

**National Electric Power Regulatory Authority**


**NOTIFICATION**




Islamabad, the 17<sup>th</sup> day of May, 2023

**S.R.O.** 593 (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 Indexation regarding quarterly indexation/adjustment of tariff for 147 MW Patrind Hydropower Project of Star Hydro Power Ltd. for the quarter January 01, 2023 to March 31, 2023 on account of US CPI, CPI (Local/General), US\$ / PKR Exchange Rate and LIBOR variation in Case No. NEPRA/TRF-172/SHPL-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





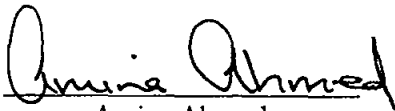
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY  
INDEXATION/ADJUSTMENT OF TARIFF FOR 147 MW PATRIND HYDROPOWER PROJECT  
(STAR HYDRO LIMITED)**

Pursuant to the Authority's Determination in case No. NEPRA/R/SA(Tariff)TRF-172/SHPL-2011/19480-19482 dated July 29, 2020, notified vide S.R.O. 962/(I)/2021 dated July 29, 2021, in the matter of adjustment at commercial operation date, the tariff component for the quarter from January 01, 2023 to March 31, 2023 has been revised on account of US CPI, CPI (Local/General), US\$/PKR exchange rate variation and LIBOR in accordance with the requisite indexation/adjustment mechanism stipulated in the aforementioned determination/decision of the Authority.


2. The 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 payments are consistent with tariff determination(s).

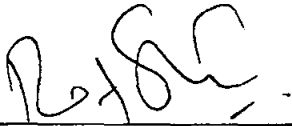
**AUTHORITY**



Amina Ahmed  
Member



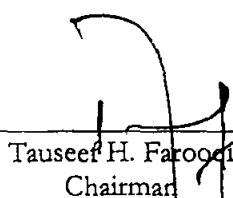
Mathar Niaz Rana (nsc)  
Member

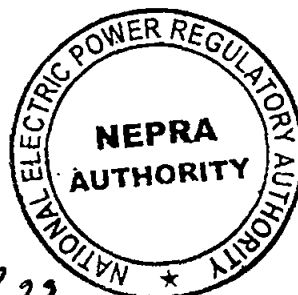


Engr. Rafique Ahmed Shaikh  
Member



Engr. Maqsood Anwar Khan  
Member

  
Tauseef H. Farooqi  
Chairman



## Star Hydro Power Limited

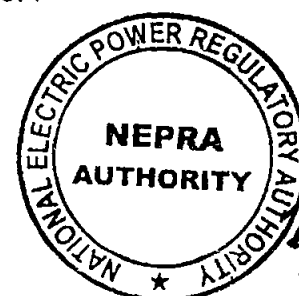
## Indexation

Component	Reference	Jan- Mar 2023	Indexation
Variable O & M Local (Rs/kWh)	0.0344	0.0425	Local CPI
Water usage charges (Rs/kWh)	0.1500	0.1881	Local CPI
Fixed O & M Foreign (Rs/kW/Month)	162.3038	415.8079	US CPI & Rs./US\$
Fixed O & M Local (Rs/kW/Month)	107.6680	133.1233	Local CPI
Return On Equity (Rs/kW/Month)	793.1840	1,753.6052	Rs./US\$
Return on Equity During Construction (Rs/kW/Month)	484.0221	1,070.0968	Rs./US\$
Principal Repayment (Rs/kW/Month)	1,106.6599	2,454.0113	Rs./US\$
Interest Charges (Rs/kW/Month)	564.0081	2,017.8806	LIBOR & Rs./US\$
Principal outstanding Foreign (US\$ in Millions)		163.8496	
Capacity (MW)		147	
<b>Indexation Values</b>		<b>Sources (Website)</b>	
Exchange Rate for O&M	105.4400	223.10	NBP
Exchange Rate for Return	100.9100	223.10	NBP
Exchange Rate Semi Annual for Debt	100.9100	223.77	NBP
CPI - Local Quarterly	216.9267	268.21	Pakistan Bureau of Statistics
CPI - Local Annual for WUC	214.7400	269.27	Pakistan Bureau of Statistics
CPI- US Quarterly	245.7080	297.51	US Bureau of Labor Statistics
LIBOR	1.4477%	5.1389%	Global-rates.com or moneycafe.com

\*For the purpose of indexation of Local O&M components for Jan-Mar 2023, the averages of the CPIs for previous quarters were required to be used. However, the Pakistan Bureau of Statistics has discontinued the publication of CPI for the base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. As per the relevant provision of the PPA, the average of the latest available CPI of April, May & June 2020 for the base year 2007-08 has been used for the instant indexation/adjustment. For the purpose of Water Use Charge (WUC) Indexation, for the period from November 08, 2022, to November 07, 2023, the averages of the CPIs of the last years i.e. November 2021 to October 2022 were required, however, due to the discontinuance of CPI from July 2020, the average of the whole year may not be taken, therefore the last available CPI of June 2020 (269.27) has been used for as an average value for the indexation of WUC. The indexation of Local O&M components and WUC are being made on a provisional basis, subject to the notification of the Authority's decision dated March 10, 2021, with regard to the replacement of CPI base year 2007-8 with N-CPI base year 2015-16 and Authority's review decision in the matter of motion for leave for review (MLR) filed by the petitioner.

\*\*The Authority wide 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.

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





REGISTRAR

**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

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No. NEPRA/TRF-172/ 12136-38

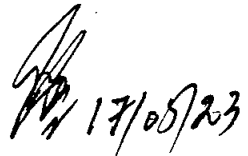
May 17<sup>th</sup>, 2023

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

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH INDEXATION REGARDING QUARTERLY INDEXATION/ ADJUSTMENT OF TARIFF FOR 147 MW PATRIND HYDROPOWER PROJECT OF STAR HYDRO POWER LTD. FOR THE QUARTER JANUARY 01, 2023 TO MARCH 31, 2023 ON ACCOUNT OF US CPI, CPI (LOCAL/ GENERAL), US\$ / PKR 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 Indexation regarding quarterly indexation/adjustment of tariff for 147 MW Patrind Hydropower Project of Star Hydro Power Ltd. for the quarter January 01, 2023 to March 31, 2023 on account of US CPI, CPI (Local/General), US\$ / PKR 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. 2189-2194 dated April 20, 2023]