

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 28th day of August, 2023

S.R.O. 1127 (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 the quarter July to September 2023 on account of US CPI, CPI (Local), Exchange Rate and KIBOR/LIBOR variations in respect of Foundation Wind Energy-I (Pvt.) Ltd. in Case No. NEPRA/TRF-188/FWEL-2011.

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 FOUNDATION WIND ENERGY-I LIMITED**

Pursuant to the decision of the Authority dated October 27, 2016 in the matter of tariff adjustment of Foundation Wind Energy-I Limited (FWEL-I) at commercial operation date (COD) and corrigendum decision dated December 2, 2016, the relevant components of tariff of FWEL-I for the quarter Jul-Sep 2023 have been revised on account of US CPI, CPI (Local), exchange rate and KIBOR/LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision of the Authority indicated in Annex-I.

2. The above referred revised tariff components attached **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.

3. CPPA-G to ensure that all the payments are consistent with tariff determination.

AUTHORITY

(Mathar Niaz Rana (nsc)
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmed Shaikh)
Member

(Amina Ahmed)
Member

(Tauseel H. Farooqi)
Chairman

Foundation Wind Energy-I Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Tariff	Indexation
Date of decisions	Oct 27, 2016 Dec 02, 2016	Jul-Sep 2023	
	(Rs./kWh)	(Rs./kWh)	
O&M-Local	0.3986	0.5454	CPI
O&M-Foreign	1.7093	6.3244	US CPI & Rs./US \$
Return on Equity	3.9165	11.1883	Rs./US \$
Return on Equity during Construction	0.8793	2.5119	Rs./US \$
Debt Service-Local (Bi-Annual)	3.5825	4.2177	KIBOR
Debt Service-Foreign (Bi-Annual)	5.6086	17.2672	LIBOR & Rs./US \$
Total	16.0948	42.0549	
Indexation Values			Sources
CPI (General)-Revised value of June 2020	196.790	269.270	Pakistan Bureau of Statistics
US CPI- Revised value of May 2023	234.812	304.127	Bureau of Labor Statistics
Exchange Rate- Revised rate of June 30, 2023	100.50	287.10	NBP
KIBOR 6-Month- Revised rate of June 30, 2023	9.63%	22.97%	SBP
LIBOR 6-Month- Revised rate of June 30, 2023	0.330%	5.7623%	Global-rates.com
Principal Outstanding-Local (PKR)		688,060,000	
Principal Outstanding-Foreign (PKR)		1,159,270,000	
Benchmark energy (kWh) (Bi-annual)		72,250,000	
<p>Above indexation is on the basis of the information provided by FWEL-I and verified by NEPRA.</p> <p>For the purpose of indexation of Fixed O&M (Local) component 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.</p> <p>The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16, however, that decision shall be implemented upon Notification in the Official Gazette.</p> <p>As per relevant provision of the EPA, 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 notification of the Authority's decision of revised index.</p> <p>FWEL-I has claimed indexation of local O & M on N-CPI (May 2023) which shall be allowed upon notification of aforementioned decision.</p>			

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