

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 12th day of June, 2023

S.R.O. 724 (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 regarding quarterly indexation/adjustment of tariff of AJ Power (Pvt.) Ltd. for the quarter April-June 2023 on account of US CPI, CPI (Local), Exchange Rate and LIBOR variation in Case No. NEPRA/TRF-354/AJPPL-2016.

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 QUARTERLY INDEXATION/ ADJUSTMENT
OF TARIFF FOR AJ POWER (PRIVATE) LIMITED**

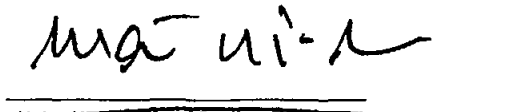
Pursuant to the decision of the Authority dated July 08, 2019 in the matter of tariff adjustment of AJ Power (Private) Limited at Commercial Operation Date (COD) notified vide S.R.O. 1157(I)/2019 on September 19, 2019. The relevant tariff components of AJPPL in respect of quarter April-June, 2023 have been revised on account of US CPI, CPI (Local), 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.

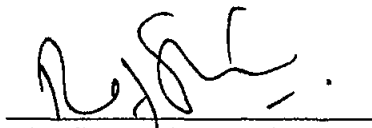
3. CPPA-G to ensure that all the payments are consistent with tariff determination.

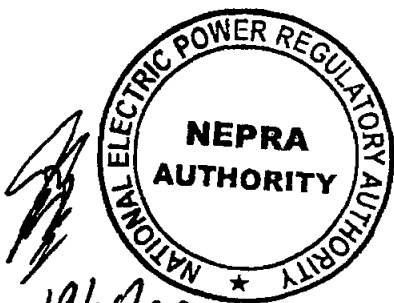
AUTHORITY

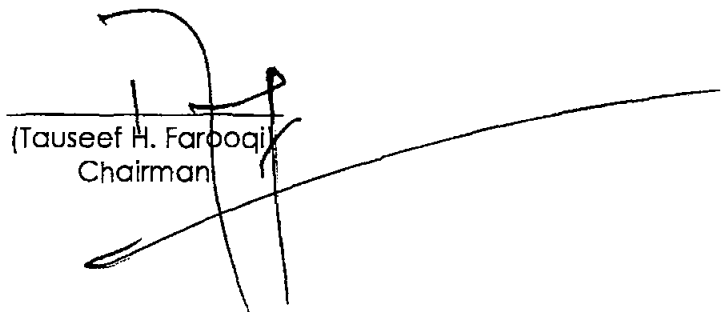

(Amina Ahmed)
Member


(Maimar Niaz Rana (nsc))
Member


(Engr. Maqsood Anwar Khan)
Member


(Rafique Ahmed Shaikh)
Member




(Tauseef H. Farooqi)
Chairman

AJ Power (Private) Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Apr-Jun 2023	Indexation
Date of Decisions	Jul 08, 2019 Apr 09, 2021		
	Rs./kWh		
Fixed O&M-Local *	1.1135	1.4871	CPI
Fixed O&M-Foreign	0.4772	1.6276	US CPI & Rs./US \$
Return on Equity	3.0023	8.1234	Rs./US \$
Principal repayment of debt-Foreign	3.1290	8.4663	Rs./US \$
Interest-Foreign	0.9526	4.2738	LIBOR & Rs./US \$
Principal repayment of debt-Local	3.4710	3.4710	-
Interest-Local	1.1001	1.1001	-
Total	13.2457	28.5492	
Indexation Values			Sources (Websites)
CPI (General)	201.620	269.270	Pakistan Bureau of Statistics
US CPI	238.654	300.840	Bureau of Labor Statistics
Exchange Rate	105.000	284.100	NBP
LIBOR 3 month	1.2906%	5.1927%	Global-rates.com
Principal Outstanding Foreign Loan (US\$/MW)		227,884	
Principal Outstanding Local Loan (Rs./MW)		254,019	
Quarterly Benchmark Energy (kWh)		372,300	

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

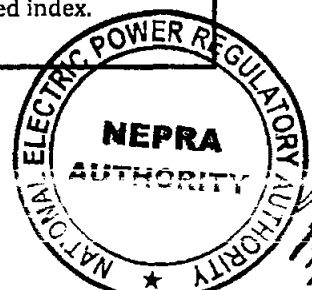
* For the purpose of indexation of Fixed O&M (Local) component for April-June, 2023 quarter, CPI for February 2023 were required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007- 08 w.e.f. July 2020 and replaced it with National CPI for new 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.

6. 8 27

2/2





REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, G-5/1 (East), Near MNA Hostel, Islamabad

Phone: 9206500, Fax: 2600026

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

No. NEPRA/TRF-354/ 143 26-28

June 12, 2023

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

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF AJ POWER (PVT.) LTD. FOR THE QUARTER APRIL-JUNE 2023 ON ACCOUNT OF US CPI, CPI (LOCAL), 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 regarding quarterly indexation/adjustment of tariff of AJ Power (Pvt.) Ltd. for the quarter April-June 2023 on account of US CPI, CPI (Local), 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]

9

(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. 12850-12854 dated May 19, 2023]