on account of US CPI, N-CPI, KIBOR and Exchange Rate Variation in Case No. NEPRA/PAR-148/SNPCL-2015.

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),
'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, K-Electric Limited (KEL), KE House, Punjab Chowrangi, 39-B, Sunset Boulevard, Phase-II, Defence Housing Authority (DHA), Karachi.
4. Chief Executive Officer, Sindh Nooriabad Power Company Phase-II (Pvt.) Ltd., # 23-A/II, Mohammad Ali Jauhar Memorial Cooperative Housing Society, Karachi.

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXTION/ADJUSTMENT OF TARIFF FOR JANUARY TO MARCH 2024 QUARTER FOR SINDH NOORIABAD POWER COMPANY (PVT) LIMITED PHASE-II.

Pursuant to the Authority's decision dated August 4, 2017 notified vide S.R.O No. 27(I)/2018 dated January 5, 2018 in the matter of Motion for Leave for Review and decision of the Authority dated September 21, 2021 notified vide S.R.O. No. 726(I)/2022 dated May 31, 2022 in the matter of fuel cost & capacity charge components adjustments on account of approval of capacity and heat rate on June 4, 2021 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 of Sindh Nooriabad Power Company (Private) Limited Phase-II (hereinafter "SNPCL-II") are required to be adjusted on account of US CPI, N-CPI, KIBOR and Exchange Rate 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 January to March 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 Aug 4, 2017, Mar 10, 2021 & Sep 21, 2021	Revised Jan-Mar 2024 Quarter
Capacity Charge (Rs./kW/h)		
Fixed O&M - Local	0.4529	0.8751
Insurance	0.1069	0.1069
ROE	0.3915	1.0869
ROEDC	0.0441	0.1224
Debt Servicing (Debt + Interest)	1.5941	2.4161
Total	2.5895	4.6074
Energy Charge ((Rs./kWh)		
Variable O&M - Foreign	0.3410	1.2259
Variable O&M - Local	0.3682	0.7114
Total	0.7092	1.9373

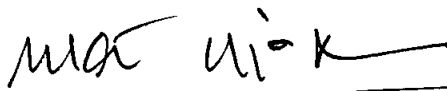
The Authority decided to allow ROE and ROEDC components (with indexation) for a period of one year i.e. July 1, 2023 to June 30, 2024.

Indexation allowed to SNPCL-II is purely on provisional basis and shall be subject to adjustment/refund, if necessary, in the light of COD tariff true-up decision and pending court case in Islamabad High Court.

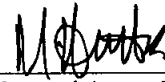
The revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

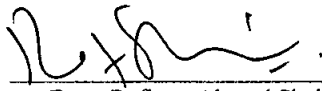
AUTHORITY



Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



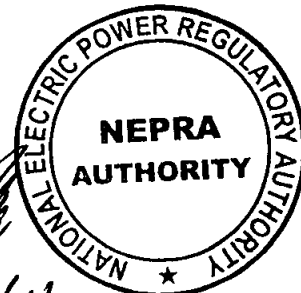
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



Sindh Nooriabad Power Company (Pvt) Ltd Phase-II
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Aug 4, 2017, Mar 10, 2021 & Sep 21, 2021	Revised Jan-Mar 2024 Quarter	Indexation
Capacity Charge (Rs./kW/h)			
Fixed O&M - Local	0.4529	0.8751	N-CPI Local
Insurance	0.1069	0.1069	-
ROE	0.3915	1.0869	Rs./US\$
ROEDC	0.0441	0.1224	Rs./US\$
Debt Servicing (Debt + Interest)	1.5941	2.4161	KIBOR
Total	2.5895	4.6074	
Energy Charge ((Rs./kWh)			
Variable O&M - Foreign	0.3410	1.2259	US CPI & Rs./US\$
Variable O&M - Local	0.3682	0.7114	N-CPI Local
Total	0.7092	1.9373	
Indexation Values			Source
Exchange Rate (Rs./USD)	101.72	282.40	NBP - Revised rate of Dec 29, 2023
US CPI (All Urban Consumers)	237.111	307.051	U.S. Bureau of Labor Statistics - Revised value of Nov 2023
N-CPI (Local)	131.01	253.15	Pakistan Bureau of Statistics - Revised value of Nov 2023
3 Monthly KIBOR	6.00%	21.46%	SBP - Revised rate of Dec 29, 2023
Principal Outstanding (Rs. Million)		2,394.25	
Hours in the Quarter		2,184	

- Based on the data declared by Sindh Nooriabad Power Company (Pvt.) Limited.

2/2

