

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 22nd day of August, 2022

1584
S.R.O. (1)/2022.- In pursuance of proviso-ii of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the *Decision of the Authority along with revised tariff components regarding quarterly indexation/adjustment of tariff of Laraib Energy Limited for the quarter October — December 2021 on account of KIBOR/LIBOR, US CPI, CPI (General) and Exchange Rate in Case No. NEPRA/TRF-100/2009.*

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.


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(Syed Safeer Hussain)
Registrar


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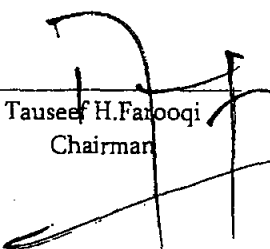
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR LARAIB ENERGY LIMITED**

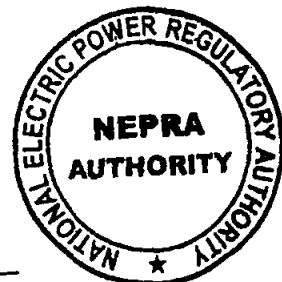
1. Pursuant to the Decisions of the Authority dated 14th April, 2016 in the matter of tariff adjustment at Commercial Operation Date (COD) notified vide S.R.O No 585(1)/2016 dated 28th June 2016, Motion for Recalculation dated 26th May 2016 and Motion for Leave for Review filed by Laraib Energy Limited (LEL) against the Decision of the Authority at COD dated June 30th 2016, the tariff components of LEL on account of KIBOR/LIBOR, US CPI, CPI (General) & Exchange rate for the quarter October to December 2021 are required to be revised in accordance with requisite indexation/adjustment mechanism stipulated in the decisions of the Authority.
2. CPPA-G while requesting the indexation of LEL for the quarter Oct-Dec 2021, stated that the indexation of O&M Component for this quarter is not sought till negotiation on the issue of saving resolved. The Authority considered the request of CPPA-G and noted with concern that CPPA-G is neither concluding negotiation nor requesting indexation of O&M components before the Authority. In the opinion of the Authority, this situation if continued for too long is not sustainable as it will further aggravate the LEL's cash flow problems. In view thereof, the Authority has decided to index the entire tariff components including the O&M components.
3. Based on the above the revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
4. CPPA-G to ensure that all payments are consistent with the tariff determination(s).

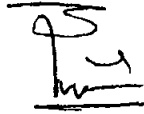
Authority


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman

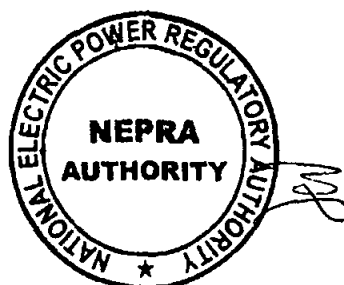



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Laraib Energy Limited Adjustment on Account of Quarterly Indexation		
Tariff Components	Reference	Oct-Dec 2021
	Rs./KWh	Rs./KWh
Return on Equity	1.9113	3.2788
Return on Equity during Construction	1.2254	2.1022
Special Return on Equity	0.4237	0.7269
Debt Service-Foreign	3.6624	4.5951
Debt Service-Local	1.5454	0.8151
Water usage charges*	0.2657	0.4124
Variable O & M Local*	0.0441	0.0685
Fixed O & M Local*	0.5786	0.8982
Fixed O & M Foreign	0.4410	0.8985
Total	10.0976	13.7956
Indexation Values		
6 Monthly KIBOR	9.57%	7.6900%
6 Monthly LIBOR	0.4479%	0.1595%
Exchange Rate Quarterly	96.13	164.91
Exchange Rate Semi Annual (for debt servicing only)	96.13	157.02
CPI General	172.78	268.21
US CPI	230.38	273.627

NOTE:-

*For the purpose of indexation of WUC, and local O&M components for Oct-Dec 2021 quarter, CPIs of the last quarter i.e. July, Aug, Sep 2021 were 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 CPIs of April, May & June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of WUC and local O&M components are being made on provisional basis, subject to revision upon decision of new reference index value by the Authority.





REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Laraib/580/

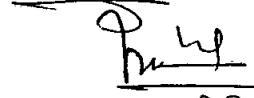
August 22, 2022

The Manager
Printing Corporation of Pakistan Press
Shahrah-e-Suharwardi
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF LARAIB ENERGY LIMITED FOR THE QUARTER OCTOBER — DECEMBER 2021 ON ACCOUNT OF KIBOR/LIBOR, US CPI, CPI (GENERAL) AND EXCHANGE RATE**

In pursuance of Proviso-ii of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), enclosed please find herewith '*Decision of the Authority along with revised tariff components regarding quarterly indexation/adjustment of tariff of Laraib Energy Limited for the quarter October — December 2021 on account of KIBOR/LIBOR, US CPI, CPI (General) and Exchange Rate*' for immediate publication in the official gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification [03 pages & CD]


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(Syed Safeer Hussain)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. **Syed Mateen Ahmed**, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad [w.r.t. NEPRA's Decision issued vide No. 11105-11109 dated June 24, 2022]

2