

## **ISSUES FRAMED FOR HEARING**

### **Tariff Application by CPPA-G on behalf of Neelum Jhelum Hydropower Company (NJHPC)**

1. Whether the claimed plant Capacity factor of 54.8% and net annual Energy of 4630.00 GWh is justified?
2. Whether the claimed capacity of 969 MW has been arrived by conducting commissioning test as per the international testing protocols?
3. Whether the claimed construction period of almost 10.5 years (125 months) is justified?
4. Whether the contracts for Civil Work and Electro Mechanical & Hydraulics were awarded through fair and transparent bidding?
5. Whether the total Construction Cost of PKR. 316,167 million comprising of (a) Main Contract Price of Civil Works, Electro Mechanical & Hydraulics and their Variation Orders of PKR 166,581 million, (b) Cost Escalation of PKR 68,158 million and (c) Exchange Losses of PKR 81,428 million are justified?
6. Whether the claimed Non-Construction Cost of PKR. 32,388 million comprising of (a) Engineering Supervision Cost of PKR 20,321 million, (b) Land Acquisition & Lease Cost of PKR 1,500 million, (c) CSR & Mitigation Measures Cost of PKR 5,237 million and (d) Project Management Cost of PKR 5,330 million are justified?
7. Whether the claimed Physical Contingencies cost of PKR 4,957 million is justified considering the Project has already achieved COD in 2018?
8. Whether the claimed Interest During Construction cost of PKR 74,784 million is justified?
9. Whether 15% interest rate on foreign loan is justified?
10. Whether the Return on Equity (ROE) and Return on Equity during Construction (ROEDC) computed at 10% IRR net of Withholding Tax with dollar indexation is justified?
11. What is the total amount of Neelum Jhelum Surcharge collected from consumers and what is its contribution in project cost?
12. Whether the annual O&M cost of PKR. 3,500 million is justified?
13. Whether NEPRA O&M Guidelines have been kept in view for claiming O&M Cost?
14. Whether the claimed Insurance cost per annum of PKR 1,550 million for operation period is justified?
15. Whether allowing Water Use Charge (WUC) to the Project is justified?
16. Any other issues the Authority deems appropriate.