

TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN
EXTRA ORDINARY PART-I

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 6th day of April, 2023

S.R.O. 460 (1)/2023.- In pursuance 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 regarding quarterly indexation/adjustment of tariff of Pak Matiari Lahore Transmission Company (Pvt.) Ltd. (PMLTC) for the quarter ending January-March 2023 on account of CPI (General), US CPI, LIBOR and Exchange Rate variation in Case No. NEPRA/TRF-433/PMTC-2018.

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



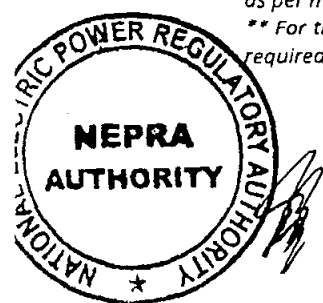
DECISION OF THE AUTHORITY IN THE MATTER OF INTERIM RELIEF FOR INDEXATION OF THE RELEVANT REFERENCE TARIFF COMPONENTS OF PAK MATIARI-LAHORE TRANSMISSION COMPANY PVT. LIMITED (PMLTC) TRANSMISSION TARIFF FOR THE QUARTER JANUARY TO MARCH 2023.

1. Pak Matiari Lahore Transmission Company (Private) Limited ("PMLTC" the "Company") vide letter dated September 22, 2021 informed that it has achieved Commercial Operations Date (COD) on September 01, 2021. PMLTC vide letter dated January 10, 2023 requested the Authority to allow indexation for the quarter January-March 2023 as interim relief.
2. The Authority considered the request of the Company and noticed that the COD adjustment request has been submitted to NEPRA for true-up / adjustment. The Authority further observed that interim relief has already been granted to different licensees which are subject to adjustment based on their final decision. The Authority also observed that the true-up/verification process need considerable time, accordingly keeping in view the aforesaid factors, the Authority decided to grant interim relief to the Company on provisional basis which is subject to the adjustment through COD decision.
3. Order
 - 3.1 Pursuant to the Decision of the Authority dated December 4, 2018 issued in the matter of Matiari Lahore 4000 MW ± 660 KV HVDC Transmission Line Project [Case # NEPRA/TRF-433/PMLTC2018], the tariff of Pak Matiari Lahore Transmission Company (Private) Limited (PMLTC) for the quarter ending January-March 2023 has been revised on account of CPI (General), US CPI, LIBOR and exchange rate variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

| Transmission Services Charge Components | Reference tariff | Revised Jan-Mar 2023 w.e.f 01.01.2023 |
|---|------------------|---------------------------------------|
| Transmission Services Charge | | (Rs./kW/Hour) |
| Foreign O&M | 0.0441 | 0.1182 |
| Local O&M – ICT | 0.0323 | 0.0420 |
| Local O&M – NTDC | 0.0411 | 0.0534 |
| Land Lease | 0.0073 | 0.0073 |
| Insurance | 0.0409 | 0.0409 |
| Return on Equity | 0.1680 | 0.3651 |
| Return on Equity during Construction | 0.0388 | 0.0843 |
| Loan Repayment | 0.3212 | 0.6981 |
| Interest Charges | 0.2015 | 0.7410 |
| Sinosure | 0.0231 | 0.0231 |
| Total Tariff | 0.9183 | 2.1734 |
| Indexation Values | | |
| Exchange Rate (Rs./USD) | 104.40 | 226.90 |
| US CPI (All Urban Consumers) | 241.38 | 297.711 |
| CPI General – Local – Old Base | 207.30 | 269.270 |
| 6 Month LIBOR | 1.1442% | 5.13886% |

* Insurance and Sinosure component is not part of quarterly indexation. Insurance is adjusted annually on actual basis as per mechanism stipulated in the Decision of the Authority. Also Sinosure will be adjusted at COD.

** For the purpose of indexation of Local O&M components for July – September 2021 quarter, CPI of May 2021 was required to be used and similarly for January-March 2023 quarter, CPI of November 2022 is required to be used.



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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 TSA, the latest available CPI of June 2020 i.e 269.27 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.

- 3.2 The indexation allowed to Pak Matiari Lahore Transmission Company (Private) Limited (PMLTC) is purely on provisional basis till finalization of the COD stage tariff adjustments by the Authority or upon outcome of inquiry, if any.
- 3.3 The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Rafique Ahmed Shaikh
Member

Tauseef H. Farooq
Chairman



15/03/23

Pak Matiari-Lahore Transmission Company Pvt. Limited
Quarterly Indexation/Adjustment of Transmission Services Charge Components

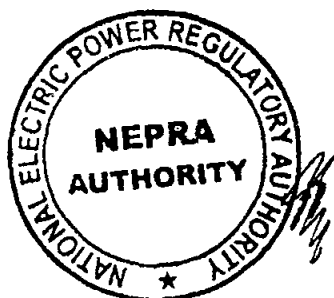
| Transmission Services Charge Components | Reference tariff | Revised | Indexation |
|---|-------------------|----------------------------------|-------------------------------|
| Date of Decisions | December 04, 2018 | Jan-Mar 2023 w.e.f 01.01.2023 | |
| Transmission Services Charge | (Rs./kW/Hour) | | |
| Foreign O&M | 0.0441 | 0.1182 | PKR/USD, US CPI |
| Local O&M – ICT | 0.0323 | 0.0420 | CPI – General |
| Local O&M – NTDC | 0.0411 | 0.0534 | CPI – General |
| Land Lease | 0.0073 | 0.0073 | Will be adjusted at COD |
| Insurance | 0.0409 | 0.0409 | Will be adjusted at COD |
| Return on Equity | 0.1680 | 0.3651 | PKR/USD |
| Return on Equity during Construction | 0.0388 | 0.0843 | PKR/USD |
| Loan Repayment | 0.3212 | 0.6981 | PKR/USD |
| Interest Charges | 0.2015 | 0.7410 | PKR/USD, LIBOR |
| Sinosure | 0.0231 | 0.0231 | Will be adjusted at COD |
| Total Tariff | 0.9183 | 2.1734 | |
| Indexation Values | | | Sources |
| Exchange Rate (Rs./USD)- Revised Rate of December 30, 2022 | 104.40 | 226.90 | NBP |
| US CPI (All Urban Consumers) Revised Value of November 2022 | 241.38 | 297.711 | US Bureau of Labor Statistics |
| CPI General – Local- Revised Value of June 2020 | 207.30 | 269.270 | Pakistan Bureau of Statistics |
| 6 Month LIBOR- Revised Rate of December 30, 2022 | 1.1442% | 5.13886% | Global-rates.com |
| Principal Outstanding(USD) | | 1,171,556,107.00 | |
| Contracted Capacity | | 4,000 MW | |
| No of hours in a year | | 8760 | |
| Benchmark energy (kWh) (Annual) | | 35,040,000,000 | |

* Above Indexation is on the basis of the information provided by PMLTC and verified by NEPRA.

* Insurance and Sinosure component is not part of quarterly indexation. Insurance is adjusted annually on actual basis as per mechanism stipulated in the Decision of the Authority. Also Sinosure will be adjusted at COD.

** For the purpose of indexation of Local O&M components for January-March 2023 quarter, CPI of November 2022 is 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 TSA, the latest available CPI of June 2020 i.e. 269.27 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.





REGISTRAR

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Islamic Republic of Pakistan

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Website: www.nepa.org.pk, Email: info@nepa.org.pk

No. NEPRA/TRF-43318467-69

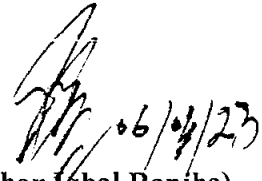
April 6, 2023

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

Subject: NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF REGARDING QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF OF PAK MATIARI LAHORE TRANSMISSION COMPANY (PVT.) LTD. (PMLTC) FOR THE QUARTER ENDING JANUARY-MARCH 2023 ON ACCOUNT OF CPI (GENERAL), US CPI, LIBOR AND EXCHANGE RATE 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 revised tariff regarding quarterly indexation/adjustment of tariff of Pak Matiari Lahore Transmission Company (Pvt.) Ltd. (PMLTC) for the quarter ending January-March 2023 on account of CPI (General), US CPI, LIBOR and Exchange Rate 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 [04 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. 6352-6357 dated March 15, 2023]