

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 12th day of June, 2023

S.R.O. 732 (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 Zorlu Enerji Pakistan Ltd. for the quarter April-June 2023 on account of US CPI, CPI (General), Exchange Rate and KIBOR/LIBOR variations. in Case No. NEPRA/TRF-169/ZEPL-2011.

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 ZORLU ENERJI PAKISTAN LIMITED**

Pursuant to the Decisions of the Authority dated February 20, 2015 in the matter of tariff adjustment of Zorlu Enerji Pakistan Limited (ZEPL) at commercial operation date (COD), Motion for Leave for Review dated December 1, 2015 against the COD Decision and corrigendum dated December 31, 2015, the tariff components of ZEPL in respect of quarter April-June, 2023 have been revised on account of US CPI, CPI (General), exchange rate and KIBOR/LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the above referred decision(s) of the Authority indicated in Annex-I.

2. 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.

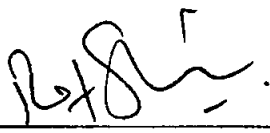
3. CPPA-G to ensure that all the payments are consistent with tariff determination.

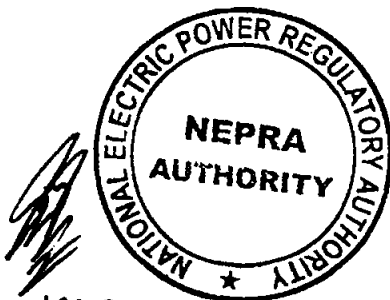
AUTHORITY

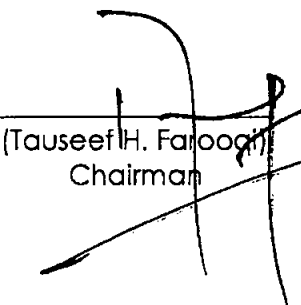

(Amina Ahmed)
Member


(Mathar Niaz Rana (nsc))
Member


(Engr. Maqsood Anwar Khan)
Member


(Rafique Ahmed Shaikh)
Member




(Tauseef H. Farooqi)
Chairman

Zorlu Enerji Pakistan Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Apr-Jun 2023	Indexation
Date of decisions	Feb 20, 2015 Dec 01, 2015 Dec 31, 2015		
	(Rs./kWh)		
Variable O & M- Foreign	0.0054	0.0196	US CPI & Rs./US \$
Fixed O&M-Local	0.8758	1.3106	CPI
Fixed O&M-Foreign	0.4449	1.6171	US CPI & Rs./US \$
Return on Equity	4.2751	12.0611	Rs./US \$
Return on Equity during Construction	1.1042	3.1152	Rs./US \$
Principal repayment - Foreign	6.2064	13.9844	Rs./US \$
Interest	0.2288	0.8338	LIBOR & Rs./US \$
Principal repayment - Local	1.3749	1.3749	-
Interest	0.1260	0.1798	KIBOR
Total	14.6415	34.4965	
Indexation Values			Sources
CPI (General)	179.94	269.270	Pakistan Bureau of Statistics
US CPI	233.50	300.840	Bureau of Labor Statistics
Exchange Rate	100.70	284.10	NBP
Libor 6-Month	0.3965%	5.1389%	Global-rates.com
Kibor 6-Month	9.07%	17.04%	SBP
Principal outstanding Foreign (Rs.)		499,037,219	
Principal outstanding Local (Rs.)		113,253,830	
Benchmark Energy Jan-June (kWh)		83,775,600	

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

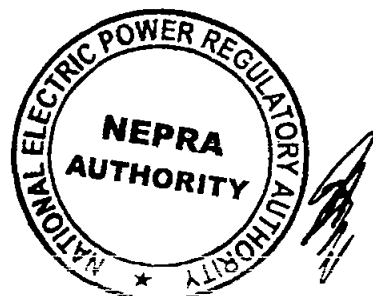
For the purpose of indexation of Fixed O&M (Local) component for Apr-Jun 2023 quarter, CPI for Feb 2023 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16.

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.

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REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-169/14350-52

June ¹², 2023

The Manager
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Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF ZORLU ENERJI PAKISTAN LTD. FOR THE QUARTER APRIL-JUNE 2023 ON ACCOUNT OF US CPI, CPI (GENERAL), EXCHANGE RATE AND KIBOR/LIBOR VARIATIONS.**

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 components regarding quarterly indexation/adjustment of tariff of Zorlu Enerji Pakistan Ltd. for the quarter April-June 2023 on account of US CPI, CPI (General), Exchange Rate and KIBOR/LIBOR variations." 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. 12770-12774 dated May 19, 2023]