

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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PRESS RELEASE

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Subject: REDUCTION IN TARIFF OF BAGASSE, WIND AND SOLAR PV POWER PLANTS
ESTABLISHED UNDER RENEWABLE ENERGY POLICY 2006

NEPRA in another landmark decision has reduced the Return on Equity (ROE), Return on Equity during Construction (ROEDC), Operation & Maintenance and Insurance components of seven (07) bagasse, three (03) wind and two (02) solar PV Independent Power Producers (IPPs) having cumulative capacity of around 355 MW. Additionally, the tariff share of these IPPs, for energy generation beyond their respective annual plant factors, has also been reduced. The reduction in tariff will result in estimated savings of around Rs. 150 Billion over the remaining life of the projects.

The Authority under the prevailing rules and regulations admitted the applications submitted by Central Power Purchasing Agency (CPPA-G) for tariff adjustments of these plants and subsequently conducted hearings in the matter on March 03, 2021. After detailed deliberations, the Authority today finalized their decision to revise the tariff components of these power plants.

These savings are in addition to the recent tariff reduction of 12 thermal power plants estimated to save Rs. 182 Billion over the remaining life of the projects. So, total savings including these and earlier determination of the 12 thermal power plants is around Rs. 332 Billion.

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