

## National Electric Power Regulatory Authority

### NOTIFICATION



Islamabad, the 05<sup>th</sup> day of September, 2023

**S.R.O. 1253 (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 for Lucky Electric Power Company Limited for the quarter **July to September 2023** 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.

  
(Engr. Mazhar Iqbal Ranjha)  
Registrar

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**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTELY INDEXATION/ADJUSTMENT FOR JULY TO SEPTEMBER 2023 QUARTER OF TARIFF FOR LUCKY ELECTRIC POWER COMPANY LIMITED (LEPCL).**

1. Pursuant to the decision of the Authority dated October 20, 2016, notified vide S.R.O No. 946(I)/2017 dated September 15, 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 2023 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 Oct 20, 2016	Revised Jul-Sep 2023 Quarter
<b>Capacity Charge (Rs./KWh)</b>		
Fixed O&M - Foreign	0.1435	0.5414
Fixed O&M - Local	0.1435	0.1984
Cost of Working Capital	0.1055	0.7722
Insurance	0.1021	0.1021
Return on Equity (ROE)	1.4575	4.1898
Debt Repayment	0.7955	0.7955
Interest Charges	2.1329	3.6328
<b>Total</b>	<b>4.8805</b>	<b>10.2322</b>
<b>Energy Purchase Price (Rs./KWh)</b>		
Variable O&M - Foreign	0.0684	0.2581
Variable O&M - Local	0.0456	0.0631
<b>Total</b>	<b>0.1140</b>	<b>0.3212</b>

2. LEPCL 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 5(II)(xii) and Para 5(II)(xvii) of the decision dated October 20, 2016.
3. 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.
4. 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

*Mathar Niaz Rana*

Mathar Niaz Rana (nsc)  
Member

*Engr. Maqsood Anwar Khan*

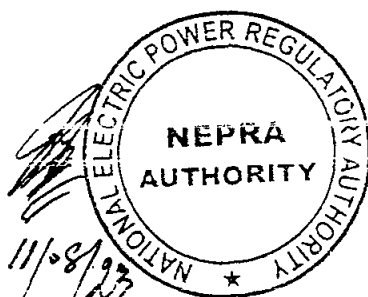
Engr. Maqsood Anwar Khan  
Member

*Engr. Rafique Ahmed Shaikh*

Engr. Rafique Ahmed Shaikh  
Member

*Amina Ahmed*

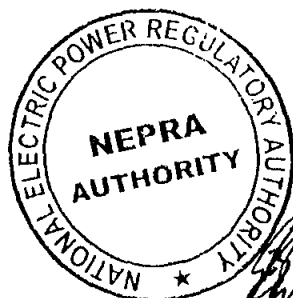
Amina Ahmed  
Member



*Tauseef H. Farooqi*  
Chairman

**Lucky Electric Power Company Limited**  
**Quarterly Indexation/ Adjustment of Tariff**

Tariff Components	Reference Oct 20, 2016	Revised Jul-Sep 2023 Quarter	Indexation
<b>Capacity Charge (Rs./KWh)</b>			
Fixed O&M - Foreign	0.1435	0.5414	US CPI & Rs./US\$
Fixed O&M - Local	0.1435	0.1984	CPI
Cost of Working Capital	0.1055	0.7722	KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal
Insurance	0.1021	0.1021	-
Return on Equity (ROE)	1.4575	4.1898	Rs./US\$ & respective consumption of Local & Imported Coal
Debt Repayment	0.7955	0.7955	-
Interest Charges	2.1329	3.6328	KIBOR
<b>Total</b>	<b>4.8805</b>	<b>10.2322</b>	
<b>Energy Purchase Price (Rs./KWh)</b>			
Variable O&M - Foreign	0.0684	0.2581	US CPI & Rs./US\$
Variable O&M - Local	0.0456	0.0631	CPI
<b>Total</b>	<b>0.1140</b>	<b>0.3212</b>	
<b>Indexation Values</b>			<b>Source</b>
Exchange Rate (Rs./USD)	97.100	287.100	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	238.340	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
CPI (General) - Local	194.740	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
3 Month KIBOR	11.91%	22.91%	SBP - Revised rate of June 27, 2023
Local Coal Price (Rs./MT)	10,018.195	9,141.39	Weighted Average Price of Coal Consumed during Apr to Jun 2023
Imported Coal Price (Rs./MT)	-	20,455.42	Weighted Average Price of Coal Consumed during Apr to Jun 2023
Imported Coal Calorific Value (BTU/kg)		11,168.46	Weighted Average CV of Coal Consumed during Apr to Jun 2023
Local Coal Calorific Value (BTU/kg)	22,046.000	11,293.15	Weighted Average CV of Coal Consumed during Apr to Jun 2023
Local Coal Quantity (M.Ton)	-	620,605.09	64.11% of Total Coal Consumed during Apr to Jun 2023
Imported Coal Quantity (M.Ton)	-	347,398.51	35.89% of Total Coal Consumed during Apr to Jun 2023
Principal Outstanding (Rs. Million)	-	73,049.04	
Return on Equity (ROE)-Local	-	29.50%	
Return on Equity (ROE)-Imported	-	27.20%	
Hours in 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 local & imported 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 Lucky Electric Power Company Limited.



REGISTRAR

**National Electric Power Regulatory Authority**  
**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 <b>July to September 2023</b>	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 <b>January to March 2023 &amp; April to June 2023</b>	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 <b>January to March 2023, April to June 2023 &amp; July to September 2023</b>	21210-21214 11.08.2023
4.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for the quarter <b>July to September 2023</b>	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 <b>July to September 2023</b>	21174-21178 11.08.2023
6.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of FFBL Power Company Ltd. for the quarter <b>July to September 2023</b>	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