

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 05th day of September, 2023

S.R.O. 1249 (I)/2023.- 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 Port Qasim Electric Power Company (Private) Ltd. for **July to September 2023** quarter on account of US CPI, CPI Local, KIBOR, LIBOR, Exchange Rate, Coal price(s) and Coal Calorific value(s) variation in Case No. NEPRA/TRF 299/PQEPCPL-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 not withstanding this Decision.


(Engr. Mazhar Iqbal Ranjha)
Registrar

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DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR PORT QASIM ELECTRIC POWER COMPANY (PRIVATE) LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.

Pursuant to the Decision of the Authority dated February 13, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Port Qasim Electric Power Company (hereafter "PQEPCL") and decision of the Authority dated September 27, 2019 notified vide S.R.O No. 1383(I)/2019 on November 15, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of PQEPCL, the relevant tariff components of PQEPCL in respect of July to September 2023 quarter have been revised on account of US CPI, CPI Local, KIBOR, LIBOR, exchange rate, coal price(s) and coal calorific value(s) variation in accordance with the requisite indexation/adjustment mechanism stipulated in above referred decision(s) of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference Sep 27, 2019	Revised Jul-Sep 2023 Quarter
Capacity Charge (Rs./KW/h)		
Fixed O&M – Foreign	0.1632	0.5413
Fixed O&M – Local	0.1618	0.1984
Cost of Working Capital	0.1535	1.3852
Return on Equity	0.8896	2.4792
Debt Repayment	1.5331	4.0966
Interest Charge	0.5101	2.1209
Total	3.4113	10.8216
Energy Purchase Price (Rs./KWh)		
Variable O&M – Foreign	0.0778	0.2580
Variable O&M – Local	0.0514	0.0630
Total	0.1292	0.3210

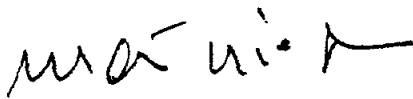
PQEPCL has consumed mixed coal i.e. imported & local during the quarter. Accordingly, ROE and cost of working capital components have been adjusted in accordance with the Para 19.1 & 20.2.b(2) of decision dated September 27, 2019.

The approval of the Jetty O&M contract for further five years is under consideration of the Authority. The indexation/adjustment of the Jetty O&M components shall be made after decision of the Authority in the matter.

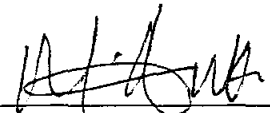
The revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

AUTHORITY



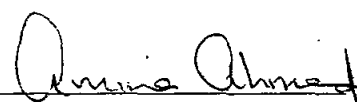
Mathar Niaz Rana (nsc)
Member



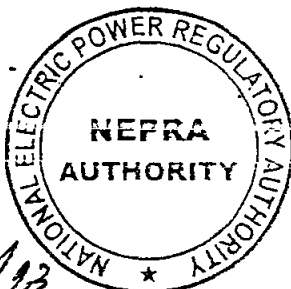
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



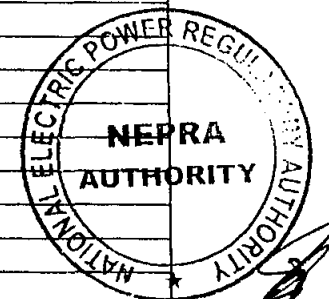
Amina Ahmed
Member



Tauseef H. Farooqi
Chairman

Port Qasim Electric Power Company (Private) Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Sep 27, 2019	Revised Jul-Sep 2023 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1632	0.5413	US CPI & Rs./US\$
Fixed O&M - Local	0.1618	0.1984	CPI
Cost of Working Capital	0.1535	1.3852	KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal.
Return on Equity	0.8896	2.4792	Rs./US\$ & respective consumption of Local & Imported Coal.
Debt Repayment	1.5331	4.0966	Rs./US\$
Interest Charge	0.5101	2.1209	LIBOR & Rs./US\$
Total	3.4113	10.8216	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0778	0.2580	US CPI & Rs./US\$
Variable O&M - Local	0.0514	0.0630	CPI Local
Total	0.1292	0.3210	
Indexation Values			Source
Exchange Rate (Rs./USD)	105.730	287.100	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	248.991	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
CPI (General) - Local	219.580	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Monthly KIBOR	6.500%	22.910%	SBP - Revised rate of June 27, 2023
3 Monthly LIBOR	2.362%	5.545%	Business Recorder - Revised rate of June 30, 2023
Imported Coal Price (Rs./Ton)	12,532	33,714.09	Weighted Average Price of Coal Consumed during Apr to Jun 2023.
Imported Coal Calorific Value (BTU/Kg)	25,556	17,009.12	Weighted Average CV of Coal Consumed during Apr to Jun 2023.
Local Coal Price (Rs./Ton)	-	35,655.77	Weighted Average Price of Coal Consumed during Apr to Jun 2023.
Local Coal Calorific Value (BTU/Kg)	-	19,725.09	Weighted Average CV of Coal Consumed during Apr to Jun 2023.
Imported Coal Quantity (M. Ton)	-	250,921.94	71.93% of Total Coal Consumed during Apr to Jun 2023.
Local Coal Quantity (M. Ton)	-	97,905.06	28.07% of Total Coal Consumed during Apr to Jun 2023.
Principal Outstanding (USD. Million)	-	858.75	
Hours in the quarter	-	2,208	



- For the purpose of indexation of Local O&M components for Jul-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.

- The cost of working capital is calculated on the basis of 30 days receivable for imported and local coal, 90 days inventory for imported coal whereas 30 days inventory for local coal, actual consumption %age for respective coal and actual CV for respective coal.

- Based on the data declared by Port Qasim Electric Power Company (Private) Limited.



REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/ 3 2452-54

September 05, 2023

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

Subject: **NOTIFICATION REGARDING DECISIONS OF THE AUTHORITY**

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 following Decisions of the Authority as per following detail for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date
1.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of Port Qasim Electric Power Company (Private) Ltd. for the quarter July to September 2023	21216-21220 11.08.2023
2.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of Thar Coal Block-I Power Generation Company (Private) Limited for the quarters January to March 2023 & April to June 2023	21192-21196 11.08.2023
3.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of ThalNova Power Thar (Pvt.) Ltd. for the quarters January to March 2023, April to June 2023 & July to September 2023	21210-21214 11.08.2023
4.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for the quarter July to September 2023	21186-21190 11.08.2023
5.	Decision of the Authority regarding quarterly indexation/adjustment of tariff for Lucky Electric Power Company Limited for the quarter July to September 2023	21174-21178 11.08.2023
6.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of FFBL Power Company Ltd. for the quarter July to September 2023	21204-21208 11.08.2023

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 06 Notifications

(Engr. Mazhar Iqbal Ranjha)

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