



PAKISTAN ELECTRIC POWER COMPANY (PVT.) LIMITED

LAKHRA POWER GENERATION COMPANY LIMITED

150 MW POWER STATION DADU ROAD, DISTRICT JAMSHORO

Phone No. 022-9210025 & Fax No.022-9210024

PABX Nos. 022-9210021-23

E-mails: (1) ceolpgcl23@yahoo.com

(2) genco4@yahoo.com



Chief Executive Officer

No.CEO/LPGCL/RENTAL/UNSOLICITED/NEPRA/TARIFF/02 (Camp at Lahore) Dated 07-10-2009.

→ Engr. Arshad Mahmood,
Registrar NEPRA,
2nd Floor,
OPF Building, G-5/2,
Islamabad.

Subject: - **PETITION FOR DETERMINATION OF TARIFF FOR
UNSOLICITED RENTAL POWER PROJECT PROPOSED BY M/S
ABBAS STEEL GROUP (PVT) LTD.**

Kindly find enclosed herewith the comprehensive Tariff Petition for Determination of Tariff by National Electric Power Regulatory Authority (NEPRA) under provisions of the NEPRA Standards and Procedure Rules 1998 with regard to Energy Block -V (Proposed) for sale of power to the National Transmission and Dispatch Company Limited (NTDC) through the Rental Power Project of Abbas Steel Group (Pvt.) Limited at Dadu.

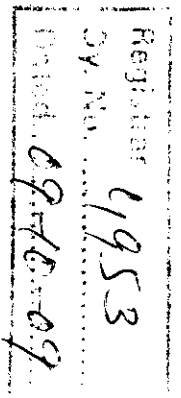
The subject Tariff Petition is being submitted under directives of the offices of General Manager, WPPo & PEPCO, Wapda House, Lahore and that the sponsor of the project would be obliged to associate himself with the tariff approval proceedings at NEPRA, Islamabad.

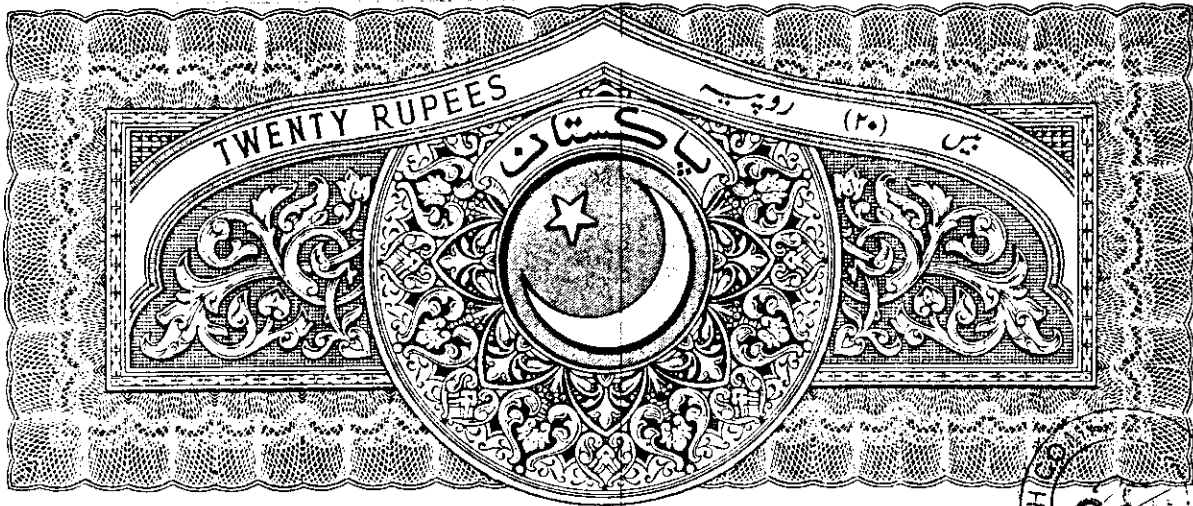
It is pertinent to mention that the enclosed case is of fast track nature and the Tariff is to be determined by NEPRA with regard to this 'Un-solicited Power Project' by ASG (Pvt.) Ltd. with-in the minimum period prescribed time.

[Hafeez-ur-Rehman Abbasi]
Chief Executive Officer

Total Pages Enclosed: 73 nos. only.

Cc. (1) MD PEPCO, 724-WAPDA HOUSE, Lahore;
(2) GM (WPPo), 325-WAPDA HOUSE, Lahore;
(3) ASG (Pvt.) Ltd.123-Old Clifton, Karachi.





BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

AFFIDAVIT

I, HAFEEZ-UR-REHMAN ABBASI, CHIEF EXECUTIVE OFFICER,
 Lakhra Power Generation Company Limited hereby solemnly affirm and
 declare that the contents of the accompanying petition / application No. CEO/
 LPGCL/RENTAL/UNSOLICITED/NEPRA/TARIFF/02(Camp at Lahore)
 Dated 07.10.2009 including all supporting documents are true and correct to
 the best of my knowledge and belief and that nothing has been concealed. I also
 affirm that all further documentation and information to be provided by me in
 connection with the accompanying petition shall be true to the best of my
 knowledge and belief.

(HAFEEZ-UR-REHMAN ABBASI)
 Chief Executive Officer,
 Lakhra Power Generation Co. Ltd;

Date: 07.10.2009



Stamp of the Company:

Witness:

Mr. Aftab Ahmed Lashari
 Manager Finance (LPGCL.)

Recognized & Signatures Attested by:

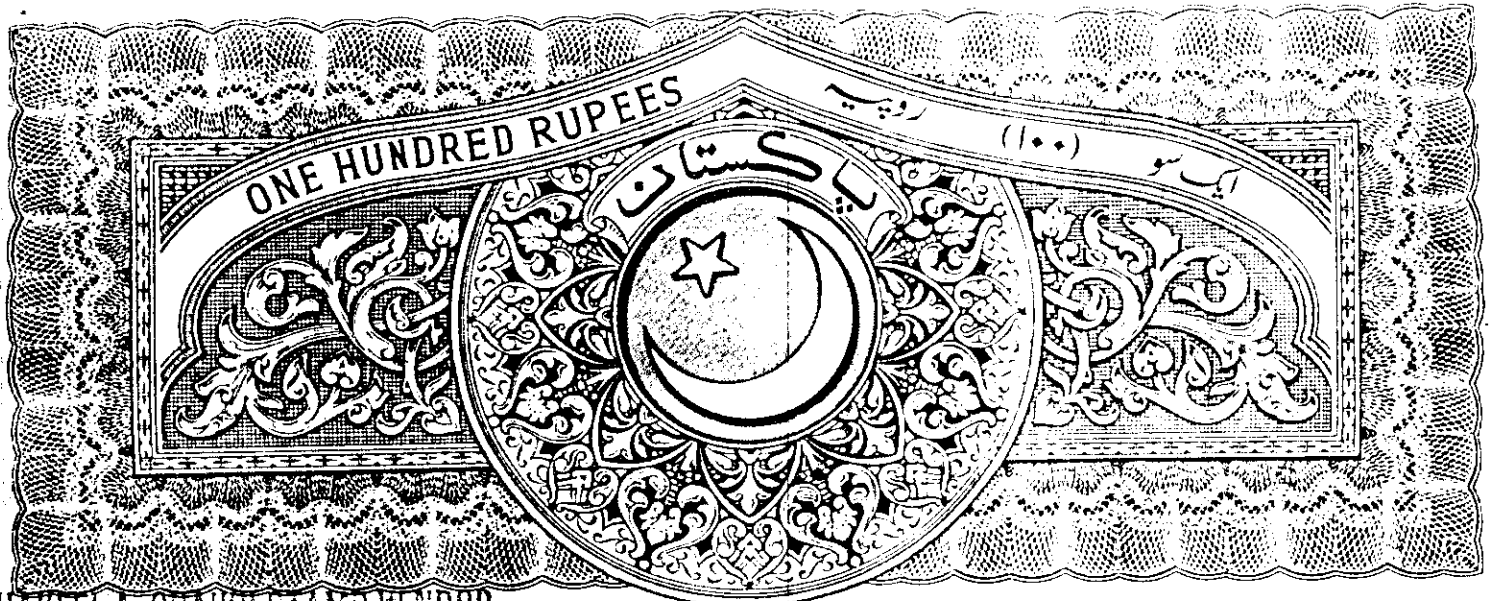
ATTESTED

BABAR KHAN
 Commissioner
 NEPRA Lahore

LAKHRA POWER GENERATION COMPANY
LIMITED



TARIFF PETITION
FOR PROPOSED RENTAL POWER PLANT OF
M/S ABBAS STEEL GROUP (PVT) LTD.
123 OLD CLIFTON KARACHI, PAKISTAN



SHAKEEL A. SHAIKH STAMP VENDOR

Licensed No. 23, Stamp # 30

03 OCT 2009

Stamp Vendor's Address: 23, Main Market, Lahore.

S. No. 2882
 Issue No. M/s Abbas Steel (Pvt) Ltd.
 Through Stamp
 Purpose Stamp
 Value 100
 Stamp Vendor's Signature [Signature]

BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
AFFIDAVIT

I, Khalid Khan, Chief Operating Officer, Abbas Steel Group (Pvt) Ltd. being duly authorized representative/attorney of Abbas Steel Group (Pvt) Ltd., hereby solemnly affirm and declare that the contents of the accompanying petition/ application No. - CEO/LPGCL/02 Dated: 07-10-2009 including all supporting documents are true and correct to the best of my knowledge and belief and that nothing has been concealed. I also affirm that all further documentation and information to be provided by me in connection with the accompanying petition shall be true to the best of my knowledge and belief.

[Signature]

Chief Operating Officer
 Abbas Steel Group (Pvt) Ltd.
 Date: 03-10-2009

[Signature]

**LAKHRA POWER GENERATION COMPANY
LIMITED**



**TARIFF PETITION
FOR PROPOSED RENTAL POWER PLANT OF
M/S ABBAS STEEL GROUP (PVT) LTD.
123 OLD CLIFTON KARACHI, PAKISTAN**

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Tariff Petition Calculation with Regard to Unsolicited Rental Power Proposal of Abbas Steel Group (Pvt) Ltd. at Dadu.

Background:

M/s Abbas Steel Group (ASG) submitted an unsolicited Rental Power Proposal dated 30.04.2009 (Copy attached:A) to honourable Minister for Water & Power for 100 MW capacity at Dadu Sindh on fast track basis. Deputy Secretary Power Ministry of Water & Power vide letter No P-II-7(166)/89-A dated 02.06.2009 (Copy attached:B) intimated that Minister for Water & Power/Chairman PPIB has approved 100 MW fast track rental Power project at Dadu Sindh and advised PEPCO to negotiate and finalize the tariff, site, power interconnection arrangements and Rental Services Contract on an urgent basis. PEPCO BOD on 06.06.2009 discussed the project and accepted it subject to ECC approval.

Abbas Steel Group submitted a revised proposal dated 11.06.2009 (Copy attached:C), keeping its Rental Charges intact. ASG vide their letter dated 15.06.2009 (Copy attached:D) also confirmed the site of Dadu Grid Station, suitable for installation of rental Power Plant. WPPo requested the Company through letter No GM(WPPO)CE-IV/DC/7824-26 dated 17.06.2009 (Copy attached:E) to rationalize the tariff as per ECC guidelines of Rental Tariff lower than the tariff allowed to IPPs based on similar technology for the first 10 years. ASG submitted a revised proposal dated 02.07.2009 (Copy attached:F) wherein it seems that the Rental Tariff for the plant was further decreased. PEPCO high level Standing Committee for unsolicited proposals in its internal meeting of 09.07.2009 discussed the issues pertaining to unsolicited proposals including Abbas Steel Group (ASG). Based on discussion and meetings with the committee ASG submitted a revised proposal dated 21.7.2009 (Copy attached:G) explaining the rationale of proposed Rental Tariff and decreasing it to US Cents 4.5125/kWh. Secretary PEPCO Committee on unsolicited projects through letter No GM(WPPO)/FD(R)/9954-56 dated 29.07.2009 (Copy attached:H) in its letter to ASG requested the Company to rationalize rental tariff and remove the discrepancy in quoted figures of Fuel Cost Component. In response ASG further reduced its rental tariff to US Cents 4.47/kWh in its proposal dated 01.08.2009 (Copy attached:I). ASG has now submitted a final Rental Power Proposal dated 18.09.2009 (Copy attached:J) for submission to NEPRA for Tariff determination of their project.

The office of General Manager WPPo through letter No. GM (WPPO)CE-IV/DC/13198-13201 dated 11.09.2009 (Copy attached:K) requested LPGCL to file tariff determination case for Abbas Steel with NEPRA immediately, it was advised that requisite information in this connection may be obtained from the sponsor of the project, who would also be obliged to associate himself with the tariff determination proceedings. In this connection following documents were forwarded through said letter:

1. Summary for ECC bearing number 15(25)/2009-P-II dated 17.08.2009
2. ECC in its decision case No ECC-121/15/2009 dated 21.08.2009
3. Summary for the Cabinet No.15(25)/2009-P-II dated 26.08.2009
4. Minutes of Cabinet meeting No. PI-6(54)/2009 dated 01.09.2009

5. MoW&P letter No. P-II.15(25)2009 dated 04.09.2009

The Ministry of Water & Power in its Summary for ECC bearing number 15(25)/2009-P-II (Annex-I) put forward the case for unsolicited rental power projects as under:-

“The MoW&P received a few unsolicited proposals which were offering a reasonable tariff compatible to the average rental tariffs received through ICB and are compliant to the ECC guidelines. The efficiency and available standards for these power plants and the financial model are the same as ICB projects”.

In this connection the Summary listed unsolicited proposals for Naudero-I, Naudero-II, Sammundri Road Extension and Karkey up-gradation for a total installed capacity of 473 MW. It was proposed as noted below:

“That in view of the prevailing energy crises in the country the Ministry may be allowed to go ahead with the said unsolicited proposals. The tariff for unsolicited projects shall also be duly submitted to NEPRA for scrutiny and vetting”.

ECC in its decision case No ECC-121/15/2009 dated 21.08.2009 (Annex-II) decided at Sr. No. iii as under:

“The approved, unsolicited projects shall be required to obtain approval of their proposed tariff from NEPRA within the minimum period prescribed”.

The Secretary, MoW&P moved a summary dated 26.08.2009 (Annex-III) to the Cabinet wherein approval of the Cabinet at Para-4 is solicited as under:-

“It is therefore requested that in view of the prevailing energy crises in the country, and Government’s public announcement to end load shedding, the Ministry of Water & Power may be allowed to go ahead with the balance of ICB Projects totaling upto 2216 MW from amongst the ICB/Unsolicited projects in Annexure V & VI. The ECC vide its decision on 21.08.2009 has already authorized the Ministry to undertake suitable adjustments/substitution and capping from the projects already in pipeline. The unsolicited projects shall however, be to obtain approval of their proposed tariff from NEPRA within the minimum period prescribed, as already decided by ECC as well”.

MoW&P vide letter No. P-II.15 (25)2009 dated 04.09.2009 (Annex-IV) addressed to Managing Director PEPCO and General Manager WPPCO advised as noted below:

“1. Pursuant to the decisions taken in the ECC and Cabinet meetings on Rental Power Projects, you are advised to direct concerned authorities to file tariff determination cases to NEPRA in respect of the following Unsolicited Rental Power Projects immediately:

- (i) Naudero-I, 50 MW, gas fired.
- (ii) Naudero-II, 51 MW, gas fired.
- (iii) Abbas Steel, 100 MW, Dadu, RFO based.
- (iv) Karkey II, 222 MW, Korangi / Mauripur, Karachi.
- (v) Sammundri Road Extension Faisalabad, 150 MW.

2. Necessary coordination may also be done with NEPRA to complete the process within the prescribed time as decided by the ECC”.

M/s Abbas Steel proposal for 100+MW Rental Power Project dated 18.09.2009 is submitted for determination of tariff by NEPRA for the project. It is added that as per terms to be executed under the Rental Services Contract and/or otherwise, certain charges will accrue that have to be borne by LPGCL due to provision of, construction of interconnection facility and fulfillment of BUYER's liabilities/responsibilities for the project.

Project Details:

M/s Abbas Steel Group, Karachi shall provide hereunder the performance warranties/ guarantees for the Rental Equipment offered complying with the requirements prescribed by the BUYER (Lakhra Power Generation Company Limited) under provisions of Rental Service Contract to be signed, compatibility with NTDC's system and the following minimum technical requirements:

- i. Guaranteed Electrical Output: 100 MW. This capacity will be provided from Dadu through 132 kv HESCO provided line gantry at site.
- ii. Guaranteed Availability of Equipment 88%.
- iii. The Rental Power Plant shall be capable of operating within the range of $\pm 10\%$ on the 132 Kv high voltage systems which range shall not be exceeded.
- iv. The 'Net Heat Rate' of the Plant Shall be 9,481 BTU/KWH.

The Power shall be generated at the plant located at Dadu and shall be dispersed to the load center of HESCO 132 Kv Line gantry at site.



ABBAS STEEL GROUP INFORMATION & POWER PROJECT EXPERIENCE DATA:

S.No.	Item	Information
1.	Name of Company	Abbas Steel Group (Pvt.) Ltd.
2	Company role in the Project completed.	Promoters, Sponsors, Developers, Governor
3	Name of Project	Dadu Power Company (Pvt.) Ltd. (Proposed)
4	Company share in the equity of the completed project	Abbas Steel Group Pvt. Ltd. & Foreign Consortium of ASG
5	Location of Plant	Near Grid Station Dadu
6	Name of Owner Contact Person Address Telephone Fax Email address	Abbas Steel Group Pvt. Ltd., Sabeen Sakina and other individuals Khalid Khan 123 Old Clifton, Karachi 021-35870171 021-35862494 k.khan@asgpk.com
7	Name of Power Purchase	Lakhra Power Generation Company Ltd. (LPGCL - GENCO IV)
8	Capacity of Plant	105 MW
9	Type of Plant	HFO fired plant
10	Fuel of Plant	Heavy Fuel Oil (HFO)
11	Number and rated capacity of units	10 Units of 10.5 MW each
12	Status of plant	Received EPC Proposal and negotiations are underway for finalization
13	Number of years of successful operation	Several years of operations, technical and management expertise of multi-sector projects. The company has a pool of highly skilled and experienced personnel to setup & operate power projects and has collaboration with Experienced Technical and Management Consultants. 1. MEConsult Pvt. Limited having experience of developing more than 2000 MW of Power Projects. MEConsult will form the Management and Operations Committee for the development, financing, construction and operations of the Project.

		2. Experienced EPC and O&M Contractors for construction and operations and maintenance of the Project.
14	Principal manufacturers of major equipment	MAN B&W, Germany
15	List of specific major tasks/Services performed by Company	<ol style="list-style-type: none"> 1. Set up three rolling mills in Karachi for the production of wire rod and steel Bars. 2. Set up a downstream industry for wire drawing in Karachi for value addition. 3. Wide experience of corporate and Financial management. 4. Group employs about 500 skilled and unskilled personnel.
16	Date of award of project	Yet to be awarded.
17	Duration of construction period	Six months plus one month Grace Period.
18	Commercial operations date of each unit	Six months from the date of availability of Mobilization Advance Payment by LPGCL – Target Commercial Operations Date – July 1, 2010
19	Total capital cost of Project	USD 109.144 million
20	Companies and institutions who financed the project	Abbas Steel Group and consortium of local & foreign banks

Project Data:

1	Project Description (technology)	Reciprocating Engine HFO fired
2	Project Site	Near Grid Station Dadu
3	Fuel	Heavy Fuel Oil
4	No of Units and Configuration of Rental Power Plant	10 of 10.5 MW each
5	Equipment Description	
	Manufacturer	Engine – MAN B&W
	Type/model	9L 58/64
	Gross Capacity (ISO)	11.9 MW
	Gross Capacity (at Mean Site Conditions)	10.5 MW
	Net Capacity (ISO)	11.4 MW
	Net Capacity (at Mean Site Conditions)	10.0 MW

Project Schedule:

S.No.	Activity	Period
1.	Assumption: Issuance of LOA	November 1, 2009
2	Finalizing of Rental Services Contract	December 1, 2009 Mobilization Advance – January 1, 2010
3	Construction Start	December 15, 2009
4	Testing	June 15, 2010
5	Commercial Operation	July 1, 2010

Proposed Tariff for Determination of NEPRA:

The Rental Power Plants have been assumed to be separate Energy Block for the purpose of tariff. The proposed tariff in respect of M/s Abbas Steel Group (ASG) of 100 MW (Net Capacity) is hereby submitted for approval of National Electric Power Regulatory Authority, under Rule 3 of NEPRA (Tariff standards and procedure) Rules, 1998.

The Reference Tariff has been proposed in two parts i.e. Capacity Purchase Price (CPP) in US \$ and its conversion in Pk Rs (Financial Cost Inclusive) and Energy Purchase Price (EPP) in Pk Rs. during the whole period for the offered Rental Term (i.e. five years) as given below:-

Year	Capacity Charge Rate		Energy Purchase Price (EPP)
	(US\$/KW/Month)	Pak.(Rs/KW/Month)	(Rs/Kwh)
2010	31.350	2589.51	6.126
2011	31.545	2605.52	6.126
2012	30.908	2553.00	6.126
2013	30.259	2499.39	6.126
2014	29.778	2459.66	6.126

Moreover, supplemental Charges/Pass-through items have also to be proposed later on actual basis to be charged through Central Power Purchase Agency (CPPA) to NTDC and would be applicable from Commercial Operation Date (COD).

The Seller's Proposed Tariff with Reference Exchange Rate of US \$ viz-a-viz Pk. Rs. taken to be Pk. Rs. 82.60 per \$ is as under:

Year	Rental Charges (US Cent/Kwh)	Energy Purchase Price (EPP)	
		(US Cent/Kwh)	(Rs/Kwh) @ 82.60/US\$ Exchange Rate
2010	4.470	7.4165	6.126
2011	4.470	7.4165	6.126
2012	4.470	7.4165	6.126
2013	4.470	7.4165	6.126
2014	4.470	7.4165	6.126

Lump Sum Rental Charges for 60 Month Rental Term

Description	Duration (Months)	Lump Sum Rental Charges (US \$)
Rental Services of the Equipment including but not limited to SELLER'S responsibilities shall be mentioned in the Rental Services Contract: Transport to/from Company Site Mobilization and de-mobilization Installation and commissioning Operation and maintenance	60 Months	\$ 172,291,680- (US Dollar One Hundred Seventy Two Million two hundred ninety two thousand Six Hundred Eighty only)

Assumptions:

(a) *The calculation of Energy Charge Price and Capacity Purchase Price:* indicated in terms of Rs/Kwh and US\$/Kw/Month, respectively, are intended to remain effective for five years, provided no major event or events occur, during the period, rendering submission of revised tariff necessary. The Fuel Cost Component of the Energy Purchase Price shall, however be adjusted according to the price changes with reference to Furnace Oil as benchmark of Rs.26.000/M.Ton.

(b) *The Financial Cost assumption:* is based on the cost expected to be incurred by LPGCL associated with the Down payment of 14% of the Project Lump Sum Contract price in addition to the Capacity Charge Price (to be paid to Dadu Power Company (Pvt) Ltd: (proposed). and it is variable over during the period of the offered Rental Term in line with the retirement of debt and it will be paid to the banks as given below:

Year	Financial Cost(US Cent/Kwh)
2010	0.3911
2011	0.4216
2012	0.3223
2013	0.2213
2014	0.1464

(c) *The Reference Tariff comprises of the following two parts:*

I. Capacity Purchase Price (CPP)

- a) Escalable Component
- b) Non-Escalable Component

• **Escalable Component**

Escalable Component of Capacity Purchase Price (CPP) would cover the following O& M Costs:

- Rental Payments (The rental payments are fixed over period of 5 years)
- Financial Cost of Advance Payment.
- Confirmation of counter Guarantee.
- Establishment Cost of Running Business.

• **Non-Escalable Component.**

- Non-Escalable Component of Capacity Purchase Price (CPP) would cover the following Costs:
Cost of working Capital financing, if any.

II. Energy Purchase price (EPP)

Fuel Cost Component

(d) *Supplemental / Pass Through Items:* We have assumed that, during the ensuing years, the company will remain exempt from all obligations to contribute towards, Income Tax, Worker Profit Participation Fund and Workers Welfare Fund. Any actual payment on account of the following and like nature shall be pass-through on NTDC.

- Actual payment to workers Welfare and Project Participation Funds.
- Actual Income Tax/Turnover Tax.
- General Sales Tax.
- Any other Duties/Tax etc.

- Insurance Costs due to change in policy.
- Variation in Fuel Prices.
- Electricity Duty on In-house consumption of Energy.
- Expenditure on modification or expansion of the protective Devices required by the NTDC.
- Custom Duties for Consumable stores as per Rental Service Contract(s).
- Financial Charges on funds involved in the payment of Custom duties on the Plant & Equipment to be re-exported as per Rental Services Contract(s).
- Financial Charges on establishment of letter of Credit (Fuel Price L/C – FPLC).
- Generation License Modification Fee & Tariff petition Fee.
- Further capital expenditure or any other costs.
- Interconnection charges.

(e) Adjustments

- 1) *The Fuel Cost Component will be subject to adjustment for any change in Fuel Price with respect to the reference Fuel Price in accordance with the following formula:*

$$FCC_c = FCC_{(REF)} \times \text{Fuel Price Factor}$$

Where:

FCC_c = Fuel Cost Component on the relevant date C.

$FCC_{(Ref)}$ = the value of FCC as given in the table at Reference Fuel Price.

Fuel Price Factor = $\frac{\text{Fuel Price}_p}{\text{Fuel Price}_{Ref}}$

Fuel Price p = the per unit delivered price of fuel HFO at the plant as established by – GOP (Pakistan State Oil (PSO) Ex-Kemari (After correction for standard and expressed in Rupees), at date “p” and

Fuel Price REF = the per unit delivered price of fuel at the plant (after correction for standard and express in Rupees), at reference date which is Rs.26,000/- pr Metric Ton HFO in case of HFO fuel (including transportation charges). This price is without GST.

II) *Indexation of Capacity Purchase price:*
Foreign Exchange Parity Adjustment:
The fixed Rental Charges shall be adjusted for foreign exchange variation according to the following formulae:\

$$FC - FX_{(Adj.)} = FC - FX_{(Org.)} \times DR_{(Rev.)}/82.60$$

Where:


$FC - FX_{(Adj.)}$ = The applicable Fixed Charge inclusive O&M based on a Dollar to Rupee exchange Rate of 82.60


$DR_{(Rev.)}$ = the revised TT and OD selling rate of US\$ as notified by The National Bank of Pakistan applicable on the first day of the month for which the payment to LPGCL is due.

$DR_{(Rev.)}$ = Fuel Price_p ÷ Fuel Price_{Ref.}

The Schedule and calculation of Rental is attached as Annexure-I, II, III & IV. The affidavit of the Proposed Seller Party is enclosed herewith to support the information provided in this petition.

Note: Waiver of tariff petition fees may kindly be allowed for this petition.


[Aftab Ahmed Lashari]
Manager Finance


[Hafeez-ur-Rehman Abbasi]
CEO LPGCL (GENCO-IV)

Annexure-I

LAKHRA Power Generation Company Limited
 Projected Generation Rental Power Projects

	2010	2011	2012	2013	2014
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Rental Block- Abbas Steel Group (ASG)

Gross Capacity	MW	105.0	105.0	105.0	105.0	105.0
Aux: Consumption	%	5.0	5.0	5.0	5.0	5.0
Net Dependable Capacity	MW	100.0	100.0	100.0	100.0	100.0
Availability		88%	88%	88%	88%	88%
Operating Hours		8760	8760	8760	8760	8760

Net electrical Out Put (NEO)

Gwh

770.88	770.88	770.88	770.88	770.88
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		2010	2011	2012	2013	2014
Calculation of Energy Charge Price						
Rental Block- Abbas Steel Group (ASG)						
Gross Capacity	MW	105	105	105	105	105
Net Dependable Capacity	MW	100	100	100	100	100
Aux. Consumption	%	5%	5%	5%	5%	5%
Availability	%	88%	88%	88%	88%	88%
Heat Rate	Btu/Kwh	9,481.0	9,481.0	9,481.0	9,481.0	9,481.0
Hours in a year		8,760	8,760	8,760	8,760	8,760
Fuel Price - Furnace Oil	Rs./M.Ton	26,000	26,000	26,000	26,000	26,000
Calorific Value- Furnace Oil	BTU/Kg	40,240	40,240	40,240	40,240	40,240
Net Electrical Out Put - NEO	Gwh	770,880	770,880	770,880	770,880	770,880
Fuel Quantity Consumed - F.Oil	M. Tons	181,628.06	181,628.06	181,628.06	181,628.06	181,628.06
Fuel Cost - F.Oil	Million Rs	4,722.330	4,722.330	4,722.330	4,722.330	4,722.330
Fuel Cost Per Unit	Rs./Kwh	6.126	6.126	6.126	6.126	6.126
Over all EPP						
Total NEO	Gwh	770,880	770,880	770,880	770,880	770,880
Total Fuel Cost	Million Rs	4,722.330	4,722.330	4,722.330	4,722.330	4,722.330
Over all Fuel Cost	Rs./Kwh	6.126	6.126	6.126	6.126	6.126

		2010	2011	2012	2013	2014
Calculation of Capacity Charge Price						
Rental Block - Abbas Steel Group (ASG)						
Net Dependable Capacity	MW	100	100	100	100	100
Non-Escalable Component	Mili. US \$	Nil	Nil	Nil	Nil	Nil
Escalable Component						
1. Rental Charges	Mili. US \$	34,458	34,458	34,458	34,458	34,458
2. Financial Cost of Advance Payment payable to Banks	Mili. US \$	2,537	3,250	2,484	1,706	1,129
3. Other Cost						
a) Arrangement Fee (0.25% of Loan amount)	Mili. US \$	0,060	-	-	-	-
b) FED @ 10% Advisory Fee	Mili. US \$	0,006	-	-	-	-
c) Legal Fee	Mili. US \$	0,006	-	-	-	-
d) Agency Fee	Mili. US \$	0,008	-	-	-	-
e) FED @ 10% on Agency Fee	Mili. US \$	0,001	-	-	-	-
f) Out of Pocket Expenses	Mili. US \$	0,001	-	-	-	-
g) Counter Guarantee Charges @ 3.27% on loan amount of Rs. 1,992,380,971 (50%chargable to LPGCL)	Mili. US \$	0,394	-	-	-	-
h) Cost of Business						
i. Salaries of Staff	Mili. US \$	0,133	0,133	0,133	0,133	0,133
ii. Other Office Expenses (10% of Salaries)	Mili. US \$	0,013	0,013	0,013	0,013	0,013
Supplementary Charges / Pass Through Items						
(To be reimbursed on actual basis)						
a. Actual payment to Workers Welfare and Project Participation funds	Mili. US \$					
b. Actual Income Tax / Turnover Tax	Mili. US \$					
c. General Sales Tax	Mili. US \$					
d. Any other Duties/Tax etc.	Mili. US \$					
e. Insurance Cost due to change in policy	Mili. US \$					
f. Variation in Fuel Prices.	Mili. US \$					
g. Electricity Duties on In-house consumption of Energy.	Mili. US \$					
h. Expenditure on modification of expansion of the protective Devices required by the NTDC.	Mili. US \$					
i. Custom Duties for Consumable stores as per Rental Service Contract (s)	Mili. US \$					
j. Financial Charges on funds involved in the payment of Custom duties on the Plant & Equipment to be re-exported as per Rental Services Contract(s).	Mili. US \$					
k. Financial Charges on establishment of letter of Credit (Fuel Price L/C- FPLC).	Mili. US \$					
l. Generation License Modification Fee & Tariff Petition Fee	Mili. US \$					
m. Further capital expenditure or any other costs.	Mili. US \$					
n. Interconnection charges up to Rs. 1.00 billion are built in the Tariff and the amount exceeding Rs. 1.00 billion will be pass through items.	Mili. US \$					
o. Any other charges incidental to and arising out of Agreement	Mili. US \$					
Total	Mili. US \$	37,619	37,855	37,089	36,311	35,733
	US\$/KW/Month	31.350	31.545	30.908	30.259	29.778
	US Cent/Kwh	4.8801	4.9106	4.8113	4.7103	4.6354
Over all CPP						
Total Net Dependable Capacity	MW	100	100	100	100	100
Total CPP Cost	Mili. US \$	37,619	37,855	37,089	36,311	35,733
Total CPP Cost	US\$/KW/Month	31,350	31,545	30,908	30,259	29,778
Total CPP Cost	Milli. Rs.	3,107.36	3,126.79	3,063.57	2,999.28	2,951.58
Total CPP Cost	Rs/kw/Month	2,589.47	2,605.66	2,552.98	2,499.40	2,459.65
Total CPP Cost	Rs/Kwh	4.03	4.06	3.97	3.89	3.83

Exchange Rate reference is 82.6 Rs/US Dollar

Lakhra Power Generation Company Limited
Projected Generation Rental Power Projects
Energy Purchase Price

Abbas Steel Group (Pvt) Limited

Reference Price Rs./kwh for the FY s				
2010	2011	2012	2013	2014
6.126	6.126	6.126	6.126	6.126

Energy Purchase Price

Fuel Cost Component

Ref: Units

- 1 Ref: Price of F.Oil Rs 26,000/-Per M.Tons
 2 Ref: US\$ Exchange Rate Rs.82.60

Capacity Purchase Price

Reference Price US \$/ KW/Month for the FY s				
2010	2011	2012	2013	2014
Nil	Nil	Nil	Nil	Nil

A- Escalable Component

B- Non-Escalable Component

B-1 Rental Charges &

B-2 Financial Cost

B-3 Other Cost

a) Arrangement Fee (0.75% of Loan amount)

b) FED @ 10% Advisory Fee

c) Legal Fee

d) Agency Fee

e) FED @ 10% on Agency Fee

f) Out of Pocket Expenses

g) Counter Guarantee Charges @ 3.27% on loan amount of Rs. 1,992,380,971 (50%chargable to LPGCL)

h) Cost of Business

i. Salaries of Staff

ii. Other Office Expenses (10% of Salaries)

B-4 Supplementary Charges / Pass Through Items

(To be reimbursed on actual basis)

a. Actual payment to Workers Welfare and Project Participation funds

b. Actual Income Tax / Turnover Tax

c. General Sales Tax

d. Any other Duties/Tax etc.

e. Insurance Cost due to change in policy

f. Variation in Fuel Prices.

g. Electricity Duties on In-house consumption of Energy.

h. Expenditure on modification of expansion of the protective Devices required by the NTDC.

i. Custom Duties for Consumable stores as per Rental Service Contract (s)

j. Financial Charges on funds involved in the payment of Custom duties on the Plant & Equipment to be re-exported as per Rental Services Contract(s).

k. Financial Charges on establishment of letter of Credit (Fuel Price L/C- FPLC).

l. Generation License Modification Fee & Tariff Petition Fee.

m. Further capital expenditure or any other costs.

n. Interconnection charges up to Rs. 1.00 billion are built in the Tariff and the amount exceeding Rs. 1.00 billion will be pass through items.

o. Any other charges incidental to and arising out of Agreement

Total	37.619	37.85	37.09	36.31	35.73
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LAKHRA POWER GENERATION COMPANY LTD.
REPAYMENT SCHEDULE OF LOAN
US \$ 24,120,835/ Equivalent Pak Rupees 1,992,380,971/-

(Pak Rupees)

Year	Month	O/S Principal	Markup Rate (Kibor14.0 +200 bps)			Principal Repayment	Markup	Total Monthly Installment	O/S Principal	Annual Interest
			KIBO R	Prem ium	Total					
								1,992,380,971		
2009	November	1,992,380,971.000	14	2	16	-	27,074,546.894	27,074,546.894	1,992,380,971	
2009	December	1,992,380,971.000	14	2	16	-	27,074,546.894	27,074,546.894	1,992,380,971	
2010	January	1,992,380,971.000	14	2	16	-	27,074,546.894	27,074,546.894	1,992,380,971	
2010	February	1,992,380,971.000	14	2	16	-	24,454,429.452	24,454,429.452	1,992,380,971	
2010	March	1,992,380,971.000	14	2	16	33,206,350	27,074,546.894	60,280,896.410	1,959,174,621	
2010	April	1,959,174,621.483	14	2	16	33,206,350	25,764,488.173	58,970,837.690	1,925,968,272	
2010	May	1,925,968,271.967	14	2	16	33,206,350	26,172,061.997	59,378,411.514	1,892,761,922	
2010	June	1,892,761,922.450	14	2	16	33,206,350	24,891,115.692	58,097,465.209	1,859,555,573	209,580,283
2010	July	1,859,555,572.933	14	2	16	33,206,350	25,269,577.101	58,475,926.617	1,826,349,223	
2010	August	1,826,349,223.417	14	2	16	33,206,350	24,818,334.652	58,024,684.169	1,793,142,874	
2010	September	1,793,142,873.900	14	2	16	33,206,350	23,581,056.972	56,787,406.489	1,759,936,524	
2010	October	1,759,936,524.383	14	2	16	33,206,350	23,915,849.756	57,122,199.273	1,726,730,175	
2010	November	1,726,730,174.867	14	2	16	33,206,350	22,707,684.491	55,914,034.008	1,693,523,825	
2010	December	1,693,523,825.350	14	2	16	33,206,350	23,013,364.860	56,219,714.376	1,660,317,476	
2011	January	1,660,317,475.833	14	2	16	33,206,350	22,562,122.411	55,768,471.928	1,627,111,126	
2011	February	1,627,111,126.317	14	2	16	33,206,350	19,971,117.386	53,177,466.903	1,593,904,777	
2011	March	1,593,904,776.800	14	2	16	33,206,350	21,659,637.515	54,865,987.032	1,560,698,427	
2011	April	1,560,698,427.283	14	2	16	33,206,350	20,524,253.290	53,730,602.807	1,527,492,078	
2011	May	1,527,492,077.767	14	2	16	33,206,350	20,757,152.618	53,963,502.135	1,494,285,728	
2011	June	1,494,285,728.250	14	2	16	33,206,350	19,650,880.810	52,857,230.327	1,461,079,379	268,431,032
2011	July	1,461,079,378.733	14	2	16	33,206,350	19,854,667.722	53,061,017.239	1,427,873,029	
2011	August	1,427,873,029.217	14	2	16	33,206,350	19,403,425.274	52,609,774.790	1,394,666,680	
2011	September	1,394,666,679.700	14	2	16	33,206,350	18,340,822.089	51,547,171.606	1,361,460,330	
2011	October	1,361,460,330.183	14	2	16	33,206,350	18,500,940.377	51,707,289.894	1,328,253,981	
2011	November	1,328,253,980.667	14	2	16	33,206,350	17,467,449.609	50,673,799.125	1,295,047,631	
2011	December	1,295,047,631.150	14	2	16	33,206,350	17,598,455.481	50,804,804.997	1,261,841,282	
2012	January	1,261,841,281.633	14	2	16	33,206,350	17,147,213.033	50,353,562.549	1,228,634,932	
2012	February	1,228,634,932.117	14	2	16	33,206,350	15,618,811.192	48,825,160.709	1,195,428,583	
2012	March	1,195,428,582.600	14	2	16	33,206,350	16,244,728.136	49,451,077.653	1,162,222,233	
2012	April	1,162,222,233.083	14	2	16	33,206,350	15,284,018.408	48,490,367.924	1,129,015,884	
2012	May	1,129,015,883.567	14	2	16	33,206,350	15,342,243.240	48,548,592.756	1,095,809,534	
2012	June	1,095,809,534.050	14	2	16	33,206,350	14,410,645.927	47,616,995.444	1,062,603,185	205,213,420
2012	July	1,062,603,184.533	14	2	16	33,206,350	14,439,758.343	47,646,107.860	1,029,396,835	
2012	August	1,029,396,835.017	14	2	16	33,206,350	13,988,515.895	47,194,865.412	996,190,486	
2012	September	996,190,485.500	14	2	16	33,206,350	13,100,587.207	46,306,936.723	962,984,136	
2012	October	962,984,135.983	14	2	16	33,206,350	13,086,030.999	46,292,380.515	929,777,786	
2012	November	929,777,786.467	14	2	16	33,206,350	12,227,214.726	45,433,564.243	896,571,437	
2012	December	896,571,436.950	14	2	16	33,206,350	12,183,546.102	45,389,895.619	863,365,087	
2013	January	863,365,087.433	14	2	16	33,206,350	11,732,303.654	44,938,653.171	830,158,738	
2013	February	830,158,737.917	14	2	16	33,206,350	10,189,345.605	43,395,695.122	796,952,388	
2013	March	796,952,388.400	14	2	16	33,206,350	10,829,818.757	44,036,168.274	763,746,039	
2013	April	763,746,038.883	14	2	16	33,206,350	10,043,783.525	43,250,133.042	730,539,689	
2013	May	730,539,689.367	14	2	16	33,206,350	9,927,333.861	43,133,683.378	697,333,340	
2013	June	697,333,339.850	14	2	16	33,206,350	9,170,411.045	42,376,760.561	664,126,990	140,918,650
2013	July	664,126,990.333	14	2	16	33,206,350	9,024,848.965	42,231,198.481	630,920,641	
2013	August	630,920,640.817	14	2	16	33,206,350	8,573,606.516	41,779,956.033	597,714,291	
2013	September	597,714,291.300	14	2	16	33,206,350	7,860,352.324	41,066,701.841	564,507,942	
2013	October	564,507,941.783	14	2	16	33,206,350	7,671,121.620	40,877,471.137	531,301,592	
2013	November	531,301,592.267	14	2	16	33,206,350	6,986,979.844	40,193,329.360	498,095,243	
2013	December	498,095,242.750	14	2	16	33,206,350	6,768,636.723	39,974,986.240	464,888,893	
2014	January	464,888,893.233	14	2	16	33,206,350	6,317,394.275	39,523,743.792	431,682,544	

LAKHRA POWER GENERATION COMPANY LTD.
REPAYMENT SCHEDULE OF LOAN
US \$ 24,120,835/ Equivalent Pak Rupees 1,992,380,971/-

(Pak Rupees)

2014	February	431,682,543.717	14	2	16	33,206,350	5,298,459,715	38,504,809,231	398,476,194	
2014	March	398,476,194.200	14	2	16	33,206,350	5,414,909,379	38,621,258,895	365,269,845	
2014	April	365,269,844.683	14	2	16	33,206,350	4,803,548,642	38,009,898,159	332,063,495	
2014	May	332,063,495.167	14	2	16	33,206,350	4,512,424,482	37,718,773,999	298,857,146	77,162,459
2014	June	298,857,145.650	14	2	16	33,206,350	3,930,176,162	37,136,525,679	265,650,796	
2014	July	265,650,796.133	14	2	16	33,206,350	3,609,939,586	36,816,289,102	232,444,447	
2014	August	232,444,446.617	14	2	16	33,206,350	3,158,697,138	36,365,046,654	199,238,097	
2014	September	199,238,097.100	14	2	16	33,206,350	2,620,117,441	35,826,466,958	166,031,748	
2014	October	166,031,747.583	14	2	16	33,206,350	2,256,212,241	35,462,561,758	132,825,398	
2014	November	132,825,398.067	14	2	16	33,206,350	1,746,744,961	34,953,094,478	99,619,049	
2014	December	99,619,048.550	14	2	16	33,206,350	1,353,727,345	34,560,076,861	66,412,699	
2015	January	66,412,699.033	14	2	16	33,206,350	902,484,896	34,108,834,413	33,206,350	0
2015	February	33,206,349.517	14	2	16	33,206,350	407,573,824	33,613,923,341		16,055,497
		0.000					917,361,341			917,361,341

ABSTRACT OF FINANCIAL CHARGES

	Mark Up	Total
2010	209,580,283	209,580,283
2011	268,431,032	268,431,032
2012	205,213,420	205,213,420
2013	140,918,650	140,918,650
2014	93,217,956	93,217,956
Total	917,361,341	917,361,341

Abbas Steel Group (Pvt) Limited

Detail of Bank/ Financial and other charges

S.NO.	Description	2010	2011	2012	2013	2014
	Arrangement Fee (0.25% of Loan amount of Rs.1,992,380,971/-)	4,980,952	-	-	-	-
1						
2	FED @ 10% Advisory Fee	498,095	-	-	-	-
3	Legal Fee	500,000	-	-	-	-
4	Agency Fee	700,000	-	-	-	-
5	FED @ 10% on Agency Fee	70,000	-	-	-	-
6	Out of Pocket Expenses	100,000	-	-	-	-
7	Counter Gaurantee Charges @ 3.27% on loan amount of Rs. 1,992,380,971 (50%chargable to LPGCL)	32,575,429	-	-	-	-
10	Cost of Business					
a.	Salaries of Staff.	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
b.	Other Office Expenses (10% of Salaries)	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
	Total	51,524,477	12,100,000	12,100,000	12,100,000	12,100,000