



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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**Registrar**

No. NEPRA/R/ADG(Trf)/TRF-433/PMLTC-2018/5254-58

April 18, 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 April-June 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 **April-June 2024** on account of CPI (General)/N-CPI, US CPI, LIBOR and Exchange Rate 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

(Engr. Mazhar Iqbal Ranjha)

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

Copy to (along with copy of subject Decision)

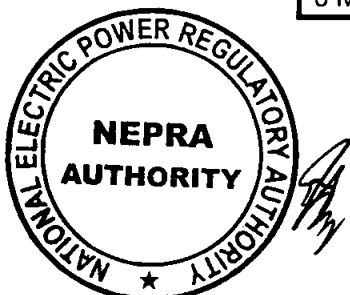
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
3. Managing Director, National Transmission & Despatch Co. Ltd. (NTDC), 414 WAPDA House, Shaharah-e-Qauid-e-Azam, Lahore Tele: 042 - 9920 2229
4. Chief Executive Officer, 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 APRIL TO JUNE 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 April 1<sup>st</sup>, 2024 requested the Authority to allow quarterly indexation for the quarter April-June 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 April-June 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<br>Apr-Jun 2024<br>w.e.f 01.04.2024 |
|---|---|
| <b>Transmission Services Charge</b>     | <b>(Rs./kW/Hour)</b>                        |
| Foreign O&M                             | 0.1512                                      |
| Local O&M – ICT                         | 0.0830                                      |
| Local O&M – NTDC                        | 0.1056                                      |
| Land Lease                              | 0.0073                                      |
| Insurance                               | 0.0409                                      |
| Return on Equity                        | 0.4482                                      |
| Return on Equity during Construction    | 0.1035                                      |
| Loan Repayment                          | 0.9186                                      |
| Interest Charges                        | 0.8750                                      |
| Sinosure                                | 0.0211                                      |
| <b>Total Tariff</b>                     | <b>2.7543</b>                               |
| <b><u>Indexation Values</u></b>         |   |
| Exchange Rate (Rs./USD)                 | 278.50                                      |
| US CPI (All Urban Consumers)            | 310.326                                     |
| N-CPI (Base 2015-16)                    | 260.01                                      |
| 6 Month LIBOR                           | 5.58598%                                    |



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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.

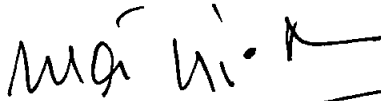
3.3 The Authority in its collective and joint wisdom considering all aspects decided with consensus as under, which will be hereinafter referred as decision of the Authority in the matter;

"Indexation/adjustment for the quarter Apr-Jun 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



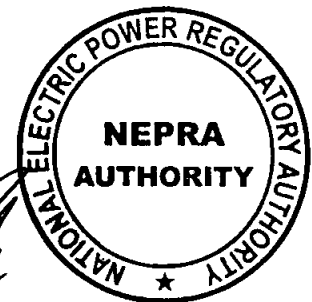
Engr. Rafique Ahmed Shaikh  
Member



Amina Ahmed  
Member



Waseem Mukhtar  
Chairman



18/04/24

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

| Transmission Services Charge Components | Reference tariff     | Revised<br>Apr-Jun 2024<br>w.e.f 01.04.2024 | Indexation                              |
|---|----------------------|---|---|
| Date of Decisions                       | December 04,<br>2018 |   |   |
| Transmission Services Charge            | (Rs./kW/Hour)        |   |   |
| Foreign O&M                             | 0.0441               | 0.1512                                      | PKR/USD, US CPI                         |
| Local O&M – ICT                         | 0.0418               | 0.0830                                      | N-CPI                                   |
| Local O&M – NTDC                        | 0.0532               | 0.1056                                      | 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               | 0.4482                                      | PKR/USD                                 |
| Return on Equity during Construction    | 0.0388               | 0.1035                                      | PKR/USD                                 |
| Loan Repayment                          | 0.3396               | 0.9186                                      | PKR/USD                                 |
| Interest Charges                        | 0.1831               | 0.8750                                      | PKR/USD, LIBOR                          |
| Sinosure**                              | 0.0211               | 0.0211                                      | Will be adjusted at COD                 |
| <b>Total Tariff</b>                     | <b>0.9379</b>        | <b>2.7543</b>                               |   |
| <b>Indexation Values</b>                |                      |   | <b>Sources</b>                          |
| Exchange Rate (Rs./USD)-                | 104.40               | 278.50                                      | NBP- Mar 29, 2024                       |
| US CPI (All Urban Consumers)            | 241.38               | 310.326                                     | US Bureau of Labor Statistics- Feb 2024 |
| N-CPI (Base 2015-16) May 2020           | 131.01               | 260.01                                      | Pakistan Bureau of Statistics- Feb 2024 |
| 6 Month LIBOR                           | 1.1442%              | 5.58598%                                    | Global-rates.com - Dec 29, 2023         |
| Principal Outstanding(USD)              |                      | 1,060,712,972                               |   |
| 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.

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