

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

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 28th day of October, 2024

S.R.O. 1759 (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 October 01, 2024 along with Revised Tariff Components regarding quarterly indexation/adjustment of tariff of Punjab Thermal Power (Private) Ltd. for the quarter **July - September 2024** on account of US CPI, N-CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-408/PTPL-2017.

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
(Wasim Anwar Bhinder)
Registrar

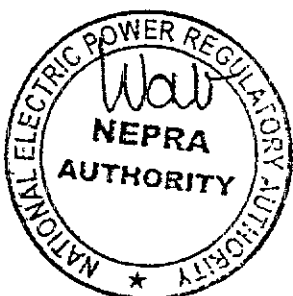


DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT ON COMBINED CYCLE OPERATIONS FOR JULY TO SEPTEMBER 2024 QUARTER FOR PUNJAB THERMAL POWER (PRIVATE) LIMITED.

1. Pursuant to the Authority's decision dated December 26, 2017 in the matter of tariff petition filed by Punjab Thermal Power (Private) Limited (hereinafter "PTPL"), decision dated June 7, 2018 notified vide S.R.O. No. 1059(I)/2018 on August 27, 2018 in the matter of Motion for Leave for Review of PTPL, decision dated February 24, 2021 in the matter of petition for revision of tariff determination for reduction of return on equity component and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/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 (Local), Exchange Rate and KIBOR variation.
2. PTPL vide letter dated July 26, 2023 requested for interim relief through quarterly indexation of relevant reference tariff components from COD in accordance with the indexation/adjustment mechanism already approved by the Authority, considering the significant liquidity issues being faced by the company.
3. Accordingly, after considering all aspects, the Authority vide its decision dated December 13, 2023 granted interim relief through indexation and directed PTPL to file COD true-up request not later than June 30, 2024.
4. PTPL vide letter dated July 1, 2024 submitted quarterly indexation/adjustment request for July-September 2024 quarter. However, PTPL did not submit COD tariff true-up request, in compliance to the direction of the Authority.
5. Keeping in view the peculiar nature of the case, the Authority has decided to allow quarterly indexation/adjustment for the July-September 2024 quarter. However, no further indexation / adjustment request shall be entertained until the submission of COD true-up application.
6. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which shall be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for July to September 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised tariff on combined cycle operations indicated hereunder shall be immediately applicable:

Tariff Components	Reference Jun 7, 2018, Feb 24, 2021 & Mar 10, 2021	Revised (RLNG) Jul-Sep 2024 Quarter
Capacity Charge (Rs./kW/h)		
Fixed O&M - Foreign	0.1041	0.3360
Fixed O&M - Local	0.0631	0.1510
Cost of Working Capital	0.0922	0.8161
ROE	0.2562	0.6499
Principal Repayment	0.3870	0.3870
Interest Charges	0.4241	1.1188
Total	1.3267	3.4588
Energy Charge (Rs./kWh)		
Variable O&M - Foreign	0.3079	0.9939
Total	0.3079	0.9939

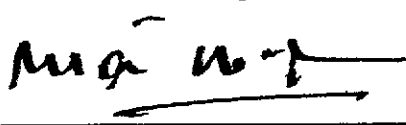


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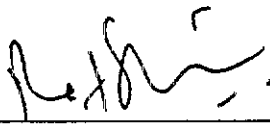


7. Indexation allowed to PTPL is purely on provisional basis and shall be subject to adjustment/refund, if necessary, in the light of COD tariff true-up decision.
8. The above decision of the Authority along with revised fuel cost components attached as Annex-I are to be notified in the official gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.


AUTHORITY

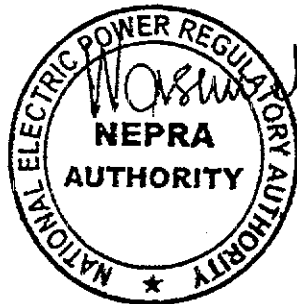
* 
Mathar Niaz Rana (nsc)
Member

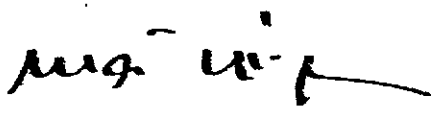

Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Amina Ahmed
Member


Waseem Mukhtar
Chairman

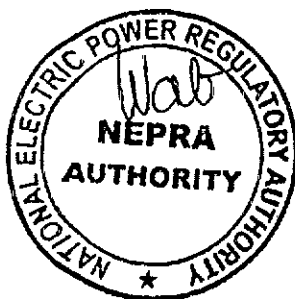


* My decision is attached

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Punjab Thermal Power (Pvt.) Limited
Adjustment on Account of Quarterly Indexation

Tariff Components	Reference Jun 7, 2018, Feb 24, 2021 & Mar 10, 2021	Revised (RLNG) Jul-Sep 2024 Quarter	Indexation
Capacity Charge (Rs./kW/h)			
Fixed O&M - Foreign	0.1041	0.3360	US CPI & Rs./US\$
Fixed O&M - Local	0.0631	0.1510	N-CPI Local
Cost of Working Capital	0.0922	0.8161	KIBOR & Fuel Price
ROE	0.2562	0.6499	Rs./US\$
Principal Repayment	0.3870	0.3870	-
Interest Charges	0.4241	1.1188	KIBOR
Total	1.3267	3.4588	
Energy Charge (Rs./kWh)			
Variable O&M - Foreign	0.3079	0.9939	US CPI & Rs./US\$
Total	0.3079	0.9939	
Indexation Values			Source
CPI (General)	217.98	-	Pakistan Bureau of Statistics - Revised value of Sep 2017
CPI (General)	268.25	-	Pakistan Bureau of Statistics - Revised value of May 2020
N-CPI (Local)	131.01	254.78	Pakistan Bureau of Statistics - Revised value of May 2024
US CPI (All Urban Consumer)	246.819	314.07	U.S. Bureau of Labor Statistics - Revised value of May 2024
Exchange Rate	109.90	278.80	NBP - Revised rate of Jun 28, 2024
3 Monthly KIBOR	6.14%	20.24%	SBP - Revised rate of Jun 28, 2024
6 Monthly KIBOR	6.15%	20.14%	SBP - Revised rate of Jun 28, 2024
Fuel Price (Rs./MMBTU)	906.28	3,937.29	Weighted Average Price of RLNG Consumed during Apr-Jun 2024
Principal Outstanding (Rs. Million)	58,337.00	54,465.36	
Hours in period (Semi Annual)	-	4,416	

- Based on the data declared by Punjab Thermal Power (Pvt.) Limited.



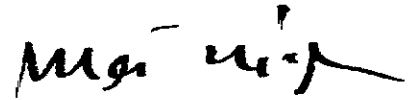
DECISION OF MEMBER TARIFF

Quarterly Indexation/Adjustment on Combined Cycle Operations for July to September 2024 Quarter for Punjab Thermal Power (Private) Limited

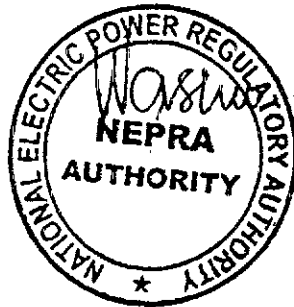
The decision of the Authority dated November 15, 2023, was based on the consideration that PTPL is an efficient power plant with a higher ranking in the Economic Merit Order. During the proceedings, the management of the Company explained that PTPL is facing significant liquidity challenges, which may lead to a default in payments due in December 2023 and a potential plant closure if interim relief is not ~~granted~~. This situation could have serious implications for the power sector.

Interim relief was granted under these considerations, without the submission of the COD application, with explicit instructions to file the application by June 30, 2024. Unfortunately, the Company has not adhered to this timeline and is now requesting an extension of the relief.

In light of this, I find no justification for extending the relief beyond June 2024, as doing so would set an undesirable precedent. The Company should be directed to submit the COD application at the earliest opportunity without further delay."



Mathar Niaz Rana (nsc)
Member Tariff





REGISTRAR

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Islamic Republic of Pakistan

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Website: www.nepra.org.pk, Email: info@nepra.org.pk

No. NEPRA/TRF-408/PTPL-2017/16413-15

October 28, 2024

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 PUNJAB THERMAL POWER (PRIVATE) LTD. 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 quarterly indexation/adjustment of tariff of Punjab Thermal Power (Private) Limited for the quarter July - September 2024' 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 [05 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. 15200-15204 dated October 01, 2024]