

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 31st day of Oct, 2022

S.R.O. 1987(I)/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 Lucky Electric Power Company Ltd. for July-September 2022 quarter on account of US CPI, CPI Local, KIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation in Case No. NEPRA/TRF-369/LEPCL-2015.

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.


31 X 22

(Syed Safeer Hussain)
Registrar





**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXATION/
ADJUSTMENT FOR JULY TO SEPTEMBER 2022 QUARTER OF TARIFF FOR LUCKY
ELECTRIC POWER COMPANY LIMITED (LEPCL)**

Pursuant to the decision of the Authority dated 20th October 2016, notified vide S.R.O No. 946(I)/2017 dated 15th September 2017, in the matter of approval of upfront local coal tariff for 660 MW coal power plant of Lucky Electric Power Company Limited (hereinafter "LEPCL"), the relevant tariff components of LEPCL in respect of July to September 2022 quarter have been revised on account of US CPI, CPI Local, KIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff components are indicated hereunder and shall be immediately applicable:

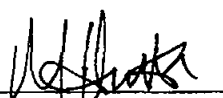
Tariff Components	Reference Tariff	Revised July to Sep 2022 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M – Foreign	0.1435	0.3734
Fixed O&M – Local	0.1435	0.1984
Cost of Working Capital	0.1055	0.8028
Insurance	0.1021	0.1021
Return on Equity (ROE)	1.4575	3.0921
Debt Repayment	0.6839	0.6839
Interest Charges	2.2445	2.7114
Total	4.8805	7.9642
Energy Purchase Price (Rs./KWh)		
Variable O&M – Foreign	0.0684	0.1780
Variable O&M – Local	0.0456	0.0631
Total	0.1140	0.2411

Indexation allowed to LEPCL is purely on provisional basis till finalization of its COD tariff by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority.

The revised tariff components of LEPCL 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.

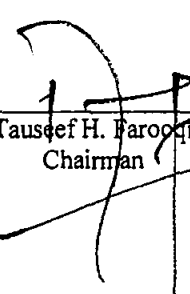
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member




Tauseef H. Farooqi
Chairman

13 09 22 1

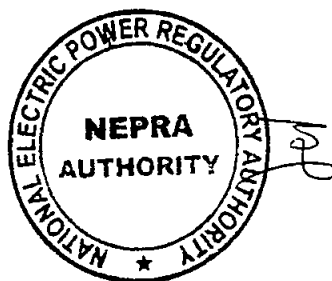
Annex-I

Lucky Electric Power Company Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Tariff	Revised July to Sep 2022 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.3734
Fixed O&M - Local	0.1435	0.1984
Cost of Working Capital	0.1055	0.8028
Insurance	0.1021	0.1021
Return on Equity (ROE)	1.4575	3.0921
Debt Repayment	0.6839	0.6839
Interest Charges	2.2445	2.7114
Total	4.8805	7.9642
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.1780
Variable O&M - Local	0.0456	0.0631
Total	0.1140	0.2411
Indexation Values		
Exchange Rate (Rs./USD)	97.100	206.000
US CPI (All Urban Consumers)	238.340	292.296
CPI (General) - Local	194.740	269.270
3 Month KIBOR	11.91%	15.16%
Coal Price (Rs./MT)	10,018.195	20,267.468
Coal Calorific Value (BTU/kg)	22,046.000	11,332.900
Principal Outstanding (Rs. Million)		76,968.230
Hours in Quarter	-	2,208

* For the purpose of indexation of Local O&M components for July to September 2022 quarter, CPI for May 2022 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.





REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, G-5/1 (East), Near MNA Hostel, Islamabad

Phone: 9206500, Fax: 2600026

Website: www.nepra.org.pk, Email: info@nepra.org.pk

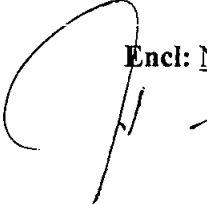
No. NEPRA/TRF-369/20950-52

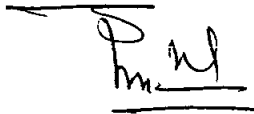
31
October , 2022

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 LUCKY ELECTRIC POWER COMPANY LTD. FOR JULY-SEPTEMBER 2022 QUARTER ON ACCOUNT OF US CPI, CPI LOCAL, KIBOR, EXCHANGE RATE, COAL PRICE(S) AND COAL CALORIFIC VALUE(S) VARIATION**

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 Lucky Electric Power Company Ltd. for July-September 2022 quarter on account of US CPI, CPI Local, KIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation'* 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 [3 pages & CD]**


31 x 22
(Syed Safeer Hussain)

CC:

3. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
4. **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. 17188-17192 dated September 13, 2022]