

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 20th day of November, 2023

S.R.O. 1698 (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 - September 2023 to October – December 2023** quarters on account of USCPI, N-CPI, 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 notwithstanding this Decision.


(Engr. Mazhar Iqbal Ranjha)
Pr Registrar



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 AND OCTOBER TO DECEMBER 2023 QUARTERS.

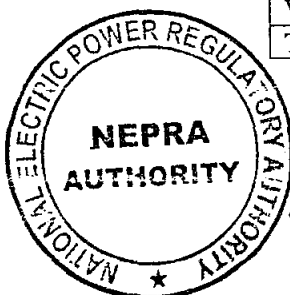
Pursuant to the decision of the Authority dated February 13, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Port Qasim Electric Power Company (hereafter "PQEPCL"), decision of the Authority dated September 27, 2019 notified vide S.R.O. No. 1383(I)/2019 on November 15, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of PQEPCL, decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components and decision of the Authority dated September 26, 2023 in the matter of request by PQEPCL for extension of the Jetty O&M Contract, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation.

The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for July to September 2023 and October to December 2023 quarters has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

| Tariff Components | Reference Sep 27, 2019 & Sep 26, 2023 | Revised Jul-Sep 2023 Quarter |
|--|---|------------------------------------|
| Capacity Charge (Rs./KW/h) | | |
| Fixed O&M - Foreign (Jetty) | 0.0250 | 0.0679 |
| Fixed O&M - Local (Jetty) | 0.0230 | 0.0230 |
| Total | 0.0480 | 0.0909 |
| Energy Purchase Price (Rs./KWh) | | |
| Variable O&M - Foreign (Jetty) | 0.0014 | 0.0038 |
| Variable O&M - Local (Jetty) | 0.0008 | 0.0008 |
| Total | 0.0022 | 0.0046 |

| Tariff Components | Reference Sep 27, 2019, Mar 10, 2021 & Sep 26, 2023 | Revised Oct-Dec 2023 Quarter |
|--|--|------------------------------------|
| Capacity Charge (Rs./KW/h) | | |
| Fixed O&M - Foreign | 0.1632 | 0.5503 |
| Fixed O&M - Local | 0.1977 | 0.3611 |
| Fixed O&M - Foreign (Jetty) | 0.0250 | 0.0684 |
| Fixed O&M - Local (Jetty) | 0.0230 | 0.0230 |
| Cost of Working Capital | 0.1535 | 0.8695 |
| Return on Equity | 0.8896 | 2.6012 |
| Debt Repayment | 1.5331 | 4.1894 |
| Interest Charge | 0.5101 | 2.0627 |
| Total | 3.4952 | 10.7256 |
| Energy Purchase Price (Rs./KWh) | | |
| Variable O&M - Foreign | 0.0778 | 0.2623 |
| Variable O&M - Local | 0.0628 | 0.1147 |
| Variable O&M - Foreign (Jetty) | 0.0014 | 0.0038 |
| Variable O&M - Local (Jetty) | 0.0008 | 0.0008 |
| Total | 0.1428 | 0.3816 |



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During the approval of indexation/adjustment for July to September 2023 quarter, the Authority did not consider the Jetty O&M Fixed and Variable (Local and Foreign) components on the basis that approval of Jetty O&M contract is under consideration by the Authority. The Authority vide its decision dated September 26, 2023 approved the Jetty O&M contract for further two years. Therefore, Jetty O&M Fixed and Variable (Local and Foreign) components of Jul to September 2023 quarter have been included in the instant quarterly indexation/adjustment.

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 revised tariff components attached as **Annex-I** and **Annex-II** 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

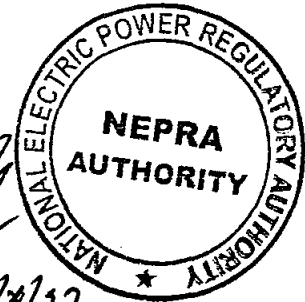
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



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

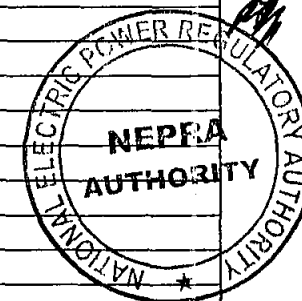
| Tariff Components | Reference Sep 27, 2019 & Sep 26, 2023 | Revised Jul-Sep 2023 Quarter | Indexation |
|--|---|------------------------------------|------------------------------------|
| Capacity Charge (Rs./KW/h) | | | |
| Fixed O&M - Foreign (Jetty) | 0.0250 | 0.0679 | Rs./US\$ |
| Fixed O&M - Local (Jetty) | 0.0230 | 0.0230 | - |
| Total | 0.0480 | 0.0909 | |
| Energy Purchase Price (Rs./KWh) | | | |
| Variable O&M - Foreign (Jetty) | 0.0014 | 0.0038 | Rs./US\$ |
| Variable O&M - Local (Jetty) | 0.0008 | 0.0008 | - |
| Total | 0.0022 | 0.0046 | |
| Indexation Values | | | Source |
| Exchange Rate (Rs./USD) | 105.730 | 287.100 | NBP - Revised rate of Jun 27, 2023 |

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



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

| Tariff Components | Reference Sep 27, 2019, Mar 10, 2021 & Sep 26, 2023 | Revised Oct-Dec 2023 Quarter | Indexation |
|--|--|------------------------------------|---|
| Capacity Charge (Rs./KW/h) | | | |
| Fixed O&M - Foreign | 0.1632 | 0.5503 | US CPI & Rs./US\$ |
| Fixed O&M - Local | 0.1977 | 0.3611 | N-CPI Local |
| Fixed O&M - Foreign (Jetty) | 0.0250 | 0.0684 | Rs./US\$ |
| Fixed O&M - Local (Jetty) | 0.0230 | 0.0230 | - |
| Cost of Working Capital | 0.1535 | 0.8695 | KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal. |
| Return on Equity | 0.8896 | 2.6012 | Rs./US\$ & respective consumption of Local & Imported Coal. |
| Debt Repayment | 1.5331 | 4.1894 | Rs./US\$ |
| Interest Charge | 0.5101 | 2.0627 | LIBOR & Rs./US\$ |
| Total | 3.4952 | 10.7256 | |
| Energy Purchase Price (Rs./KWh) | | | |
| Variable O&M - Foreign | 0.0778 | 0.2623 | US CPI & Rs./US\$ |
| Variable O&M - Local | 0.0628 | 0.1147 | N-CPI Local |
| Variable O&M - Foreign (Jetty) | 0.0014 | 0.0038 | Rs./US\$ |
| Variable O&M - Local (Jetty) | 0.0008 | 0.0008 | - |
| Total | 0.1428 | 0.3816 | |
| Indexation Values | | | Source |
| Exchange Rate (Rs./USD) | 105.730 | 289.100 | NBP - Revised rate of Sep 28, 2023 |
| US CPI (All Urban Consumers) | 248.991 | 307.026 | U.S. Bureau of Labor Statistics - Revised value of Aug 2023 |
| N-CPI (Local) | 131.010 | 239.270 | Pakistan Bureau of Statistics - Revised value of Aug 2023 |
| 3 Monthly KIBOR | 6.500% | 22.660% | SBP - Revised rate of Sep 28, 2023 |
| 3 Monthly LIBOR | 2.362% | 5.657% | Business Recorder - Revised rate of Sep 29, 2023 |
| Imported Coal Price (Rs./Ton) | 9,672 | 35,697.07 | Weighted Average Price of Coal Consumed during Jul to Sep 2023. |
| Imported Coal Calorific Value (BTU/Kg) | 17,942 | 18,384.92 | Weighted Average CV of Coal Consumed during Jul to Sep 2023. |
| Local Coal Price (Rs./Ton) | - | 32,691.80 | Weighted Average Price of Coal Consumed during Jul to Sep 2023. |
| Local Coal Calorific Value (BTU/Kg) | - | 19,290.03 | Weighted Average CV of Coal Consumed during Jul to Sep 2023. |
| Imported Coal Quantity (M. Ton) | - | 31,029.21 | 18.67% of Total Coal Consumed during Jul to Sep 2023. |
| Local Coal Quantity (M. Ton) | - | 135,133.79 | 81.33% of Total Coal Consumed during Jul to Sep 2023. |
| Principal Outstanding (USD. Million) | - | 819.59 | |
| Hours in the quarter | - | 2,208 | |



- 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.

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REGISTRAR

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/ 37312-14

November 20, 2023

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

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

In pursuance of Proviso (ii) to 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 Engro Powergen Qadirpur Ltd. for October –December 2020 to July – September 2023 quarters | 35678-35682 30-10-2023 |
| 2. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Port Qasim Electric Power Company (Private) Ltd. for October - December 2020 to July - September 2023 quarters | 35606-35610 30-10-2023 |
| 3. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Port Qasim Electric Power Company (Private) Ltd. for July - September 2023 & October - December 2023 quarters | 35752-35720 30-10-2023 |
| 4. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Engro Powergen Thar (Pvt.) Ltd. for October - December 2020 to July - September 2023 quarters | 35716-35720 30-10-2023 |
| 5. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Engro Powergen Thar (Pvt.) Ltd. for October - December 2023 quarter | 35698-35702 30-10-2023 |
| 6. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited for October - December 2023 quarter | 35594-35598 30-10-2023 |
| 7. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for October - December 2023 quarter | 35618-35622 30-10-2023 |
| 8. | Decision of the Authority in the matter of quarterly indexation/ adjustment of local O&M components of tariff for February 17, 2023 to July – September 2023 quarters of tariff for ThalNova Power Thar (Pvt.) Limited | 35672-35676 30-10-2023 |
| 9. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of ThalNova Power Thar (Pvt.) Limited for October - December 2023 quarter | 35636-35640 30-10-2023 |
| 10. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for October –December 2022 to July – September 2023 quarters | 35734-35738 30-10-2023 |
| 11. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for October - December 2023 quarter | 35654-35658 30-10-2023 |

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|-----|---|---------------------------|
| 12. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of FFBL Power Company Ltd. for October –December . 2020 to July – September 2023 quarters | 35686-35690 30-10-2023 |
| 13. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Sindh Nooriabad Power Company (Pvt.) Ltd. Phase-II for July - September 2023 & October - December 2023 quarters | 35775-35779 30-10-2023 |

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

Encl: 13 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