

**National Electric Power Regulatory Authority**

**NOTIFICATION**



Islamabad, the <sup>th</sup> 29 day of August, 2023

**S.R.O. 1196 (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 Narowal Energy Ltd. for the quarter July to September 2023 on account of US CPI, CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-92/HUBCO-2008.

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 NAROWAL ENERGY LIMITED (FORMERLY HUB POWER COMPANY LIMITED – NAROWAL) FOR JULY TO SEPTEMBER 2023 QUARTER.**

Pursuant to the decision of the Authority dated June 8, 2012 in the matter of adjustment at Commercial Operation Date (COD), decision of the Authority dated December 21, 2012 regarding change of index in the case of Narowal Energy Limited (formerly Hub Power Company Limited – Narowal) hereinafter (NEL) and decision of the Authority dated April 2, 2021 in the matter of application filed by CPPA-G for adjustment of ROE and ROEDC components of tariff pursuant to the agreement with NEL, the relevant tariff components of NEL in respect of July to September 2023 quarter has been revised on account of US CPI, CPI (Local), Exchange Rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

| Tariff Components                    | Reference<br>Jun 8, 2012,<br>Dec 21, 2012<br>& Apr 2, 2021 | Revised<br>Jul to Sep 2023<br>Quarter |
|--------------------------------------|--|---------------------------------------|
| <b>Capacity Charge (Rs./kW/Hour)</b> |  |                                       |
| Fixed O&M - Foreign                  | 0.1446   | 0.6890                                |
| Fixed O&M - Local                    | 0.0533   | 0.0928                                |
| Cost of Working Capital              | 0.2902   | 0.5024                                |
| ROE                                  | 1.0753   | 1.0753                                |
| ROEDC                                | 0.2132   | 0.2132                                |
| <b>Total Capacity Charge</b>         | <b>1.7766</b>  | <b>2.5727</b>                         |
| <b>Variable O&amp;M (Rs./kWh)</b>    |  |                                       |
| Variable O&M - Foreign               | 0.3543   | 1.6882                                |
| Variable O&M - Local                 | 0.2888   | 0.5026                                |
| <b>Total Variable O&amp;M</b>        | <b>0.6431</b>  | <b>2.1908</b>                         |

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**

Mathar Niaz Rana (nsc)  
Member

Engr. Maqsood Anwar Khan  
Member

Engr. Rafique Ahmed Shaikh  
Member

Amina Ahmed  
Member

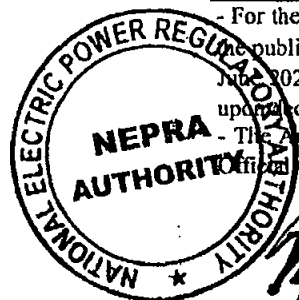
  
Tauseef H. Farooq  
Chairman

**Narowal Energy Limited**  
**Formerly Hub Power Company Limited (Narowal)**  
**Quarterly Indexation/Adjustment of Tariff**

| Tariff Components                    | Reference<br>Jun 8, 2012,<br>Dec 21, 2012 &<br>Apr 2, 2021 | Revised<br>Jul to Sep 2023<br>Quarter | Indexation  |
|--------------------------------------|--|---------------------------------------|---|
| <b>Capacity Charge (Rs./kW/Hour)</b> |  |                                       |   |
| Fixed O&M - Foreign                  | 0.1446   | 0.6890                                | US CPI & Rs./US\$   |
| Fixed O&M - Local                    | 0.0533   | 0.0928                                | CPI   |
| Cost of Working Capital              | 0.2902   | 0.5024                                | KIBOR   |
| ROE                                  | 1.0753   | 1.0753                                | -   |
| ROEDC                                | 0.2132   | 0.2132                                | -   |
| <b>Total Capacity Charge</b>         | <b>1.7766</b>  | <b>2.5727</b>                         |   |
| <b>Variable O&amp;M (Rs./kWh)</b>    |  |                                       |   |
| Variable O&M - Foreign               | 0.3543   | 1.6882                                | US CPI & Rs./US\$   |
| Variable O&M - Local                 | 0.2888   | 0.5026                                | CPI   |
| <b>Total Variable O&amp;M</b>        | <b>0.6431</b>  | <b>2.1908</b>                         |   |
| <b>Indexation Values</b>             |  |                                       | <b>Source</b>   |
| Exchange Rate (Rs./USD)              | 84.200   | 287.100                               | NBP - Revised rate of June 27, 2023                         |
| US CPI (All Urban Consumers)         | 217.631  | 304.127                               | U.S. Bureau of Labor Statistics - Revised value of May 2023 |
| CPI - Local                          | 154.720  | 269.270                               | Pakistan Bureau of Statistics - Revised value of Jun 2020   |
| 3 Monthly KIBOR                      | 12.34%   | 22.91%                                | SBP - Revised rate of June 27, 2023                         |
| 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.



9 Q. No. 10/2023  
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REGISTRAR

**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

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No. NEPRA/TRF-100/Notifications/ 31816-18

August 29, 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 Nishat Power Ltd. for the July - September 2023 quarter   | 20288-20292<br>02.08.2023 |
| 2.     | Decision of the Authority regarding quarterly indexation/ adjustment of tariff for Foundation Power Company Daharki Ltd. for the quarter July to September 2023                                | 20282-20286<br>02.08.2023 |
| 3.     | Decision of the Authority regarding quarterly indexation/adjustment of tariff of The Narowal Energy Limited (formerly Hub Power Company Ltd. - Narowal) for the quarter July to September 2023 | 20294-20298<br>02.08.2023 |

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

Encl: 03 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