

**Issues Framed for Hearing of Tariff petition of STDC Transmission Line Project from Nooriabad, Sindh to KDA Grid Karachi**

1. Whether the claimed EPC cost of Rs. 1,670 million is competitive & comparative nationally/internationally? Whether due process of competitive bidding was followed for the selection of the EPC Contractor i.e. M/s Technoman Kinetics?
2. Whether the claimed cost of Rs. 64.30 million under the head of Non EPC is justified?
3. Whether Sindh Sales Tax of Rs. 50.93 million, Insurance During Construction of Rs. 22.55 million, Project Development Cost of Rs. 20.662 million justified?
4. Whether the claimed Operation and Maintenance cost is justified? As communicated, does STDC have the technical expertise, logistics and the finances to carry out O&M by itself?
5. Whether the proposed construction period of seven (07) months is justified? How STDC shall ensure timely completion of this transmission line with the generation projects?
6. Whether the tariff control period of thirty (30) years is justified?
7. Whether the proposed availability factor is justified?
8. Whether the proposed two part tariff comprising of Energy purchase price and Capacity purchase price for an infrastructure development project is justified?
9. Whether the level of losses that have been taken into account for the calculation of variable charge component of proposed tariff is justified?
10. What is the basis and justification of the claimed Return on Equity (IRR Based) of 20%?
11. Whether the proposed pass through of withholding tax on dividend is justified?
12. Whether the claimed working capital component is justified?
13. Whether the proposed indexations/adjustments are justified?
14. Whether the shortest possible and the most economically feasible route has been followed in laying the transmission line and whether the Right Of Way (ROW) has been acquired?
15. Whether the proposed interconnection arrangement is justified?
16. What is the basis of selection of tower design? Whether the power purchaser (K-Electric) has approved the design of towers?
17. Any other issue considered relevant/important by the Authority.