

National Electric Power Regulatory Authority


NOTIFICATION




Islamabad, the 9 day of June, 2022

S.R.O. 1113 (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 Sapphire Electric Company Ltd. for the quarter October — December 2021 on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-125/SECL-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



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ ADJUSTMENT OF TARIFF 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) and decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the tariff of SECL in respect of Oct-Dec 2021 quarter has been revised on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

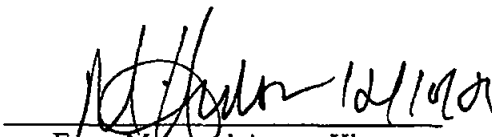
| Tariff Components | Reference Component | Revised Oct-Dec 2021 Quarter |
|--------------------------------------|---------------------|------------------------------|
| Capacity Charge(Rs./kW/Hour) | | |
| Fixed O&M – Local | 0.0762 | 0.1326 |
| Fixed O&M - Foreign | 0.0965 | 0.2505 |
| Cost of Working Capital - Gas | 0.0449 | 0.0302 |
| Cost of Working Capital - HSD | 0.0961 | 0.0646 |
| Return on Equity | 0.3964 | 0.8130 |
| Return on Equity During Construction | 0.1061 | 0.2176 |
| Total (Gas) | 0.7201 | 1.4439 |
| Total (HSD) | 0.7713 | 1.4783 |
| Variable O&M (Rs./kWh) | | |
| Variable O&M – Foreign -Gas | 0.2583 | 0.6704 |
| Variable O&M – Foreign -HSD | 0.3728 | 0.9676 |

The above referred 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.

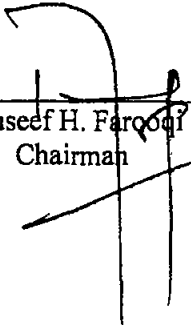
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

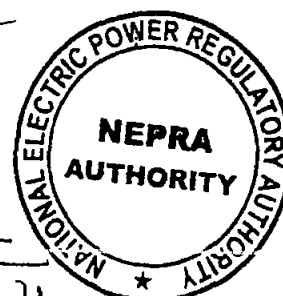
AUTHORITY


Rehmatullah Baloch
Member


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman

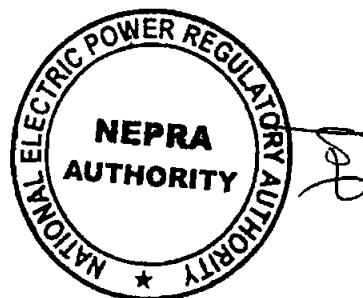


Sapphire Electric Company Limited
Quarterly Indexation/Adjustment of Tariff

| Tariff Components | Reference Component | Revised Oct-Dec 2021 Quarter |
|--------------------------------------|----------------------------|-------------------------------------|
| Capacity Charge(Rs./kW/Hour) | | |
| Fixed O&M – Local | 0.0762 | 0.1326 |
| Fixed O&M - Foreign | 0.0965 | 0.2505 |
| Cost of Working Capital - Gas | 0.0449 | 0.0302 |
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| Variable O&M (Rs./kWh) | | |
| Variable O&M – Foreign -Gas | 0.2583 | 0.6704 |
| Variable O&M – Foreign -HSD | 0.3728 | 0.9676 |
| Indexation Values | | |
| CPI (General) | 154.720 | 269.270 |
| US CPI | 216.177 | 273.567 |
| Exchange Rate | 83.350 | 170.950 |
| KIBOR | 12.60% | 7.78% |
| Hours in the Quarter | - | 2,208 |

* For the purpose of indexation of Local O&M components for Oct-Dec 2021 quarter, CPI for Aug 2021 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, Attaturk Avenue, Islamabad

Phone: 9206500, Fax: 2600026

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

No. NEPRA/TRF-125/9635


June 9, 2022

The Manager
Printing Corporation of Pakistan Press (PCPP)
Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF SAPPHIRE ELECTRIC COMPANY LTD. FOR THE QUARTER OCTOBER - DECEMBER 2021 ON ACCOUNT OF US CPI, CPI (LOCAL), EXCHANGE RATE AND KIBOR 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 Sapphire Electric Company Ltd. for the quarter October - December 2021 on account of US CPI, CPI (Local), Exchange Rate and KIBOR 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


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(Syed Safeer Hussain)

