



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/ADG(Trf)/TRF-433/PMLTC-2018/ 11650-55

July 31, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation of the relevant reference Tariff Components of Pak Matiari-Lahore Transmission Company (Pvt.) Ltd. (PMLTC) Transmission Tariff for the Quarter July-September 2024 [Case # NEPRA/TRF-433/PMLTC-2018]**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with the revised tariff at **Annex-I** (total 03 Pages) regarding Quarterly Indexation/Adjustment of tariff of Pak Matiari Lahore Transmission Company (Pvt.) Ltd. (PMLTC) for the quarter **July-September 2024** on account of US CPI, N-CPI (Local), LIBOR and Exchange Rate (PKR/USD) variation in Case No. NEPRA/TRF-433/PMLTC-2018.

2. The decision is being sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: **As above**

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad

Copy to

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
3. Managing Director, National Transmission & Despatch Co. Ltd. (NTDC), 414 WAPDA House, Shaharah-e-Quaid-e-Azam, Lahore Tele: 042 - 9920 2229
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
5. Chief Executive Officer, Pak Matiari Lahore Transmission Co (Pvt.) Ltd. House No. 581, St. No. 17, Z-Block, DHA, Phase-III, Lahore Tele: 092-42-35746855



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION OF THE RELEVANT REFERENCE TARIFF COMPONENTS OF PAK MATIARI-LAHORE TRANSMISSION COMPANY PVT. LIMITED (PMLTC) TRANSMISSION TARIFF FOR THE QUARTER JULY TO SEPTEMBER 2024.

1. Pak Matiari Lahore Transmission Company (Private) Limited ("PMLTC" the "Company") vide letter dated September 22, 2021 informed that it has achieved Commercial Operations Date (COD) on September 01, 2021. PMLTC vide letter dated July 02, 2024 requested the Authority to allow quarterly indexation for the quarter July-September 2024.
2. The Authority considered the request of the Company and noticed that the COD adjustment request has been submitted to NEPRA for true-up / adjustment. The Authority further observed that interim relief has already been granted to different licensees which are subject to adjustment based on their final decision. The Authority also observed that the true-up/verification process need considerable time, accordingly keeping in view the aforesaid factors, the Authority decided to grant interim relief to the Company on provisional basis which is subject to the adjustment through COD decision.
3. **Order**
- 3.1 Pursuant to the Decision of the Authority dated December 04, 2018 issued in the matter of Matiari Lahore 4000 MW \pm 660 KV HVDC Transmission Line Project [Case # NEPRA/TRF-433/PMLTC2018], the tariff of Pak Matiari Lahore Transmission Company (Private) Limited (PMLTC) for the quarter July-September 2024 has been revised on account of CPI (General)/N-CPI, US CPI, LIBOR and exchange rate variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Transmission Services Charge Components	Revised Jul-Sep 2024 w.e.f 01.07.2024
Transmission Services Charge	(Rs./kW/Hour)
Foreign O&M	0.1532
Local O&M – ICT	0.0813
Local O&M – NTDC	0.1034
Land Lease	0.0073
Insurance	0.0409
Return on Equity	0.4486
Return on Equity during Construction	0.1036
Loan Repayment	0.9587
Interest Charges	0.7994
Sinosure	0.0189
Total Tariff	2.7154
<u>Indexation Values</u>	
Exchange Rate (Rs./USD)	278.8
US CPI (All Urban Consumers)	314.069
N-CPI (Base 2015-16)	254.78
6 Month LIBOR	5.68297%





3.2 The quarterly indexation allowed to Pak Matiari Lahore Transmission Company (Private) Limited (PMLTC) is purely on provisional basis till finalization of the COD stage tariff adjustments by the Authority.

3.3 The Authority in its collective and joint wisdom considering all aspects decided with consensus as under, which will be hereinafter referred as decision of the Authority in the matter;

"Indexation/adjustment for the quarter Jul-Sep 2024 has been made in the tariff components on account of US CPI, N-CPI (Local), exchange rate (PKR/USD) and LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority."

3.4 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.

3.5 CPPA-G to ensure that all the payments are consistent with tariff determination.

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Amina Ahmed
Member

Engr. Rafique Ahmed Shaikh
Member

Waseem Mukhtar
Chairman



Pak Matiari-Lahore Transmission Company Pvt. Limited
Quarterly Indexation/Provisional Adjustment of Transmission Services Charge Components

Transmission Services Charge Components	Reference tariff	Revised Jul-Sep 2024 w.e.f 01.07.2024	Indexation
Date of Decisions	December 04, 2018		
Transmission Services Charge	(Rs./kW/Hour)		
Foreign O&M	0.0441	0.1532	PKR/USD, US CPI
Local O&M – ICT	0.0418	0.0813	N-CPI
Local O&M – NTDC	0.0532	0.1034	N-CPI
Land Lease	0.0073	0.0073	Will be adjusted at COD
Insurance**	0.0409	0.0409	Will be adjusted at COD
Return on Equity	0.1680	0.4486	PKR/USD
Return on Equity during Construction	0.0388	0.1036	PKR/USD
Loan Repayment	0.3590	0.9587	PKR/USD
Interest Charges	0.1637	0.7994	PKR/USD, LIBOR
Sinosure**	0.0189	0.0189	Will be adjusted at COD
Total Tariff	0.9357	2.7154	
Indexation Values			Sources
Exchange Rate (Rs./USD)-	104.40	278.80	Available on Jun 30, 2024 (NBP)
US CPI (All Urban Consumers)	241.38	314.069	US Bureau of Labor Statistics- May 2024
N-CPI (Base 2015-16) May 2020	131.01	254.78	Pakistan Bureau of Statistics- May 2024
6 Month LIBOR	1.1442%	5.68297%	Available on Jun 30, 2024 (Global-rates)
Principal Outstanding(USD)		1,002,934,444	
Contracted Capacity		4,000 MW	
No of hours in a year		8760	
Benchmark energy (kWh) (Annual)		35,040,000,000	

* Above Indexation is on the basis of the information provided by PMLTC.

* Indexation of tariff components are purely on provisional basis till finalization of the COD stage tariff adjustments by the Authority.

** Insurance and Sinosure component is not part of quarterly indexation. Insurance is adjusted annually on actual basis as per mechanism stipulated in the Decision of the Authority. Insurance and Sinosure will be adjusted at COD.

