

1. TRF-43
2. MF

P.C.S.



PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY

Telephone # : 9202106
9202211/ 2712
Telegrams : WAPDA Lahore

Corporate Planning & Control Cell
o/o GM Finance (Power) WAPDA
712 – Wapda House, Lahore

No.CPCC/H.Tariff/4525/ 1840

Dated: 24/ 05/ 2005

The Registrar
NEPRA,
OPF Building, G-5/2,
Islamabad.

Subject: Bulk Supply Tariff – WAPDA Hydroelectric.

Reference: NEPRA's fax No. FIN/CPI/2001 dated May 12, 2005

Please find enclosed a cheque bearing #1714859 dated 24-05-2005 amounting to Rs. 432,148/- on account of indexation of tariff petition fee as desired in above referred fax.

Please acknowledge receipt.

(Ahmad Nawaz Mughal)
Director General (CPCC)

DA/ Cheque No.1714859 dated 24-05-2005

check forwarded for necessary
action please.

25.05.05.

DIR(F).

cc 1. Chairman
2. v-chairman / M(T)



نیشنل بینک آف پاکستان
National Bank of Pakistan
 WAPDA HOUSE BR
 SHAHRAH-E-QUAID-E-AZAM LAHORE

CHEQUE No.

1714859

CURRENT A/C No.

0002041299

Date 24 MAY 2005

Pay M/s National Electric Power Regulatory Authority

Rupees Four Hundred thirty two Rs. 432148/2

Thousand One hundred forty eight only

DO NOT WRITE BELOW THIS LINE

G.M FINANCE POWER POOL ACCOUNT

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PAKISTAN WATER AND POWER DEVELOPMENT AUTHORITY

Telephone # : 9202522
9202211/ 2713
Fax : 9202005

General Manager Finance (P)
WAPDA, 713 – Wapda House
Lahore

No CPCC/ H.Tariff/ 4525/ 1778-80

Dated: 10 / 5 / 2005

The Registrar NEPRA
2nd Floor OPF Building
G-5/2, Islamabad

Registrar
Dy. No. 247
Dated 11.05.05

Subject: Bulk Supply Tariff – WAPDA Hydroelectric

The estimated revenue requirement of WAPDA Hydroelectric for the period from FY 2005-06 to FY 2007-08 (tariff/ projection period) are enclosed.

Keeping in view the previous determination the revenue requirement of WAPDA Hydroelectric has been apportioned in the ratio of 70:30 between Capacity Purchase Price (Rs./kW/month) and Energy Purchase Price (Rs./ kWh). The Installed Capacity and Estimated Generation of WAPDA Hydroelectric during the projection period are given below:

		FY 2005	FY 2006	FY 2007	FY 2008
Installed Capacity	(MW)	6,463	6,463	6,463	6,463
Generation	(MkWh)	23,583	26,889	26,655	26,945

As WAPDA has to meet with IBRD financial covenants viz. 40% SFR and 1.5 times DSCR, the annual revenue requirement during the tariff period has been anticipated as follows:

		FY 2005	FY 2006	FY 2007	FY 2008
Revenue Requirement	(Rs in Million)	23,148	31,621	32,392	42,075
Capacity Charge	(Rs/ kW/ Month)	219.560	285.394	292.354	379.752
Energy Charge	(Rs/ kWh)	0.2595	0.3528	0.3646	0.4685
Self Financing	(%age)	4%	47%	40%	47%
Debt Service Coverage Ratio	(Times)	1.38	1.50	1.57	1.50

In view of the circumstances, facts and calculations mentioned above, duly supported with the additional calculations, statements and assumptions enclosed, NEPRA's approval on the revenue requirements of WAPDA Hydroelectric for the period

check forwarded for necessary action pl.
(Rs. 2.5 mil.)

[Signature]
11.05.05

DAR(F)

- cc 1. Chairman
- 2. V-Chairman / M(T)

covering FY 2005-06 to FY 2007-08 and, therefore, determination of Bulk Supply Tariff as per Attachment – 1, is solicited.

In addition to that, it is also requested that the rate chargeable under the variable component of tariff may be linked with the actual generation through an automatic adjustment formula, to be notified as part of the determination

It may be mentioned here that the estimated revenue requirements submitted above are:

- Exclusive of cost of IPPs under the assumption that the lenders to IPPs shall consent on novation of IPP agreement (i.e. transfer from WAPDA to NTDC).
- That all present and future Federal, Provincial and local taxes, including General Sales Tax, shall be pass-through to NTDC.
- Subject to all other assumptions as stated in Attachment-2

The proposed tariff is intended to remain effective during the tariff period, provided no major event(s) occur, during the period rendering any revision necessary.

As required in NEPRA Fee Rules, a crossed Cheque amounting to Rs 2.5 million is also being enclosed as tariff petition fee, the difference, if any, will be provided. Moreover, an affidavit, as required under the rules, is also attached.

Summary of evidence / list of attachments are as follows:

- (i) Assumptions to Bulk Supply Tariff and Financial Projections (Attachment-2)
- (ii) Projected Financial Statements – FY 2005-06 to FY 2007-08 (Attachment-3)
- (iii) Position of IBRD Financial Covenants (Attachment-4)


Mohammad Amjad
General Manager Finance (P)
WAPDA

Copy to:

1. Chief Executive Officer PEPCO, WAPDA House Lahore
2. General Manager Hydrel, WAPDA House Lahore.

نیشنل بینک آف پاکستان
National Bank of Pakistan
WAPDA HOUSE BR
SHAHRAH-E-QUAID-E-AZAM LAHORE

CHEQUE No. 1714841
CURRENT A/C No. 0002041299
Date 10 MAY 2005

Pay M/s National Electric Power Regulatory Authority
Rupees Two Million five Hundred Rs. 2500000/-
Thousand Only

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FINANCE POWER POOL ACCOUNT

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TARIFF TABLE

Year	Indexed		Indexed	
	Capacity Charge Rs./kWh	Energy Charge Rs./kWh	Total Tariff (CPP+EPP) Rs./kWh	Capacity Charge Rs./kW/Month
2005	0.7221	0.2595	0.982	219.560
2006	0.8232	0.3528	1.176	285.394
2007	0.8507	0.3646	1.215	292.354
2008	1.0931	0.4685	1.562	379.752

Tariff Statement

Tariff Statement	Unit	2006	2007	2008
PRODUCTION DATA				
INSTALLED CAPACITY	MW	6463	6463	6463
AVERAGE CAPABILITY	MW	5006	5028	5023
NET GENERATION	MkWh	26889	26655	26945
Tariff - Indexed				
Capacity Purchase Price (Rs./kW/Month)				
Escalable component				
Admin & General Exp.		13.364	14.700	16.171
Maintenance Expenses		18.826	19.368	19.786
Other Income		-30.452	-28.660	-27.955
Return (Covenant)		76.629	84.224	105.620
N/R from KAPCO		-9.091	-8.120	-8.120
Insurance Cost of FA		2.419	2.472	2.544
Net Hydel Profit		60.440	60.139	60.467
Debt Servicing		153.258	148.231	211.239
TOTAL		285.394	292.354	379.752
Capacity Purchase Price (Rs./kWh):				
Admin & General Exp.		0.039	0.043	0.047
Maintenance Expenses		0.054	0.056	0.057
Other Income		-0.088	-0.083	-0.080
Return (Covenant)		0.221	0.245	0.304
N/R from KAPCO		-0.026	-0.024	-0.023
Insurance Cost of FA		0.007	0.007	0.007
Net Hydel Profit		0.174	0.175	0.174
Debt Servicing		0.442	0.431	0.608
TOTAL		0.823	0.851	1.093
Energy Purchase Price (Rs/kWh)				
WUC to GoAJK for Mangla Net Gen.		0.15	0.15	0.15
Royalty (Other than NWFP)		0.00	0.00	0.00
Maintenance Expenses		0.00	0.00	0.00
TOTAL		0.15	0.15	0.15
SUMMARY TARIFF				
Capacity Purchase Price (Rs./kWh):		0.823	0.851	1.093
Energy Purchase Price (Rs/kWh)		0.353	0.365	0.468
TOTAL	Rs./kWh	1.176	1.215	1.562
Monthly CPP - Rs./kW/Month	Rs./kW/M	285.394	292.354	379.752
Total Revenues				
Capacity Purchase Price Rs.(000)				
Admin & General Exp.		1,480,701	1,628,771	1,791,648
Maintenance Expenses		2,085,864	2,145,918	2,192,219
Other Income		(3,374,016)	(3,175,437)	(3,097,324)
Return (Covenant)		8,490,261	9,331,767	11,702,353
N/R from KAPCO		(1,007,217)	(899,715)	(899,715)
Insurance Cost of FA		268,057	273,916	281,902
Net Hydel Profit		6,000,000	6,000,000	6,000,000
Debt Servicing		16,980,522	16,423,519	23,404,706
Total		30,924,172	31,728,739	41,375,789
Energy Purchase Price Rs.(000)				
Maintenance Expenses		-	-	-
Water Usage Charges to GoAJK		696,596	663,270	699,552
Royalty (Other than NWFP)		-	-	-
Total		696,596	663,270	699,552
GRAND TOTAL	Rs.(000)	31,620,768	32,392,009	42,075,341

WAPDA HYDROELECTRIC
Fundamental Assumptions to BST & Financial Projections

For the Period FY 2005-06 to FY 2007-08

Revenue requirement of the WAPDA Hydroelectric has been established for the period FY 2005-06 to FY 2007-08 based on the following:

Technical Assumptions:

WAPDA Hydroelectric is operating 14 Hydro Power Projects (**Annex – I**). No new station is expected to be commissioned during the period of petition. Based on the capacity of powerhouses in operation and water indents, energy generation estimates have been made (**Annex – II**)

Financial Assumptions:

The revenue requirement, during the period covered by tariff petition, has been established to meet the financial covenants (i.e. 40% self-financial ratio and 1.5 debt service coverage ratio). The revenue requirement so determined has been split in the ratio of 70:30 in fixed and variable charge.

Admin & General Establishment Expenses:

Expenses on administration and general establishment have been increased by 10% per annum during the tariff period.

Maintenance Expenses:

Maintenance expenses have been taken as 1.5% of two years average Gross Fixed Assets in operation during the tariff/ projection period. Insurance cost of plant and machinery has been assumed to be 0.25% of the value of the plant & machinery during the tariff period.

Royalty to Provinces (Net Hydel Profit):

Payment of Net Hydel Profit to NWFP has been taken at capped level of Rs 6,000 million per annum.

Royalty to GoAJK:

Water usage charge payable to GoAJ&K on hydel generation at Mangla has been taken as Rs 0.15/ kWh of the Net Electric Output (NEO).

Financial Charges:

Financial charges for the existing loans have been taken into account as per terms and conditions for each of these loans separately. However, assumptions for interest on new loans are as follows:

Foreign Loans	@ 15% p.a. (including foreign exchange risk cover)
Local Loans	@ 12 % p.a.

The financial charges for both existing and new loans have been summarized in a statement (**Annexure-III**)

Other Income:

Other income comprises the following components:

- Interest Income from KAPCO has been taken as per KAPCO pro-note.
- Dividend Income from KAPCO has been taken as Rs 1.858 billion in FY 2005-06.

Fixed Assets in Operations and PSDP:

Fixed assets in operation and capital work in progress have been increased by the value of PSDP (**Annexure – IV**) each year. Depreciation on opening fixed assets in operation has been taken @3.5% p.a. and half the rate (i.e.1.75%) of depreciation has been taken on additions during the year as per WAPDA policy in vogue.

Stores and Spares:

Stores and spares have been assumed to remain at 3% of Gross Fixed Assets in operating during the period.

Receivables from NTDC:

Receivables from NTDC on account of sale of power have been taken as equivalent to 30 days annual sales.

Cash and Bank Balances

Minimum cash balance equal to 30 days O&M expenses and capital expenditure (PSDP) has been assumed during the tariff/ projection period.

Long term Loans

Debt service schedule attached (**Annex – V**)

**WAPDA HYDROELECTRIC
HYDEL POWER STATIONS IN OPERATION**

Sr #	NAME OF PROJECT	LOCATION	INSTALLED CAPACITY (MW)	No. OF GENERATING UNITS	STATUS
1	Tarbela	Distt. Swabi NWFP	3478	14	Operational
2	GBHPS	Brotha, Distt. Attock	1450	5	Operational
3	Mangla	A.J.K	1000	10	Operational
4	Chashma	Distt. Mianwali Punjab	184	8	Operational
5	Rasul	Distt. Mandi Baha-ud-Din Punjab	22	2	Operational
6	Shadiwal	Distt. Gujrat Punjab	14	2	Operational
7	Nandipur	Distt. Gujranwala Punjab	14	3	Operational
8	Renala	Distt. Okara Punjab	1	5	Operational
9	Chichoki	Distt. Sheikupura Punjab	13	3	Operational
10	Warsak	Distt. Peshawar NWFP	243	6	Operational
11	Jabban	Malakand Agency	20	5	Operational
12	Dargai	Malakand Agency	20	4	Operational
13	Chitral	Distt. Chitral	1	4	Operational
14	Kurram Garhi	Distt. Bannu NWFP	4	4	Operational
Total			6463	75	

WAPDA HYDROELECTRIC GENERATION PLAN FOR FY 2004-05 TO 2007-08

(MkWh)

STATION	2004-05	2005-06	2006-07	2007-08
	Net Generation	Net Generation	Net Generation	Net Generation
TARBELA	11,311	14,071	14,018	14,020
GHAZI BAROTHA	6,025	5,999	5,999	5,999
MANGLA	3,802	4,644	4,422	4,664
WARSAK	1,021	798	787	814
CHASHMA	992	962	962	962
RASUL	56	53	104	119
DARGAI	137	132	132	133
MALAKAND	129	116	118	121
NANDIPUR	34	34	34	34
SHADIWAL	33	36	35	35
CHICHOKI	23	24	24	23
K/GARHI	13	13	14	14
RENALA	3	3	3	3
CHITRAL	4	4	4	4
TOTAL HYDEL	23,583	26,889	26,655	26,945

Debt Servicing	Unit	2005	2006	2007	2008
Interest Expense:					
Foreign Direct Loans	Rs.(000)	29,645	15,802	10,981	5,730
Foreign Relent Loans	Rs.(000)	5,049,348	4,366,692	4,023,413	3,680,135
CDL / Federal Govt. Loans	Rs.(000)	439,915	412,172	385,150	358,696
WAPDA Bonds	Rs.(000)	775,642	755,107	500,000	500,000
Other LTL	Rs.(000)	-	-	-	-
Interest on Existing LTL	Rs.(000)	6,294,551	5,549,774	4,919,545	4,544,562
Interest on New LTL	Rs.(000)	480,000	2,384,000	3,725,757	4,740,901
FX Cost on Exist. & New LTL	Rs.(000)	1,471,931	1,965,945	1,808,502	1,651,060
Intr.on STL/Bank Credits	Rs.(000)	-	-	-	-
Total Financial Charges	Rs.(000)	8,246,482	9,899,718	10,453,804	10,936,523
Fin Charges to Operation	Rs.(000)	8,246,482	9,899,718	10,453,804	10,936,523

WAPDA HYDROELECTRIC Investment Program From FY 2005 TO FY 2008

(Rs in Million)

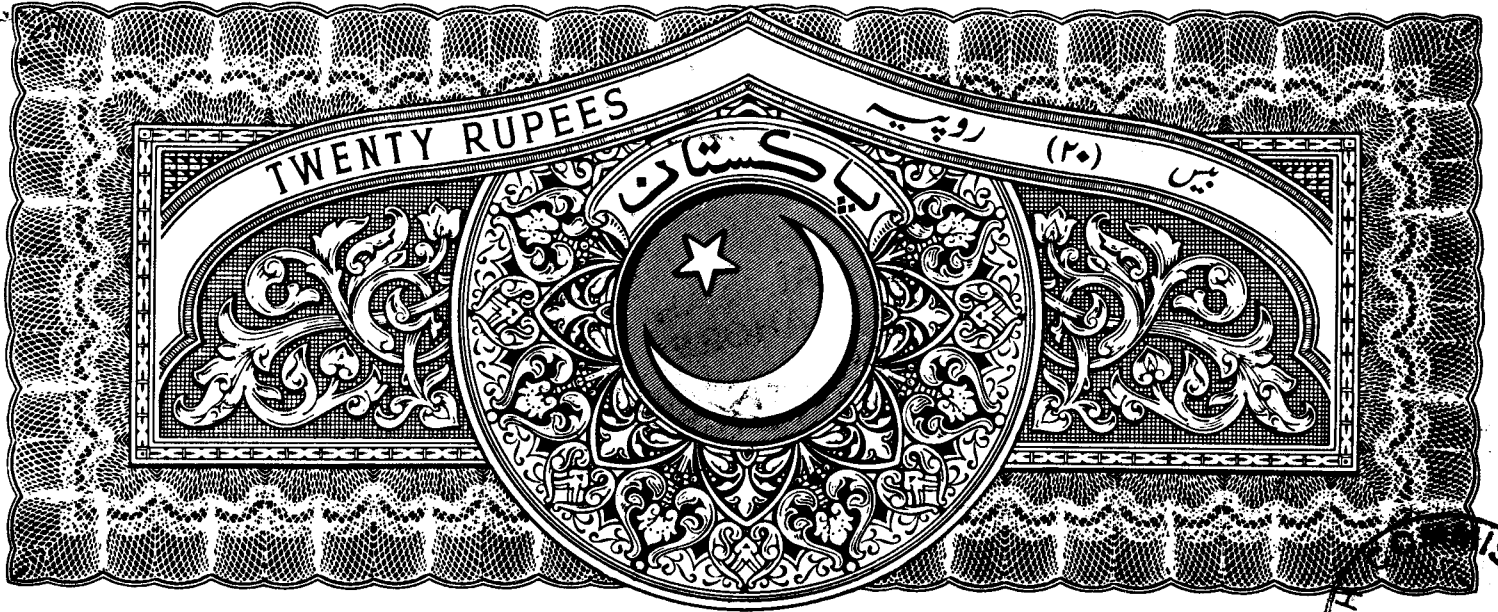
STATION	2004-05			2005-06			2006-07			2007-08		
	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL	LOCAL	FOREIGN	TOTAL
GHAZI BROTHA	1,600	4,000	5,600	500	2,000	2,500	-	-	-	-	-	-
WARSAK REHABILITATION	20	-	20	13	-	13	1	-	1	-	-	-
BASHA DAM	250	-	250	200	-	200	-	-	-	-	-	-
GOLEN GOL	100	-	100	300	-	300	1,310	792	2,102	1,310	792	2,102
KHAN KHWAR	313	-	313	800	1,000	1,800	800	1,000	1,800	58	644	702
ALLAI KHWAR	341	-	341	700	800	1,500	900	700	1,600	1,000	1,000	2,000
DUBER KHWAR	424	-	424	600	900	1,500	1,400	1,600	3,000	1,400	1,400	2,800
JINNAH	1,339	-	1,339	200	800	1,000	1,846	1,681	3,527	1,852	2,340	4,192
NEELUM JHELUM	30	-	30	2,800	2,700	5,500	3,000	4,000	7,000	3,500	3,500	7,000
KEYAL KHWAR	-	-	-	10	-	10	1,000	1,200	2,200	1,100	1,200	2,300
BUNJI	45	-	45	25	-	25	-	-	-	-	-	-
DASU HPP	50	-	50	260	-	260	216	50	266	170	50	220
LAWI HPP	10	-	10	50	-	50	31	-	31	-	-	-
SMALL HYDEL SCHEMES ON CANAL FALLS & BARRAGES	15	-	15	10	-	10	10	-	10	10	-	10
RASUL SPILLWAY PROJECT	65	-	65	30	-	30	15	-	15	13	-	13
SPAT GAH	-	-	-	15	-	15	41	43	84	27	52	78
CHOR NULLAH	-	-	-	15	-	15	41	47	88	27	67	93
MANGLA RASING	-	-	-	8,000	-	8,000	-	-	-	-	-	-
TOTAL HYDEL	4,602	4,000	8,602	14,528	8,200	22,728	10,612	11,113	21,725	10,467	11,045	21,512

Debt Servicing	Unit	2005	2006	2007	2008
End of the Year Balance					
Foreign Direct Loans	Rs.(000)	345,105	230,070	115,035	-
Foreign Relent Loans	Rs.(000)	50,924,692	46,927,995	42,931,311	38,934,627
CDL / Federal Govt. Loans	Rs.(000)	2,567,294	2,384,409	2,209,746	2,008,670
WAPDA Bonds	Rs.(000)	7,852,853	5,400,000	5,400,000	-
Other LTL	Rs.(000)	-	-	-	-
Total Existing Loans	Rs.(000)	61689943	54942474	50656092	40943296.6
New Loans for Invest. Prog.	2005	4000000	3666667	3333333	3000000
New Loans for Invest. Prog.	2006		16200000	14850000	13500000
New Loans for Invest. Prog.	2007			12864645	11792591
New Loans for Invest. Prog.	2008				11214919
New Loans for Invest. Prog.	2009				
New Loans for Invest. Prog.	2010				
New Loans for Invest. Prog.	2011				
New Loans for Invest. Prog.	2012				
New Loans for Invest. Prog.	2013				
Total New Loans	Rs.(000)	4000000	19866667	31047978	39507509.7
Mangla Loans	Rs.(000)	4,486,121	4,486,121	4,486,121	4,486,121
Total Long Term Loans	Rs.(000)	70176064	79295261	86190191	84936927
Repayment During the Year:					
Foreign Direct Loans	Rs.(000)	349,287	115,035	115,035	115,035
Foreign Relent Loans	Rs.(000)	3,656,845	3,996,697	3,996,684	3,996,684
CDL / Federal Govt. Loans	Rs.(000)	191,771	182,885	174,662	201,076
WAPDA Bonds	Rs.(000)	1,431,104	2,452,853	-	5,400,000
Other LTL	Rs.(000)	-	-	-	-
Sub Total	Rs.(000)	5,629,007	6,747,470	4,286,381	9,712,795
New Loans for Invest. Prog.	2005	0	333333	333333	333333
New Loans for Invest. Prog.	2006	0	0	1350000	1350000
New Loans for Invest. Prog.	2007	0	0	0	1072054
New Loans for Invest. Prog.	2008	0	0	0	0
New Loans for Invest. Prog.	2009	0	0	0	0
New Loans for Invest. Prog.	2010	0	0	0	0
New Loans for Invest. Prog.	2011	0	0	0	0
New Loans for Invest. Prog.	2012	0	0	0	0
New Loans for Invest. Prog.	2013	0	0	0	0
Sub Total	Rs.(000)	0	333333	1683333	2755387
Total Repayment	Rs.(000)	5,629,007	7,080,803	5,969,715	12,468,182

FINANCIAL STATEMENTS		Unit	2005	2006	2007	2008
QUANTITATIVE DATA						
Net Generation	MkWh	23,583	26,889	26,655	26,945	
Tariff - (Rs./kWh)	Rs./kWh	0.98	1.18	1.22	1.56	
Growth in Tariff - (Rs./kWh)	%Age	11%	20%	3%	28%	
CPP - (Rs./kW/Month)	Rs./kW/M	219.560	285.394	292.354	379.752	
EPP - (Rs/ kWh)	(Rs/ kWh)	0.260	0.353	0.365	0.468	
Investment Program	Mill/Rs.	8,602	22,728	21,725	21,512	
INCOME STATEMENT						
REVENUES						
Sale of Power	Mill/Rs.	23,148	31,621	32,392	42,075	
Total Revenues	Mill/Rs.	23,148	31,621	32,392	42,075	
OPERATING EXPENSES						
Admin & General Expenses	Mill/RS.	1,346	1,481	1,629	1,792	
Maintenance Expenses	Mill/RS.	1,614	2,086	2,146	2,192	
Royalty to Provinces	Mill/RS.	6,570	6,697	6,663	6,700	
Insurance Cost of Fixed Assets	Mill/RS.	256	268	274	282	
Total	Mill/RS.	9,786	10,531	10,712	10,965	
OPERATING PROFIT/(LOSS) BEFORE DEP.	Mill/RS.	13,362	21,090	21,680	31,110	
Depreciation	Mill/RS.	4,165	4,861	5,001	5,109	
OPERATING PROFIT / (LOSS) AFTER DEP.	Mill/RS.	9,198	16,229	16,679	26,001	
Add: Other Income	Mill/Rs.	3,629	3,374	3,175	3,097	
LESS: Financial Charges	Mill/Rs.	8,246	9,900	10,454	10,937	
NET PROFIT / (LOSS) BEFORE TAX	Mill/Rs.	4,580	9,703	9,401	18,162	
LESS: Income Tax	Mill/Rs.					
NET PROFIT / (LOSS) FOR THE YEAR	Mill/Rs.	4,580	9,703	9,401	18,162	
UN-APPROPRIATED PROFIT/(LOSS) B/F	Mill/Rs.	27,013	31,592	41,295	50,696	
PROFIT AVAILABLE FOR DISTRIBUTION	Mill/Rs.	31,592	41,295	50,696	68,857	
Distribution	Mill/Rs.					
UN-APPROPRIATED PROFIT/(LOSS) C/F	Mill/Rs.	31,592	41,295	50,696	68,857	

FINANCIAL STATEMENTS		Unit	2005	2006	2007	2008
Assets						
Fixed Assets						
Gross Fixed Assets	Mill/Rs.	136,361	141,754	144,368	147,927	
LESS: Accumulated Depreciation	Mill/Rs.	25,694	30,555	35,556	40,665	
Net Fixed Assets	Mill/Rs.	110,667	111,199	108,812	107,262	
Capital Work in Progress	Mill/Rs.	13,225	30,560	49,671	67,624	
Total Investment in Fixed Assets	Mill/Rs.	123,892	141,759	158,483	174,886	
Long Term Investments	Mill/Rs.	5,780	5,780	5,780	5,780	
Notes Receivables from KAPCO	Mill/Rs.	8,854	7,847	6,947	6,047	
		138,527	155,386	171,210	186,714	
Current Assets						
Store & Spares	Mill/Rs.	4,091	4,253	4,331	4,438	
Net Receivables from Co's	Mill/Rs.	70,887	70,887	70,887	70,887	
Current Maturity of N/R-KAPCO	Mill/Rs.	2,102	1,007	900	900	
Energy Receivables from NTDC	Mill/Rs.	1,903	2,599	2,662	3,458	
Adv., Deposits, Prepay. & Other Rec.	Mill/Rs.	5,518	5,518	5,518	5,518	
Cash & Bank Balances	Mill/Rs.	15,556	17,253	17,188	17,188	
Total Current Assets	Mill/Rs.	100,056	101,516	101,485	102,388	
TOTAL ASSETS	Mill/Rs.	238,582	256,902	272,696	289,102	
Liabilities & Equity						
Equity						
Additional Equity Investments	Mill/Rs.	-	-	-	-	
Total Equity	Mill/Rs.	116,104	116,104	116,104	116,104	
Retained Earnings	Mill/Rs.	31,592	41,295	50,696	68,857	
Total Equity	Mill/Rs.	147,697	157,400	166,800	184,962	
Grants						
	Mill/Rs.	8,859	8,859	8,859	8,859	
Long Term / Deferred Liabilities						
Long term Loans less Current Maturity	Mill/Rs.	63,095	73,326	73,722	77,060	
Deferred Payments to GoP		-	-	-	-	
Post Ret. Benefits	Mill/Rs.	5,021	4,519	4,017	3,515	
Total LT / Deferred Liability	Mill/Rs.	68,116	77,845	77,739	80,574	
Current Liabilities						
Current portion of the long term loan.	Mill/Rs.	7,081	5,970	12,468	7,878	
Short Term Loans / Bank Credits	Mill/Rs.	-	-	-	-	
Return Payable on GOP Investments	Mill/Rs.	20	20	20	20	
Creditors, Accrued & Other STL	Mill/Rs.	6,810	6,810	6,810	6,810	
Total Current Liability	Mill/Rs.	13,910	12,799	19,298	14,707	
TOTAL LIABILITIES & EQUITY	Mill/Rs.	238,582	256,902	272,696	289,102	

FINANCIAL STATEMENTS		Unit	2005	2006	2007	2008
CASH FLOW STATEMENT						
CASH FLOW FROM OPERATING ACTIVITIES						
Net Profit for the Year	Mill/Rs.	4,580	9,703	9,401	18,162	
Adjustments:						
ADD: Depreciation		4,165	4,861	5,001	5,109	
Interest Expense		8,246	9,900	10,454	10,937	
Cash After Adjustments	Mill/Rs.	16,991	24,464	24,856	34,207	
Working Capital Changes:	Mill/Rs.					
(Incr.)/Decr. in Stores & Spares		(2,927)	(162)	(78)	(107)	
(Incr.)/Decr. in Receivable from Co's		-	-	-	-	
(Incr.)/Decr. in Current Maturity of N/R - KAPCO		153	1,095	108	-	
(Incr.)/Decr. in A/R from NTDC		(1,903)	(696)	(63)	(796)	
(Incr.)/Decr. in Adv., Depts, Prep.& Oth. Rec.		-	-	-	-	
Inc/(Decr.) Bank Credits		-	-	-	-	
Inc/(Decr.) Return Payable on Invest by GOP		(1)	-	-	-	
Inc/(Decr.) Creditors, Accrued & Others STL		-	-	-	-	
Net Changes From Working Capital	Mill/Rs.	(4,678)	237	(34)	(903)	
Net Cash In/(Out) Flow from Operation	Mill/Rs.	12,313	24,700	24,821	33,305	
CASH FLOW FROM INVESTING ACTIVITIES:						
Change in Fixed Assets	Mill/Rs.	(5,604)	(5,393)	(2,614)	(3,559)	
Capital Work in Progress		(2,998)	(17,335)	(19,111)	(17,953)	
Long Term Investments		-	-	-	-	
Notes Receivables from KAPCO		2,102	1,007	900	900	
Cash In/(Out) flow from Invest.Actv.	Mill/Rs.	(6,500)	(21,721)	(20,825)	(20,612)	
CASH FLOW FROM FINANCING ACTIVITIES:						
Additional Equity Investment	Mill/Rs.	-	-	-	-	
Long Term Loans Obtained (local)		-	8,000	1,751	170	
Long Term Loans Obtained (foreign)		4,000	8,200	11,113	11,045	
Amortization of Employees Benefit		-	(502)	(502)	(502)	
Repayment of Principal		(5,629)	(7,081)	(5,970)	(12,468)	
Interest Payment		(8,246)	(9,900)	(10,454)	(10,937)	
Deferred Payments to GoP		-	-	-	-	
Grants		-	-	-	-	
Cash In/(Out) flow from Fin.Activities	Mill/Rs.	(9,875)	(1,283)	(4,061)	(12,692)	
Net Cashflow During the Year		(4,063)	1,697	(65)	0	
Cash - Start of the Year		19,618	15,556	17,253	17,188	
Cash - End of the Year	Mill/Rs.	15,556	17,253	17,188	17,188	



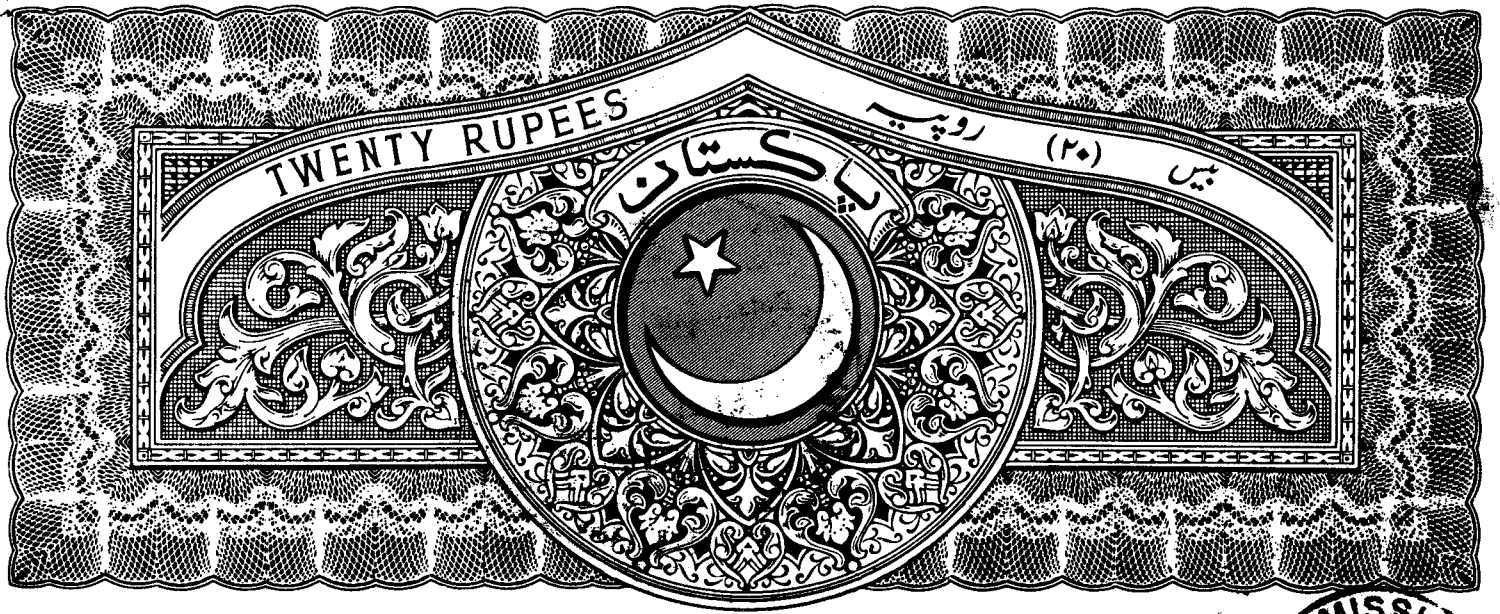
**BEFORE THE NATIONAL ELECTRIC POWER
REGULATORY AUTHORITY**

AFFIDAVIT

I, Mohammad Amjad, General Manager Finance (Power) of WAPDA, WAPDA House, Lahore being duly authorized representative/ attorney of WAPDA Hydroelectric, hereby solemnly affirm and declare that the contents of the accompanying petition/ application # 1778-80/CPCC/ H.Tariff/ 4525 dated 10-05-2005 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.

DEPONENT

(Mohammad Amjad)



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Verified on oath this 10th day of May 2005 that the contents hereof
are true and correct to the best of my knowledge and belief and
nothing has been concealed.

DEPONENT

(Mohammad Amjad)
General Manager Finance (Power)