

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 15th day of March, 2023

S.R.O. 367 (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 adjusted/indexed tariff regarding quarterly indexation/adjustment of tariff of Sachal Energy Development (Pvt.) Ltd. for the January-March 2023 quarter on account of US CPI, CPI (General), Exchange Rate and LIBOR variation in Case No. NEPRA/TRF-207/SEDPL-2007.

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

7-1



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT OF
TARIFF FOR SACHAL ENERGY DEVELOPMENT (PVT.) LIMITED**

Pursuant to the decision of the Authority dated June 01, 2018 in the matter of tariff adjustment of Sachal Energy Development (Pvt.) Limited (SEDPL) at Commercial Operation Date (COD) notified vide S.R.O No 361(I)/2016 dated on November 06, 2018, the relevant tariff components of SEDPL in respect of quarter January-March, 2023 have been revised on account of US CPI, CPI (General), exchange rate and LIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision(s) of the Authority indicated in Annex-I.

2. The adjusted/ indexed tariff attached as **Annex-I** is 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.

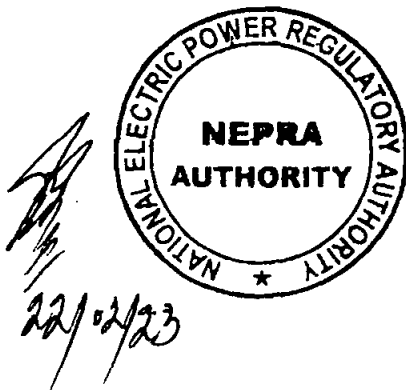
AUTHORITY

(Mathar Niaz Rana (nsc))
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmad Shaikh)
Member

(Tauseef H. Farooqi)
Chairman



**Sachal Energy Development (Pvt) Limited
Quarterly Indexation/Adjustment of Tariff**

Tariff Component	Reference Tariff	Revised Jan-Mar 2023	Indexation
Date of decision	Jun 01, 2018		
	(Rs./kWh)		
Fixed O&M-Local	0.7525	0.9499	CPI
Fixed O&M-Foreign	1.1916	3.1564	US CPI & Rs./US \$
Return on Equity	3.3985	7.3721	Rs./US \$
Return on Equity during Construction	0.7352	1.5948	Rs./US \$
Principal repayment of debt-Foreign	7.9990	17.3516	Rs./US \$
Interest-Foreign	1.6380	6.0647	LIBOR & Rs./US \$
Total	15.7148	36.4894	
Indexation Values			Sources (Websites)
CPI (General)-Revised value of Jun 2020	213.320	269.270	Pakistan Bureau of Statistics
US CPI - Revised value of Nov 2022	243.801	297.711	US Bureau of Labor Statistics
Exchange Rate- Revised rate of Dec 30, 2022	104.60	226.90	NBP
LIBOR 6 month- Revised rate of Dec 30, 2022	1.4154%	5.1389%	Global-rates.com or moneycafe.com
Principal Outstanding (USD)		41,720,314	
Bi-annual Benchmark Energy (kWh)		70,170,000	

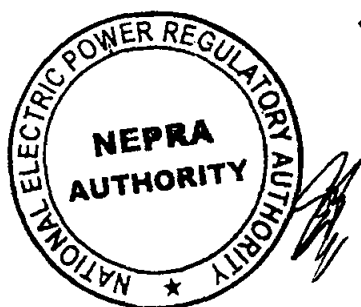
Above indexation is on the basis of the information provided by SEDPL and verified by NEPRA.

For the purpose of indexation of Fixed O&M (Local) component for Jan-Mar 2023 quarter, CPI for Nov 2022 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.

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.

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.

SEDPL has claimed indexation of local O & M on N-CPI (Nov 2022) which shall be allowed upon notification of aforementioned decision.





REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-207/6332-34

15
March, 2023

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Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH ADJUSTED/INDEXED TARIFF REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF SACHAL ENERGY DEVELOPMENT (PVT.) LTD. FOR THE JANUARY-MARCH 2023 QUARTER ON ACCOUNT OF US CPI, CPI (GENERAL), EXCHANGE RATE AND LIBOR VARIATION**

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 "Decision of the Authority along with adjusted/indexed tariff regarding quarterly indexation/adjustment of tariff of Sachal Energy Development (Pvt.) Ltd. for the January-March 2023 quarter on account of US CPI, CPI (General), Exchange Rate and LIBOR variation" for immediate publication in the official gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification [03 pages]


(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 [w.r.t. NEPRA's Decision issued vide No. 3315-3319 dated February 22, 2023]