



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-122/UCH-II-2008/2042-46

August 04, 2023

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for July to September 2023 Quarter for Uch-II Power Private Limited [Case No. NEPRA/TRF-122/UCH-II-2008]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Uch-II Power (Pvt.) Ltd. for **July to September 2023** quarter on account of US CPI, CPI Local, Exchange Rate, LIBOR and EURIBOR variation in Case No. NEPRA/TRF-122/Uch-II-2008.

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

Copy to: (alongwith copy of subject Decision):

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, Uch-II Power (Pvt.) Limited, Building 2-B, I&T Center, Sector G-6/1-1, Islamabad - 44000 [Phone #: +92-51-2624 840-845].



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR UCH-II POWER (PRIVATE) LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.

Pursuant to the decision of the Authority dated April 24, 2018 in the matter of Motion for Leave for Review filed by Uch-II Power (Pvt.) Limited (Uch-II) against the decision of the Authority at COD dated July 3, 2017, the tariff of Uch-II in respect of July to September 2023 quarter has been revised on account of US CPI, CPI Local, Exchange Rate, LIBOR and EURIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference Apr 24, 2018	Revised July-Sep 2023 Quarter
Capacity Charge (Rs./kW/h)		
Fixed O&M - Foreign	0.1820	0.6476
Fixed O&M - Local	0.1130	0.1613
ROE	0.5501	1.4998
ROEDC	0.1586	0.4324
Debt Servicing (US \$)	0.8917	2.6183
Debt Servicing (Euro)	0.5782	1.3230
Total	2.4736	6.6824
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.1686	0.5999
Variable O&M - Local	0.0408	0.0582
Total	0.2094	0.6581

The 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).

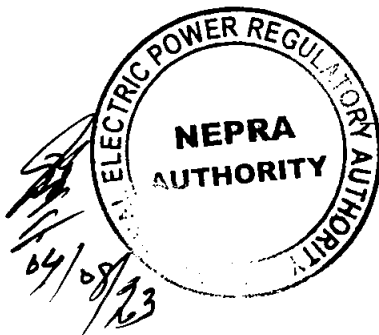
AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member


Tauseef H. Farooqi
Chairman

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Uch-II Power (Private) Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Apr 24, 2018	Revised July-Sep 2023 Quarter	Indexation
Capacity Charge (Rs./kW/h)			
Fixed O&M - Foreign	0.1820	0.6476	US CPI & Rs./USD
Fixed O&M - Local	0.1130	0.1613	CPI Local
ROE	0.5501	1.4998	Rs./USD
ROEDC	0.1586	0.4324	Rs./USD
Debt Servicing (US \$)	0.8917	2.6183	LIBOR & Rs./USD
Debt Servicing (Euro)	0.5782	1.3230	EURIBOR & Rs./EUR
Total	2.4736	6.6824	
Variable O&M (Rs./kWh)			
Variable O&M - Foreign	0.1686	0.5999	US CPI & Rs./USD
Variable O&M - Local	0.0408	0.0582	CPI Local
Total	0.2094	0.6581	
Indexation Values			Source
Exchange Rate (Rs./USD)	105.30	287.10	NBP - Revised rate of June 27, 2023
Exchange Rate (Rs./Euro)	143.44	314.27	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	233.049	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
CPI (General) Local	188.68	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Months LIBOR	0.2466%	5.53786%	global-rates.com - Revised rate of June 28, 2023
3 Months EURIBOR	0.2930%	3.59800%	global-rates.com - Revised rate of June 28, 2023
Principal Outstanding (USD. Million)	-	48.15	
Principal Outstanding (EURO. Million)	-	22.90	
Hours in the quarter	-	2,208	

- For the purpose of indexation of Local O&M components for July-Sep 2023 quarter, CPI for May 2023 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 Uch-II Power (Private) Limited.



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