

TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN
EXTRA ORDINARY, PART-I

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the nd 22 day of September, 2024

S.R.O. 1419 (I)/2024. - 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 dated August 8, 2024 along with revised tariff components regarding the Quarterly Indexation of the Chianwali Hydropower Project of Punjab Power Development Company Limited for the Quarter **July-September 2024** on account of US CPI, N-CPI, Exchange Rate and LIBOR variations in Case No. NEPRA/TRF-556/CHP-2021.

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.


(Wasim Anwar Bhinder)
Registrar



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION OF TARIFF COMPONENTS OF CHIANWALI HYDROPOWER
PROJECT OF PUNJAB POWER DEVELOPMENT COMPANY LIMITED**

1. Pursuant to the Authority's decision dated April 11 2022 in the matter of Tariff petition filed by Punjab Power Development Company Limited (hereinafter referred as "PPDCL") for 5.38 MW Chianwali Hydropower Project and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No, 1041(1)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate and LIBOR Yen variation.
2. PPDCL vide letter dated December 19, 2023 informed that it has achieved Commercial Operations Date (COD) on September 21, 2023, and has accordingly submitted a COD tariff adjustment application to the Authority for adjustments. PPDCL vide letter dated July 03, 2024 has submitted indexation request of tariff components for Jul-Sept 2024 quarter.
3. The Authority considered the request of PPDCL and in its collective and joint wisdom considering all aspects decided with consensus as under, which will be hereinafter referred to as the decision of the Authority in the matter;

"Indexation/adjustment for the quarter July -Sept 2024 has been made in the tariff components on a provisional basis on account of US CPI, N-CPI (Local), exchange rate (PKR/USD/JPY) and LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority."
4. The above referred revised tariff components attached as Annex-I is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. Power Purchaser to ensure that all the payments are consistent with tariff determination.

AUTHORITY

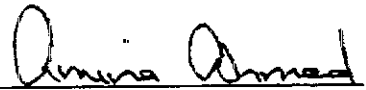


Mathar Niaz Rana (nsc)
Member

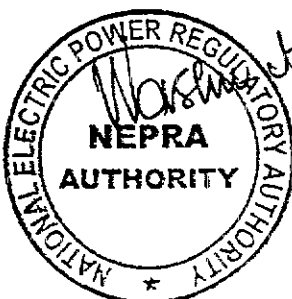
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman

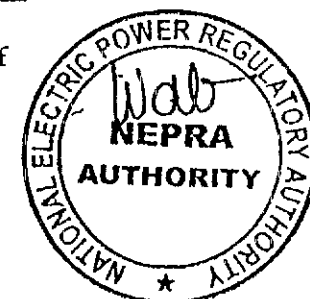
PUNJAB POWER DEVELOPMENT COMPANY LIMITED (PPDCL)
CHIANWALI HYDROPOWER PROJECT
INTERIM INDEXATION

Tariff Components	Reference Tariff Mar 10, 2021 & Apr 11, 2022	Indexed Tariff Jul-Sept 2024	Indexations
Variable O&M-Local (Rs./kWh)	0.5751	1.1184	N-CPI Local
Fixed O&M - Local (Rs./kWh)	1.3804	2.6845	N-CPI Local
Fixed O&M - Foreign (Rs./kWh)	0.2557	0.9211	US CPI & Rs./US\$
Return on Equity (Rs./kWh)	3.0298	3.0298	NIL
ROEDC (Rs./kWh)	0.9392	0.9392	NIL
Debt Service (Rs./kWh)	4.1524	7.7905	JPY/PKR & LIBOR
Indexation Values			Sources
Exchange Rate (US\$/PKR)	102.93	278.80	NBP
Exchange Rate (JPY/PKR)	0.9033	1.7305	NBP
N-CPI Local Base Yr. 2015-16	131.01	254.78	Pakistan Bureau of Statistics
US CPI	236.15	314.07	US Bureau of Labor Statistics
6 Month Yen LIBOR	0.1890%	0.07165%	Global-rates.com
Benchmark Energy (kWh) -Annual	28,532,000	28,532,000	Tariff Determination April 11, 2022
Outstanding Loan USD Mln	21.26	20.27	Tariff Determination April 11, 2022
Tariff Component	Reference Tariff Mar Apr 11, 2022	Indexed Tariff Sept 21, 2024 to Sept 20, 2025	Indexations
Water Use Charge* (Rs./kWh)	0.15000	0.2917	N-CPI Local
Indexation Values			Source
N-CPI Local Base Yr. 2015-16	131.01	254.78	Pak Bureau of Statistics

Based on the information provided by PPDCL.

*Water Use Charge (WUC) is subject to indexation on annual basis and the first such adjustment shall be due after one year of COD. According to PPDCL, Chianwali hydropower project achieved COD on Sept 21, 2023, thus WUC has been indexed w.e.f Sept 21, 2024 and shall remain applicable till Sept 20, 2025. Moreover, WUC shall be paid to the power producer upon production of payment evidence to the power purchaser.

The above indexations are on provisional basis and shall be subject to indexation in the light of Authority's COD Decision.





REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-556/CHP-2021/ **13885-87**

September 02, 2024

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Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING THE QUARTERLY INDEXATION OF THE CHIANWALI HYDROPOWER PROJECT OF PUNJAB POWER DEVELOPMENT COMPANY LIMITED FOR THE QUARTER JULY-SEPTEMBER 2024**

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 the Quarterly Indexation of the Chianwali Hydropower Project of Punjab Power Development Company Limited for the Quarter July-September 2024 on account of US CPI, N-CPI, Exchange Rate and 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]

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AK 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. 12500-12504 dated August 08, 2024]