

## National Electric Power Regulatory Authority

### NOTIFICATION



Islamabad, the 30 day of May, 2023

S.R.O. 694 (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 Sapphire Electric Company Ltd. for the quarter April -June 2023 on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-125/SECL-2009.

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 SAPPHIRE ELECTRIC COMPANY LIMITED FOR APRIL  
TO JUNE 2023 QUARTER.**

Pursuant to the decisions the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD), decision of the Authority dated December 20, 2012 regarding change of index in the case of Sapphire Electric Company Limited (hereinafter "SECL") and decisions of the Authority dated April 2, 2021 and May 7, 2021 in the matter of application filed by CPPA-G for adjustment of ROE and ROEDC components of tariff pursuant to the agreement with SECL, the tariff of SECL in respect of April to June 2023 quarter has been revised on account of US CPI, CPI Local, Exchange Rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference	Revised
	Nov 23, 2012, Dec 20, 2012, Apr 2, 2021 & May 7, 2021	Apr-Jun 2023 Quarter
<b>Capacity Charge(Rs./kW/Hour)</b>		
Fixed O&M - Local	0.0762	0.1326
Fixed O&M - Foreign	0.0965	0.4577
Cost of Working Capital - Gas	0.0449	0.0738
Cost of Working Capital - HSD	0.0961	0.1580
ROE - Local	0.6387	0.6387
ROE - Foreign	0.0632	0.2154
ROEDC - Local	0.1674	0.1674
ROEDC - Foreign	0.0178	0.0607
<b>Total (Gas)</b>	<b>1.1047</b>	<b>1.7463</b>
<b>Total (HSD)</b>	<b>1.1559</b>	<b>1.8305</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign -Gas	0.2583	1.2252
Variable O&M - Foreign -HSD	0.3728	1.7683

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.

CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

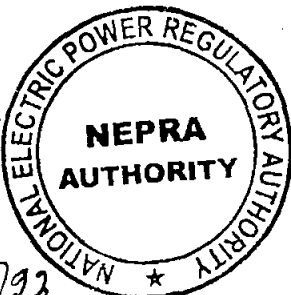
Mathar Niaz Rana (nsc)  
Member

Engr. Maqsood Anwar Khan  
Member

Engr. Rafique Ahmed Shaikh  
Member

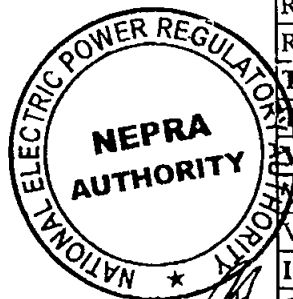
Amina Ahmed  
Member

Tauseef H. Farooqi  
Chairman



**Sapphire Electric Company Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference	Revised	Indexation
	Nov 23, 2012, Dec 20, 2012, Apr 2, 2021 & May 7, 2021	Apr-Jun 2023 Quarter	
Capacity Charge(Rs./kW/Hour)			
Fixed O&M - Local	0.0762	0.1326	CPI Local
Fixed O&M - Foreign	0.0965	0.4577	US CPI & Rs./US\$
Cost of Working Capital - Gas	0.0449	0.0738	KIBOR
Cost of Working Capital - HSD	0.0961	0.1580	KIBOR
ROE - Local	0.6387	0.6387	
ROE - Foreign	0.0632	0.2154	Rs./US\$
ROEDC - Local	0.1674	0.1674	
ROEDC - Foreign	0.0178	0.0607	Rs./US\$
Total (Gas)	1.1047	1.7463	
Total (HSD)	1.1559	1.8305	
Variable O&M (Rs./kWh)			
Variable O&M – Foreign -Gas	0.2583	1.2252	US CPI & Rs./US\$
Variable O&M – Foreign -HSD	0.3728	1.7683	US CPI & Rs./US\$
Indexation Values			Source
CPI (General)	154.720	269.270	Pakistan Bureau of Statistics - Revised value of Jun 2020
US CPI	216.177	300.840	U.S. Bureau of Labor Statistics - Revised value of Feb 2023
Exchange Rate	83.350	284.100	NBP - Revised rate of March 31, 2023
KIBOR	12.60%	21.98%	SBP - Revised rate of March 31,2023
Hours in the Quarter	-	2,184	



- For the purpose of indexation of Local O&M components 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. As per relevant provision of the PPA, 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 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.

- Based on the data declared by Sapphire Electric Company Limited.

*[Handwritten signature]*



REGISTRAR

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

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No. NEPRA/TRF-125/13537-39

May<sup>3<sup>rd</sup></sup>, 2023

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

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF 'SAPPHIRE ELECTRIC COMPANY LTD.' FOR THE QUARTER APRIL -JUNE 2023 ON ACCOUNT OF US CPI, CPI LOCAL, EXCHANGE RATE AND KIBOR 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 components regarding quarterly indexation/adjustment of tariff of Sapphire Electric Company Ltd. for the quarter April -June 2023 on account of US CPI, CPI Local, Exchange Rate and KIBOR 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. 10336-10340 dated May 05, 2023]