

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 05th day of September, 2023

S.R.O. 1250 (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 Thar Coal Block-I Power Generation Company (Private) Limited for the quarters **January to March 2023 & April to June 2023** on account of US CPI, CPI Local, Exchange Rate and KIBOR/LIBOR variations in Case No. NEPRA/TRF-360/TCB-I-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.


(Engr. Mazhar Iqbal Ranjha)
Registrar

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DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR JANUARY TO MARCH 2023 & APRIL TO JUNE 2023 QUARTER FOR THAR COAL BLOCK-1 POWER GENERATION COMPANY (PRIVATE) LIMITED.

1. Pursuant to the decision of the Authority dated June 10, 2016 in the matter of approval of upfront Thar coal tariff for 2x660 MW coal power plant of Thar Coal Block-1 Power Generation Company (Private) Limited (hereafter "TCB-1"), the relevant tariff components are required to be indexed/adjusted according to the stipulated mechanism therein.
2. TCB-1 filed request for interim relief through quarterly indexation/adjustment which was considered by the Authority. Accordingly, the relevant tariff components in respect of April to June 2023 quarter have been revised on account of US CPI, CPI Local, KIBOR/LIBOR and exchange rate 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 June 10, 2016	Revised Jan-Mar 2023 Quarter	Revised Apr-Jun 2023 Quarter
Capacity Charge (Rs./KWh)			
Fixed O&M - Foreign	0.1435	0.4189	0.5300
Fixed O&M - Local	0.1435	0.1984	0.1984
Cost of Working Capital	0.1038	0.1606	0.2076
ROE	1.5062	3.5196	4.4069
Interest Charges	0.6295	2.8762	3.6940
Debt Repayment	1.0397	2.4176	3.0323
Total	3.5662	9.5913	12.0692
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0684	0.1996	0.2526
Variable O&M - Local	0.0456	0.0631	0.0631
Water Charges (Government of Sindh)	0.2897	0.2897	0.2897
Total	0.4037	0.5524	0.6054

3. TCB-1 also requested quarterly indexation/adjustment with reference components of ash disposal, limestone, insurance, water charges (capital cost) and water charges (O&M), as these are required to be adjusted as per actual at the time of COD adjustment, therefore, same has not been considered by the Authority in the instant interim tariff relief.
4. Indexation allowed to TCB-1 is on provisional basis till the finalization of its COD tariff decision by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority in respect to COD tariff adjustment.



5. 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.
6. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

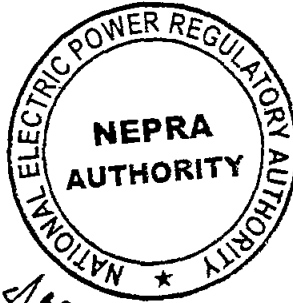
AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member


11/08/23

Thar Coal Block-I Power Generation Company (Private) Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Tariff June 10, 2016	Revised Jan-Mar 2023 Quarter	Revised Apr-Jun 2023 Quarter	Indexation
Capacity Charge (Rs./KWh)				
Fixed O&M - Foreign	0.1435	0.4189	0.5300	US CPI & Rs./US\$
Fixed O&M - Local	0.1435	0.1984	0.1984	CPI Local
Cost of Working Capital	0.1038	0.1606	0.2076	-
ROE	1.5062	3.5196	4.4069	Rs./US\$
Interest Charges	0.6295	2.8762	3.6940	LIBOR & Rs./US\$
Debt Repayment	1.0397	2.4176	3.0323	Rs./US\$
Total	3.5662	9.5913	12.0692	
Energy Purchase Price (Rs./KWh)				
Variable O&M - Foreign	0.0684	0.1996	0.2526	US CPI & Rs./US\$
Variable O&M - Local	0.0456	0.0631	0.0631	CPI Local
Water Charges (Government of Sindh)	0.2897	0.2897	0.2897	-
Total	0.4037	0.5524	0.6054	
Indexation Values				Source
Exchange Rate (Rs./USD)	97.10	226.900	284.100	NBP - Revised rate of Mar 31, 2023
US CPI (All Urban Consumers)	238.343	297.710	300.840	U.S. Bureau of Labor Statistics - Revised value of Feb 2023
CPI (General) - Local	194.74	269.270	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Monthly KIBOR	11.91%	17.00%	21.98%	SBP - Revised rate of Mar 31, 2023
3 Monthly LIBOR	0.45%	4.77%	5.193%	global-rates.com - Revised rate of Mar 31, 2023
Principal Outstanding (USD. Million)	-	717.04	703.08	
Hours in the Quarter	-	2,160	2,184	

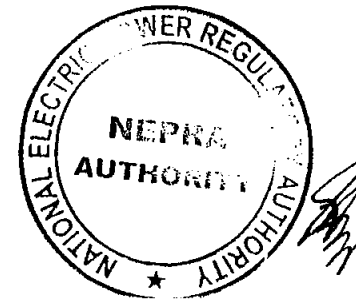
- For the purpose of indexation of Local O&M components for Jan-March 2023 & Apr-Jun 2023 quarters, CPI for Nov 2022 & Feb 2023 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National 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 Thar Coal Block-I Power Generation Company (Private) Limited.

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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
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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