

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 12th day of June, 2023

S.R.O. 734 (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 regarding quarterly indexation/ adjustment of Metro Power Company Ltd. for the quarter April-June 2023 on account of US CPI, CPI Local, Exchange Rate (PKR/USD), LIBOR and KIBOR variations in Case No. NEPRA/TRF-193/MPCL-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 METRO POWER COMPANY LIMITED**

Pursuant to the decision of the Authority dated February 22, 2019 in the matter of tariff adjustment of Metro Power Company Limited (MPCL) at Commercial Operation Date (COD) notified vide S.R.O No 571(I)/2019 dated May 20, 2019 and decision dated December 05, 2019 on motion for leave for review filed by MPCL, the relevant tariff components of MPCL in respect of quarter from April-June, 2023 have been revised on account of US CPI, CPI (Local), exchange rate (PKR/USD), LIBOR and KIBOR 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 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.

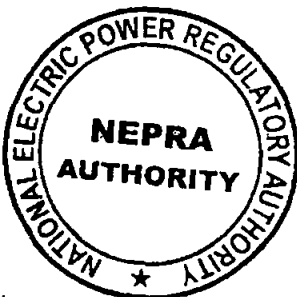
AUTHORITY

(Amina Ahmed)
Member

(Mathar Niaz Rana (nsc))
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmed Shaikh)
Member

(Tauseef H. Farooqi)
Chairman

19/5/23

Metro Power Company Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Component	Reference Tariff	Revised Apr-Jun, 2023	Indexation
Date of decisions	Feb 22,2019 Dec 05,2019		
	(Rs./kWh)		
*Fixed O&M-Local	0.4137	0.5374	CPI
Fixed O&M-Foreign	1.4022	4.7625	US CPI & Rs./US \$
Return on Equity	3.5263	9.5959	Rs./US \$
Return on Equity during Construction	0.9781	2.6616	Rs./US \$
Principal repayment of debt-Foreign	3.0386	6.6039	Rs./US \$
Interest-Foreign	0.6744	2.5380	LIBOR & Rs./US \$
Principal repayment of debt-Local	3.7087	3.7087	-
Interest-Local	1.4605	3.1309	KIBOR
Total	15.2024	33.5388	
Indexation Values			Sources (Websites)
CPI (General)- Revised value of Jun 2020	207.300	269.270	Pakistan Bureau of Statistics
US CPI - Revised value of Feb 2023	241.038	300.840	US Bureau of Labor Statistics
Exchange Rate- Revised rate of Mar 31, 2023	104.40	284.100	NBP
LIBOR 6 month- Revised rate of Dec 30, 2022	0.9200%	5.1389%	Global-rates.com
KIBOR 6 month- Revised rate of Dec 30, 2022	6.06%	17.04%	SBP
Principal Outstanding Foreign Loan (USD)		15,939,941	
Principal Outstanding Local Loan (Rs)		2,164,963,001	
Bi-annual Benchmark Energy (kWh)		71,153,100	

Above indexation is on the basis of the information provided by MPCL 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.

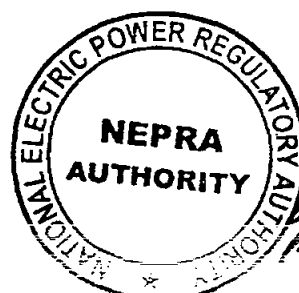
The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16, however, that decision shall be implemented upon Notification in the Official Gazette.

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.

MPCL has claimed indexation of local O & M on N-CPI (Feb 2023) which shall be allowed upon notification of aforementioned decision.

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REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-193/14356-58

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Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG REGARDING QUARTERLY INDEXATION/ ADJUSTMENT OF METRO POWER COMPANY LTD. FOR THE QUARTER APRIL-JUNE 2023 ON ACCOUNT OF US CPI, CPI LOCAL, EXCHANGE RATE (PKR/USD), LIBOR AND KIBOR 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 regarding quarterly indexation/ adjustment of Metro Power Company Ltd. for the quarter April-June 2023 on account of US CPI, CPI Local, Exchange Rate (PKR/USD), LIBOR and KIBOR 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. 12808-12812 dated May 19, 2023]