



REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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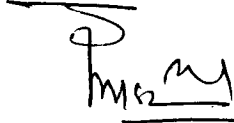
Subject: **PRINTING OF NOTIFICATION REGARDING GUIDELINES TO LAY DOWN THE METHODOLOGY & PROCESS FOR DETERMINATION OF REVENUE REQUIREMENT AND USE OF SYSTEM CHARGES (UOSC) FOR TRANSMISSION LICENSEE**

Enclosed please find herewith a notification regarding "*Guidelines to Lay Down the Methodology & Process for Determination of Revenue Requirement and Use of System Charges (UoSC) for Transmission Licensee*" for immediate publication in the official Gazette of Pakistan as directed by the Authority in exercise of power conferred under section 7(2)(i) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997) read with rule 3(2)(g) of NEPRA Tariff (Standards and Procedure) Rules, 1998.

2. Thirty (35) copies of printing notification/SRO may please be furnished to this after publication.

Encl:

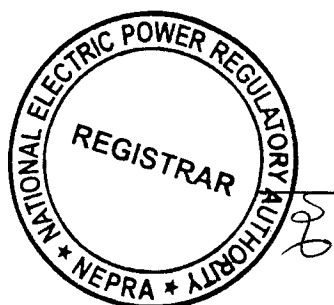
1. Notification [75 pages]
2. Soft Copy (01 CD)


66.04.17
(Syed Safer Hussain)

NEPRA
Guidelines for
determination of
Revenue
Requirement & Use
of System Charges

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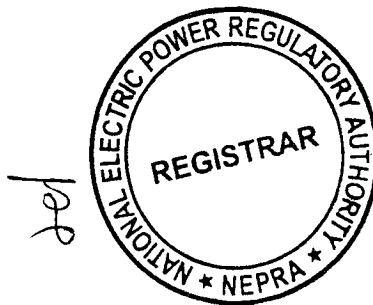
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NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

Islamabad, the 6, April, 2017

NOTIFICATION

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S.R.O. ----- (I)/2017:- In exercise of the powers conferred by section 7(2)(i) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997) read with rule 3(2)(g) of NEPRA Tariff (Standards and Procedure) Rules, 1998, the National Electric Power Regulatory Authority, hereby issues the following guidelines to lay down the Methodology & Process for Determination of Revenue Requirement and Use of System Charges (UoS) for a Transmission Licensee.

Section 1: Introduction

Part 1: Introduction: Legal and rule/regulatory framework and objectives of the Guidelines

1.1. Purpose/ Scope of these Guidelines

1.1.1. The objective is to establish a transparent methodology for the determination of transmission revenues and UoS that is predictable and certain in its operation and is consistent with the requirements under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the NEPRA Act) and the rules and regulation made thereunder, and for the licensees to know in advance and prepare tariff petitions with adequate information and the required data.

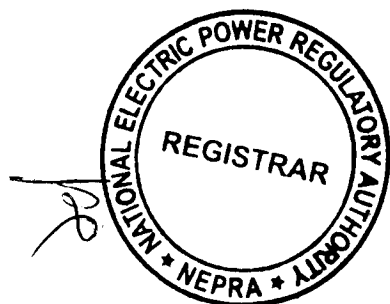
1.1.2. The guidelines cover the methodologies and processes for:

1. the determination of the revenue requirements for the transmission Licensee
2. the setting of UoS consistent with the determined revenue requirements

1.1.3. The guidelines set out the requirements on the Transmission Licensee in submitting their petition and how NEPRA will assess/decided the Petition.

1.2. Structure of the Guidelines

1.2.1. The section 1 of the guideline outlines the purpose/scope, legal framework, definition, minimum filing requirement and notification of tariff. The section 2 of the guidelines deals with the tariff setting parameters and methodology for the National Transmission and Despatch Company i.e. NTDCL. The section 3 deals with the Special Purpose Transmission Licensees in the private sector as well as transmission licensees owned by the Provincial Governments.



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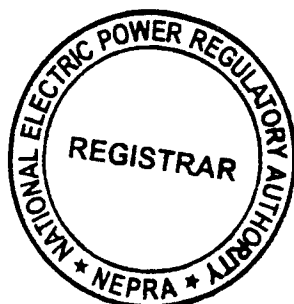
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1.3 Process for reviewing and modifying the guidelines

- 1.3.1. These guidelines may be modified by the Authority from time to time to enhance the methodology and address any issue identified during application. Modification of the guidelines will be done sufficiently in advance for the licensee to have time to adequately prepare the corresponding petition. Modification applicable to a petition will be approved at least (3/4) months prior to deadline for submission of the transmission tariff petition. Ideally this would be done in this way, however, the Authority may frame an issue in this regard during the tariff petition process as well.
- 1.3.2. The Authority keeping in view the dynamic power sector of Pakistan and experience in the application of the methodology and process, may consider changing/modifying the existing guidelines. The Authority will advertise in leading newspapers and upload the proposed modification(s) on the website for at least ten to fifteen working days, together with a document explaining the rationale and scope of the modifications under consideration, to seek stakeholder's comments. Additionally, the Authority may intimate the stakeholder through individual letters / notices requesting comments. Further the Authority may frame an issue in this regard during the proceeding of the UoSC determination. The Authority after considering the submitted comments may or may not approve the proposed modification.

1.4 Legal Framework

- 1.4.1. NEPRA was established under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (Act) and one of its core functions is to determine, specify or approve the tariffs for the generation, transmission and distribution companies. In accordance with Section 31 read with section 46 of the Act, NEPRA developed the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 which provides for tariff setting process and broad principle of tariff setting.
- 1.4.2. In accordance with the legal framework and NEPRA (Tariff Standards and Procedure) Rules, 1988, any licensee, consumer or person interested in tariff may file a tariff petition with the Authority to determine the revenue requirement and the associated Use of System Charges for the Transmission Licensee. NEPRA determines the revenue requirement of the Transmission Licensee by assessing the different components of revenue requirement. Upon admission of the petition, NEPRA uploads in the website and invites the public and other stakeholders to make comments. NEPRA may conduct public hearing after receiving comments from the public/ stakeholders in line with the Act, in order to enhance transparency and accountability.



1.4.3. The NEPRA Act establishes two types of transmission licensees: The national grid company licensed as defined in Section 17 of NEPRA Act, the National Transmission & Despatch Company, (NTDC, a Federal Government owned company), and special purpose transmission licenses as per Section 19 of the NEPRA Act.

1.4.4. As per the Policy Framework for Private Sector Transmission Lines Projects 2015, the Transmission Line projects would be offered on (BOOT) basis, (comprising of extra high voltage (EHV) overhead transmission lines (OHL) and grid stations (GS) or converter station (CS)). The term of these projects will be 25 years, following which they will be transferred to NTDCL. Here it is pertinent to mention that in addition that private transmission can be built outside this Policy.

Part 2: General

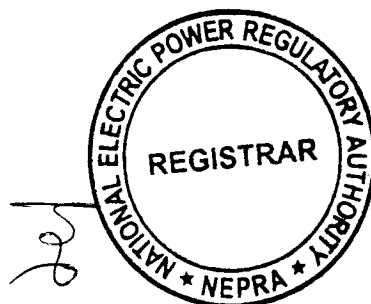
2.1. Short title and commencement:-

- (1) These guidelines shall be called NEPRA Determination of Use of System Charges (Methodology & Process) Guidelines, 2016.
- (2) These guidelines shall be applicable for all the transmission licensees and shall be applicable with immediate effect.

2.2. Definitions:-

2.2.1. In these guidelines, unless there is anything repugnant in the subject or context,

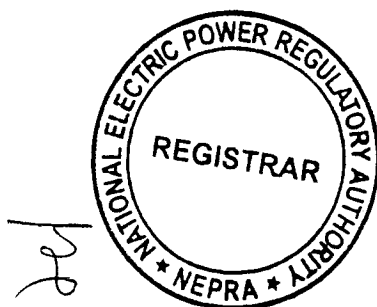
- (a) "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997);
- (b) "Authority" means the National Electric Power Regulatory Authority (NEPRA);
- (c) "Available" means the transmission capacity or tie line transfer capacity that is both (a) available in accordance with the Grid Code and (b) declared as available for the despatch of the power system.
- (d) "Base Year" means the year on which the annual or multiyear tariff projection is being made. It may be a historical financial year, for which the actual results/audited accounts are available. It may be a combination of actual results and projected results for the same financial year or it may be a pure projection of a future financial year.



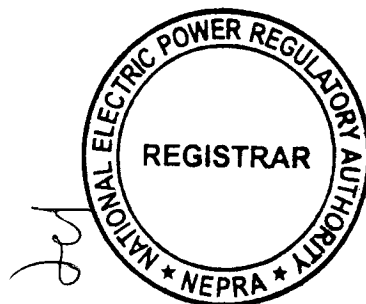
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- (e) "bulk-power consumer" means a consumer who purchases or receives electric power, at one premises, in an amount of one megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may determine and the Authority may determine different amounts and voltage levels and with such other characteristics for different areas;
- (f) "Capital Base" means the Capital base as worked out in Annex-IV
- (g) "Fixed Use of System Charge" means the UoSC to recover the allowed revenue requirement of the transmission licensee, calculated as Rs per kW/month of peak demand or Rs. per kW per hour of total capacity.
- (h) "Grid Code" means the NTDC Grid Code 2005
- (i) "License" means a license issued for generation, transmission or distribution under the Act;
- (j) "Licensee" means a licensee to whom a transmission license has been granted by NEPRA in accordance with the Act;
- (k) "National Transmission and Despatch Company Limited (NTDC)" means the national grid company licensed by the Authority
- (l) "Petition" means a petition made to the Authority for the determination, modification or revision of tariff.
- (m) "Petitioner" means any licensee of NEPRA, consumer or person interested in tariff that may file a petition with the Authority.
- (n) "Planning Documents" means a detailed "Transmission Investment Plan" as required under PC-4 of the planning code of the Grid Code, which shall be prepared that is based on the NTDC Twenty Year load forecast, Indicative Generation Capacity Expansion Plan (IGCEP) and the Transmission System Expansion Plan (TSEP) based on ASRAI. The transmission plan may be prepared for next one, three, five and ten years into the future.
- (o) "Regulatory Asset Base (RAB)" means the RAB as worked out in Annex-III
- (p) "Registrar" means, registrar as defined in NEPRA (Tariff Standards and Procedure) Rules, 1998



- (q) "Revenue Requirement" (RR) means the costs allowed to be recovered by the licensee from Transmission Users to provide transmission services (and for NTDC also system operation services)
- (r) "Rules" means NEPRA Tariff (Standards and Procedure) Rules, 1998 and any other such rules made by the Authority from time to time;
- (s) "System Operator" means a division of NTDC responsible for system operation and dispatch as established in license of NTDC and the grid code.
- (t) "Separate Business" means each of the transmission business of the licensee, the tie-line business of the licensee, and any other business of the licensee, undertaken separately;
- (u) "System Operation business" means the business of operation of power system for the transmission and dispatch of electric power including the balancing services and inter-connection services;
- (v) "Test Year" means the first year of tariff control period in multiyear tariff regime.
- (w) "Tie-Line" means interconnection facility for the transfer of electric power between a transmission licensee and other utilities not governed by the Act;
- (x) "Transmission Business" means the business of transmission of electric power carried on or to be carried on by a transmission licensee pursuant to and in accordance with the terms of its license in [planning], development, construction and maintenance of the licensee's transmission system and, as applicable, inter-connection services.
- (y) "Transmission System " means one or more systems comprising electrical facilities including, without limitation, electrical lines or circuits, electrical plant, transformers, sub-stations, switches, meters, interconnection facilities or other facilities operating at or above minimum transmission voltage constructed, owned, managed, controlled or operated by NTDC or by one or more special purpose transmission licensees and used for transmission of electric power from the generation facility to sub-stations or to or from other generation facilities or between sub-stations or to or from any interconnection facilities or from the distribution facilities of one licensee to the distribution facilities of another licensee or from a generation facility to a distribution facility or a bulk-power consumer.



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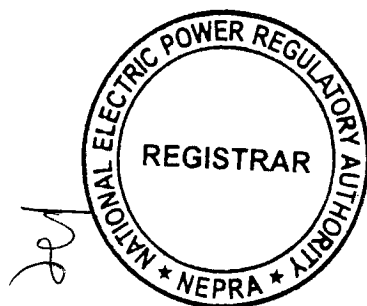
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(z) "Use of System Charge" (UoSC) means the charges to be paid by users of the transmission system to recover the allowed revenue requirement of the licensee.

2.2.2 Words and expressions used but not defined in these guidelines shall have the same meaning as in the Act and Rules and Regulations framed there under.

Part 3: Minimum Filing Requirements for Tariff Petitions

- 3.1. Any petition seeking determination of transmission Revenue Requirement and UoSC filed before NEPRA shall be signed/sealed by the Petitioner or its authorized representative and each page of the petition as well as annexure are to be initialed by the person filing the petition.
- 3.2. The petition shall be accompanied with copy of necessary authorization in favor of the signatory, if the petition is filed by a legal person other than natural person.
- 3.3. The affidavit filed as to correctness of the petition shall also be sealed/countersigned by the person authorized to take oaths.
- 3.4. Beside the information required under sub-rule (2) of rule 3 of NEPRA Tariff (Standards & Procedure) Rules, 1998, the information prescribed hereinafter as per Forms specified by NEPRA shall be included as part of the petitions. The information incorporated in all such Forms shall be accurate and complete in all respects. NEPRA may decline admission of a petition upon failure of the Petitioner to provide all the required Forms as hereinafter prescribed. NEPRA may amend any such Form as and when required, provided the change will be informed prior to the time for submission of the petition.
- 3.5. Prior to NTDCL submission of a tariff petition, the NTDCL shall be obliged to submit and seek prior approval of all the Planning Documents and Investment Program. Provided further that NEPRA may decline admission of a petition upon failure of the NTDC to seek prior approval by NEPRA of the Planning Documents and Investment Program as required in Part 7 of the Guidelines or any of the forms.
- 3.6. The Petitioner shall submit the requisite information as per prescribed Forms along with their tariff petitions in one package, notwithstanding the size of the package.
- 3.7. The checklist of completeness of all the requisite information shall be ensured by the office of Registrar while receiving the tariff petitions. Notwithstanding provision of the information being prescribed through these Guidelines, the Authority may call for



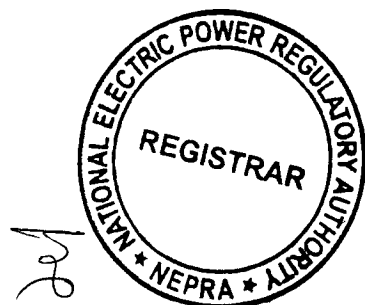
other relevant information to be filed and the admission of the petition could be refused by the Authority owing to non-filing of the requisite information.

Part 4: Principles for determining Transmission revenues and tariffs

- 4.1. In compliance with the requirements of the NEPRA Act, 1997 and the rules/regulations made thereunder, NEPRA determine the Revenue Requirement and UoSC using the methodology in these guidelines to achieve the objectives under the Act and to, in particular, promote the long term interest of electricity consumers through efficient provision and use of electricity services.
- 4.2. In determining tariffs that best achieve these objectives NEPRA will ensure that the approved Revenue Requirement and UoSC comply with the following regulatory principles:
 - a. The Transmission licensee should be provided with a reasonable opportunity to recover prudent costs.
 - b. The regulation of Revenue Requirement and UoSC should promote economic efficiency with respect to network services by promoting:
 - i. Efficient investment in the transmission network,
 - ii. Efficient operation of the transmission network to the extent of T&T losses
 - c. In future, the Authority, with the advent of retail & wholesale market may introduce a performance based revenue regime in order to promote efficient use of electricity infrastructure.

Part 5: Procedure for Notification of Tariff

- 5.1. The Transmission Licensee may be granted an annual or a multi-year tariff that provides an opportunity to the company to fully recover the NEPRA approved revenue requirement.
- 5.2. The Order of the Authority along with relevant Annexes shall be intimated to the Government of Pakistan for notification in the official gazette in terms of section 31(4) of NEPRA Act, 1997.

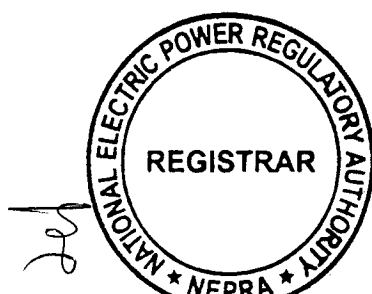


- 5.3. The Tariff, once notified, shall remain effective until superseded by the new Tariff notified by the Government of Pakistan. The Tariff may be subject to periodic review as provided therein.
- 5.4. The order of the Authority to be notified will contain all the directions issued by NEPRA to be implemented by the licensee.

Section 2: National Transmission and Despatch Company Limited

Part 6: Information to be submitted by NTDC

- 6.1. The information required to be submitted by NTDC in the petition for the base year and the tariff control period, either under annual or Multi Year tariff regime, shall be as under:-
- 6.2. General Information
- (a) The information required under rule 3(2) of NEPRA Tariff (Standards & Procedure) Rules, 1998.
 - (b) The costs components of the revenue requirement for the base year and the control period comprising General Establishment & Administrative Expenses, Repair & Maintenance (R&M) Expenses, Insurance, Depreciation, Other Expense, Prior Year Adjustment (PYA), Other Income, Financial Charges & Return on Equity or RORB.
 - (c) The details of pass through items, if any e.g. Corporate Tax etc.
 - (d) The justifications (e.g. cost/benefit analysis and payback periods etc.) for each of the costs requested in the petition not included in the approved Transmission Expansion Plan/Planning Documents.
 - (e) Availability of Transmission Capacity and level of congestion pertaining to the last three years, current and expected for the tariff control period.
 - (f) Actual and estimated MDI of each of the distribution licensee and bulk consumer connected to NTDC transmission system.
 - (g) Approved planning documents and assessment of Transmission losses for next years.
 - (h) Actual and estimated monthly demand for electricity (consumption and capacity) at transmission connection points.

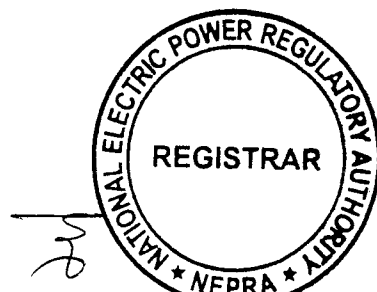


- (i) Asset register
- (j) The details of the immediate prior five year's monthly and annual actual transmission losses.
- (k) The details and explanations of the causes and/or reasons for the requested transmission losses (future losses).
- (l) Details of financial charges along-with Term Sheet of Loans.
- (m) Details of Capital base.
- (n) Others, the licensee or the Authority may consider necessary to justify its petition

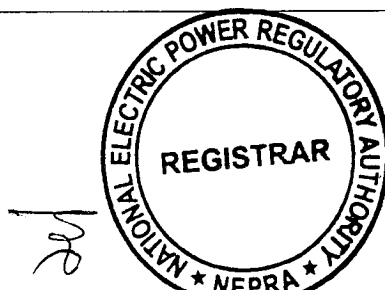
Part 7: Schedule of petition and tariff determination Process

- 7.1. The Schedule establishes and maintains a detailed timeline for the submission, determination and notification of an annual or multi-year tariff of a transmission licensee, conforming to and consistent with the NEPRA Act and the NEPRA Tariff Rules.
- 7.2. The Scheduling assures that a quorum is present to take evidence and make decisions according to the administrative procedures and statutory requirements in force.
- 7.3. The following is the schedule for the submission and processing of the tariff petition.

Schedule of Regulatory Proceedings		
A. Regulatory Proceeding for approval of Planning Documents and losses plan.		
	Description	Date
1	Submission Planning Documents by NTDC. The Authority may club the approval proceedings of DIIP in the matter of XWDISCO along with the instant proceedings	September 01 each year
2	Submission of assessment of Transmission losses for next years by NTDC	September 01 each year
3	Review and Approval of the Planning Documents by NEPRA	Within 90 days of NTDC's submission plan. 30 th November, each year, if



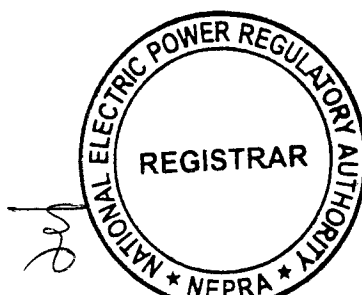
		plan is submitted by September 1.
4	Approved Target of Transmission Losses by NEPRA	30 th November, each year, if assessment of Transmission losses is submitted by September 1
B. Regulatory Proceeding for Rate case and Tariff Determination		
1	Submit minimum filing requirements by NTDCL	By January 31 st each year under the SYT and in case of MYT as per the determination.
2	Revise minimum filing requirements (if necessary)	As required from time to time
3	NEPRA accepts minimum filing requirements	As required from time to time
4	Submit tariff petition by NTDCL(Complete in all respects)	January 31 st
5	NEPRA Admits tariff petition based on minimum filing requirements and appointment of Case Officer as well as decision to conduct of hearing.	Within 14 days from date of complete submission
6	Issuance of decision on admission/minutes of meeting	Within 04 days from date of meeting considering admission
7	Publication of notice of admission /hearing	Within 03 days from date of admission
8	Receipt of replies, comments or intervention requests	Within 07 days of publication
9	Filing of rejoinder, if any,	Within 07 days of filing of reply, comments etc
10	The Case Officer to thrash legal, financial and technical issues with help of NEPRA professionals, frame draft issues for hearing and submit initial case officer report to Authority	Within 21 days of receipt of input from in-house NEPRA professionals and from other stakeholders
11	Authority meeting to decide on items under Sr. No.7 and to suggest holding of this hearing by one of the designated members of the Authority instead of the whole Authority, with each member acting as presiding officer for a number of tariff cases so that the work load is divided between the Authority members before it is ready for the determination of the full Authority	Within 04 days of submission of Case Officer Report as per Serial No. 7
12	Decision/minutes of the meeting at S. No. 11	Within 04 days of the meeting at S.NO. 11
13	Case Officer to communicate the "issues" to the parties for information and preparation of their case and publish on the website	Within 2 days of the meeting at S. No. 11



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14	Conduct of hearing	Within 48 days from the date of advertisement
15	Close of Evidence, interrogatories, information directions etc.	Within 10 days of the conduct of last hearing
16	Case Officer Report with recommendations	Within 25 days of close of evidence
17	Authority meeting to discuss Case Officer's Report	Within 05 days of submission of case officer report at S.No. 16
18	Issuance of decision of Authority upon Case Office report at S.No.17	Within 05 days of meeting at S.No. 17
19	Authority's draft determination based on the recommendations of Case Officer	Within 10 days of decision taken vide S.No. 18
20	Vetting by Legal Section	Within 5 days of circulation of draft determination
21	Signature and issuance of determination	Within 5 days of legal vetting
22	Intimation of determination to Federal Government for notification	Within 3 days of signatures upon determination.
23	The Petitioner can file a motion for review of the determination as per the Rules	Within ten days of service of a final order
24	The GoP can fill a Reconsideration Request	Within fifteen days from the date of final order of the Authority
25	If Reconsideration Request is filled by the GoP, Reconsideration Decision by the Authority	Within a period of fifteen days from the date of admission of Reconsideration Request
26	Notification of the determination in official gazette	Within 15 days by Federal Government since receipt from NEPRA

- 7.4. These Guidelines schedule the time required to complete the determination of the transmission licensee's tariff within the timeframe as prescribed under the NEPRA Tariff Rules 1998.
- 7.5. The information provided by the respondents, interveners and commentators or otherwise available with NEPRA may also be considered during the course of tariff proceedings.
- 7.6. The 90 days' time line for the approval of Planning Documents and assessment of losses by NEPRA established in the Table Schedule of Regulatory Proceedings (22) can be extended up to 180 days in view of the comments from stakeholders requiring a review



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of the plan or additional information and clarification from NTDC to respond or address received and subject to the approval of the Authority. In case the approval is granted the corresponding deadlines would change accordingly.

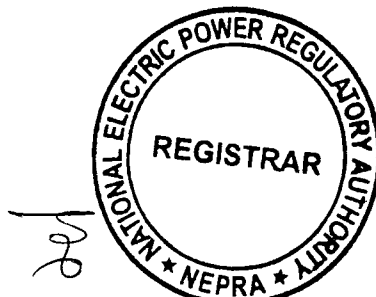
Part 8:- Petition Procedures and Approval of Planning Documents

8.1. Tariff Petition Procedures

1. The Petitioner may choose from among a past, current or future financial year as base year.
3. The Petitioner shall submit a complete financial analysis for the base year along with the information already prescribed in these guidelines.

8.2. Planning Documents

- 8.2.1 NTDC shall prepare the Planning Documents and ensure that the same is integrated with the distribution expansion plan of XWDISCO's.
- 8.2.2 The Planning Documents will be reviewed and approved by NEPRA in a separate proceedings from tariff petition (as mentioned in Part 6) of these guidelines. The plan shall be analyzed by the Technical Division of NEPRA in consultation with stakeholders during a regulatory proceeding. The evaluation report prepared by the Technical Division of NEPRA along with the Technical Division's recommendations shall be submitted to the Authority for approval. NEPRA shall approve the Planning Documents prior to the submission of an annual or multi-year Revenue Requirement and UoSC petition.
- 8.2.3 NEPRA shall review and approve the Planning Documents for the transmission expansion plan based on information provided by the licensee as per procedures and deadlines provided in Part 6 of these guidelines.
- 8.2.4 NEPRA shall approve the Planning Documents of operations assets and facilities in order to improve the reliability and performance of the transmission system in Pakistan in accordance with the planning criteria and standards established in the planning code of the Grid Code.
- 8.2.5 Cost/benefit analyses and payback periods for the operations investment plans shall be included.
- 8.2.6 Annual Investment Plans shall be reviewed by NEPRA staff for the purpose of determining allowances or disallowances in the determination of the revenue requirement.

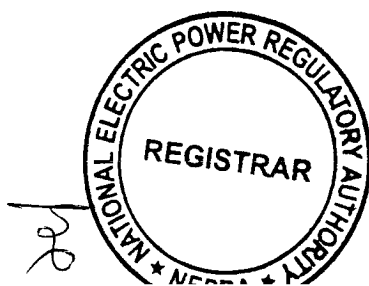


- 8.2.7 Transmission licensees shall submit quarterly reports describing and justifying their actual investment for the purpose of monitoring of the implementation of planning documents subject to milestones submitted to and approved by NEPRA.
- 8.2.8 Transmission licensees shall submit details of the actual investments made during the year and the actual transfer of assets from Capital Work In Progress (CWIP) to Gross Fixed Assets in Operation (GFAIO)) for making adjustments to the relevant components of Capital Base.
- 8.3. Losses Plan Procedures
- 8.3.1 Although the losses of NTDCL are only technical in nature, yet the NTDCL should provide the future scenario of T&T losses, keeping in view the proposals / plans mentioned in the planning documents.
- 8.3.2 NTDCL shall submit the details of the base year's monthly and progressive transmission losses as per the procedure and deadlines provided in part 6 of these Guidelines keeping in view the proposals / plans mentioned in the planning documents.
- 8.3.3 The NTDCL shall submit the details of the immediately prior year's monthly and accumulated actual transmission losses.
- 8.3.4 The tariff petition shall include detailed report on transmission congestion and its impact on generation dispatch costs, load shedding and transmission losses if any. The report should also include non-supplied energy due to unavailability or interruptions in transmission links or facilities as a performance indicator.
- 8.3.5 The aforementioned details / report submitted by the petitioner shall be analyzed by the Technical Division of NEPRA in consultation with the stake-holders during a regulatory proceeding.
- 8.3.6 A petition submitted, supported by a historical financial year, shall include only audited and verified technical losses and forecasted/projected transmission losses.

Part 9: Formulae and principles for determining the Revenue Requirement for NTDCL

- 9.1. The Revenue Requirement will be determined and recovered through the UoSC determined by NEPRA as per the following formulae;
- 9.2. The formula for the determination of the Revenue Requirement shall be:

$$RR_T = GE\&A_T + RM_T + FC_T + D_T + CB_T * RoE_T + PYA_T + I_T + T_T - OI_T$$



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Where

- RR_T is the transmission licensee's fixed Revenue Requirement
- GE&A_(T) is the General Establishment & Administrative expenses
- RM_T is the Repair & Maintenance Expenses
- FC_T is Financial Charges
- D_T is Depreciation Charges
- CB_T is Capital Base
- ROE_T is Rate of Return on equity.
- PYA_T is Prior Period Adjustment
- I_T is the Insurance Cost
- T_T is the Corporate Taxes (pass through as per actual)
- OI_T is the Other Income

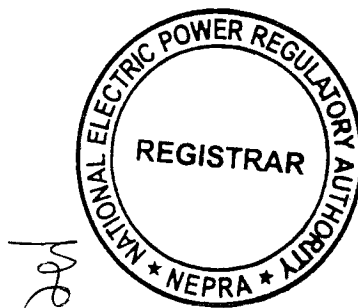
9.2.1 The revenue requirement includes ROE calculated separately and Financial Charges are allowed as per actual. However, NEPRA may, on the request of NTDC (if NTDC intends to change its risk profile), consider assessment of ROE and financial charges based on Weighted Average Cost of Capital Model. If such approach is agreed, then accordingly the aforementioned formula for determining of Revenue Requirement will be amended.

9.3. The formula for the determination of the Fixed UoSC:

9.3.1 The use of system charges apply to demand (Distribution licensees connected to NTDC system and Bulk Power Consumers that purchase directly from generation or other supplier that is not the distribution licensee, using NTDC network).

9.3.2 Following formula will be used for the calculation of fixed UoSC kW/month to recover the determined Revenue Requirement:

$$\text{UoSC kW/month} = \frac{\text{RR}_T}{\text{Sum of MDI of all Distribution licensees and bulk power consumer connected to NTDC transmission network}}$$



9.4. The formula for the determination of the variable UoSC; in terms of kWh in order to recover the cost of allowed transmission losses (applicable to only bulk power consumers):

Variable charge (USCV)= (Rs. per kWh) x (LAL factor).

Where Rs. per kWh is to be determined by NEPRA.

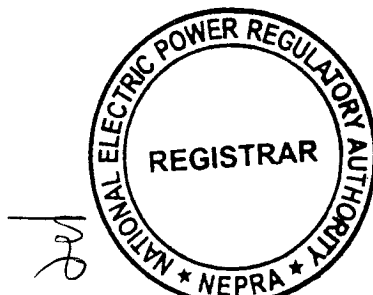
9.4.1. The variable charge shall be applicable to the energy in kilowatt-hours (kWh) recorded during a billing period. Recording of the maximum demand in kW and energy delivered in kWh shall be carried out at meters installed at the delivery metering points i.e. inter-connection point between:

- (a) NTDC transmission system (NTDC System) and the bulk power consumer.
- (b) NTDC system and the transmission system of a special purpose transmission licensee.
- (c) NTDC system and the transmission system of another country connected under an arrangement approved by the Federal Government.
- (d) NTDC system and a distribution company receiving power in bulk either for sale to its own consumers or on behalf of another distribution company or a BPC located in another distribution company.

9.5. Principles governing the determination of the Revenue Requirement and UoSC.

9.5.1 NEPRA may accept the requested base year or itself choose a base year for the purpose of determining the transmission licensee's Revenue Requirement under Annual or multi-year tariff regime. NEPRA may choose a past, current or future financial year as defined "Base Year" in the definition section of these guidelines for the purpose of determining Revenue Requirement.

9.5.2 A financing plan supporting the approved Planning Documents shall be included in the information to be filed along with petition for determination of a tariff in all cases, even if the petition is for a one year tariff. For the purpose of the determination, the relevant information for the period under consideration (one year tariff, multiyear tariff) will be considered out of the approved rolling forward expansion plan. In case of MYT, any investment and corresponding financing plan would be required to be reviewed annually for making necessary adjustments in the relevant tariff components based on the updated transmission expansion plan. Here it is pertinent to mention that the referred Planning Documents would be filed and approved in a separate proceedings as explained in Part 6 of these Guidelines.



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- 9.5.3 "Used and useful" shall govern the determination of the Capital base and RAB.
- 9.5.4 Original cost i.e. the cost on which the asset was acquired shall be the foundation for the valuation of the Capital base.
- 9.5.5 Imprudent investments, as deemed by NEPRA, may not be included in the Capital base/ RAB for the purpose of determining the Revenue Requirement for any the NTDCL. The prudence will be determined through the review and approval of the Planning Documents. It is further clarified that purpose of investment would be questioned by NEPRA only when the investment plan is not based on the approved Planning Documents under a separate proceedings.
- 9.5.6 Any losses beyond the assessed level of transmission loss would be borne by the NTDCL and vice versa.
- 9.5.7 Cost of incentive-based rewards or penalties may be included in the determination of NTDC's revenue requirement.
- 9.5.8 The tariff petition submitted by NTDC will contain the legitimate and prudent costs of delivering transmission services with performance standards and quality established by NEPRA, and in accordance to the Planning Documents requirements and planning reliability criteria in the Grid Code.

9.6. Cost of Capital

- 9.6.1 Cost of Capital may be assessed under the two following methodologies depending on the conditions / provision in part 8 (1) of these guidelines;

(a) Return on Equity (RoE) and Financial Charges Approach

- (i) ROE may be assessed as under;

- i. Return on Equity model approach i.e. $CB_T \times k_{eT}$

Where:

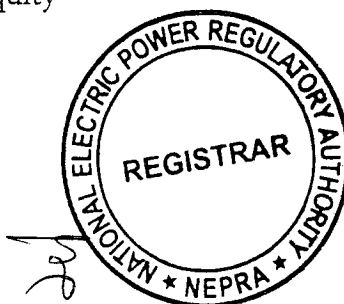
CB_T = Capital Base
 k_{eT} = Cost of Equity

Where;

$$k_e = R_f + (R_m - R_f) \times \beta$$

where,

k_e = Cost of Equity



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- Rf = Risk-free rate of return
Rm = Market rate of return, also (Rm – Rf) is called market risk premium
β = Beta, the measure of systematic risk

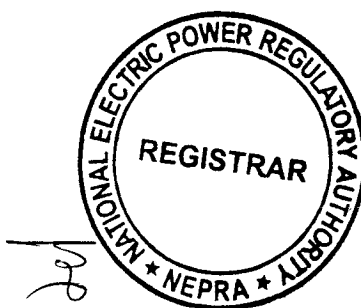
And the capital base would be calculated through the following formulae;

Capital Base

Description	Rupees in Million	
	FY ----- Actual	FY ---- Forward Looking
Opening fixed assets in operation		
Add: Assets Transferred during the year		
Closing Fixed Assets in Operation		
Less: Accumulated Depreciation		
Net Fixed Assets in operation		
Add: Capital Work in Progress (Closing)		
Fixed Assets (A)		
Add: Current Asset*		
Store & Spares *(3% of the gross fixed assets in operation)		
Accounts receivables *(equal to 30 no. of days outstanding of annual billing)		
Cash & Bank Balance *(1/12 th of sum of cash and bank balance whether deposits at the end of each month of the year subject to the maximum of 1/6 th of annual operating expenses other than non-cash items)		
Current Assets (B)		
Less: Non-Current & Current Liabilities (C)*		
Capital Base (A+B-C)		

* or as determined by the Authority

- (ii) Financial Charges with respect to NTDCL investments may be considered as per the actual, keeping in view the prudence of the cost.
- (iii) The adjustments in Return on equity for future periods under the MYT shall be based on changes in Capital Base only, meaning thereby that the cost of equity will be locked for the tariff control period and the NTDCL can maximize its returns in absolute terms through increasing its Capital base.



While working out the Capital Base of the NTDC, any equity in excess of 30% of the average RAB may be treated as Debt. The formula for calculation of RoE shall be modified accordingly.

(b) Weighted Average Cost of Capital (WACC) Approach

- (i) Return on Rate Base may be determined through WACC using the principles of comparative risk. The assessment of optimum capital structure would be made, whereby, a minimum of 20% equity will be assumed in case of negative equity. Equity in excess of 30% may be considered as Debt. Under this approach the cost of Debt would be an assessment, irrespective of its actual debt profile and its actual capital structure. Any fluctuation in the reference KIBOR would be adjusted subsequently.

Formula for determining WACC is as under;

$$RORB = RAB * WACC$$

Where:

RORB = Return on Rate Base

RAB = Regulatory Assets Base

WACC = Weighted Average Cost of Capital

- (ii) The WACC will be calculated as under;

$$WACC = \{k_e \times (E / V)\} + \{k_d \times (D / V)\}$$

where,

k_e = cost of common equity

k_d = cost of debt

D = the amount of debt in the capital structure

E = the amount of common equity in the capital structure

V = E+D

- (iii) $k_e = R_f + (R_m - R_f) \times \beta$

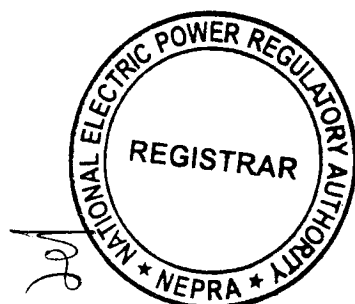
where

k_e = Cost of Equity

R_f = Risk-free rate of return

R_m = Market rate of return, also $(R_m - R_f)$ is called market risk premium

β = Beta, the measure of systematic risk



- (iv) The adjustments in RORB for future periods under the MYT shall be based on changes in RAB only, meaning thereby that the cost of debt (except KIBOR) and equity will be locked for the tariff control period and the NTDC can maximize its profits in absolute terms through increasing its RAB.
- (v) The reference KIBOR shall be adjusted / trued up on annual basis under the WACC model. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information submitted by the Petitioner. The 3 month's KIBOR at the last date of each month will be used for average purpose. Detailed mechanism for assessment of RAB and adjustment of KIBOR is given in Annex- III and XII.
- (vi) For determining return of equity, the Authority may link the tenure of risk free debt instrument with the control period of tariff plus a market premium determined by NEPRA. The Return of equity may be calculated in accordance with Capital Asset Pricing Model (CAPM) or the principles of comparative risk. Assessment and Adjustment mechanism for RoE is given at Annex VII & VIII.

9.7. Operating Cost

(a) *Depreciation Expense*

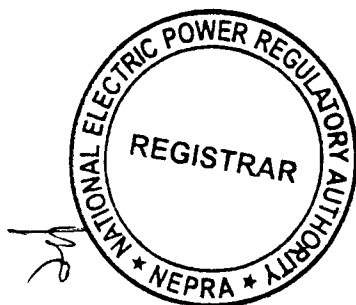
Depreciation expense may be determined on the basis of Gross Fixed Assets in Operation, including new investment. Under MYT the assessment for future periods (years during the control period) will be made in a manner consistent with the test year as per the Annex-IX. The gross depreciation expense may be adjusted to the extent of amortization of the deferred credits.

(b) *Repair and Maintenance Expenses*

Repair & Maintenance expenses shall include the costs of scheduled maintenance and operations performance enhancement. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI.

(c) *General Establishment & Administrative Expenses*

The cost of General Establishment & Administrative Expenses shall include the known budgeted increases and automatic annual increments in salaries, wages and other benefits. Specific procedures will be applied to the treatment of salaries, wages and benefits for new recruits. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI



(d) Travel Expenses

Travel expenses may include monetary allowances provided for travel, accommodation and daily expenses during official visits, as long as these allowances are in accordance with the applicable Rules. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI.

(e) Vehicle Expenses

Vehicle expenses may include, but not be limited to, the costs of fuel and maintenance. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI.

(f) Other Expenses

Other expenses may include, but not be limited to, office supplies and stationary, other utilities expenses, rents, taxes, postage, overhead expenses, auditor remuneration, fees and charges, advertisement, publicity, provision for obsolete stores and miscellaneous expenses. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI.

(g) Other Income

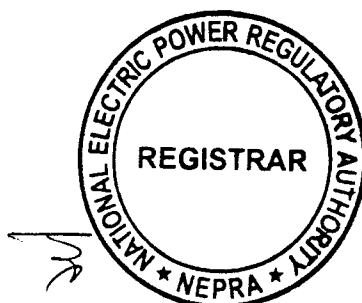
Other income may include, but not be limited to, amortization of deferred credit, profit on bank deposits, sale of scrap, and miscellaneous income (that do not correspond to transmission business). Other income will be monitored to identify trends. Other income may be considered to be a negative other cost.

(h) Insurance Expenses

The Insurance cost may include the local as well as the foreign insurance. The Authority while assessing the Insurance cost will take into account the prudence of the cost and may also consider the International and local benchmarks in this regard. Under MYT the assessment for future periods (years during the control period) will be made based on changes in CPI.

(i) Under / Over Recovery Procedures

Under-recovery or over-recovery of assessed Revenue Requirement through UoSC compared to the assessed / allowed revenue requirement in the determination shall be accounted for going forward under the head of prior year adjustment (PYA). This may also include impact of delayed notifications.

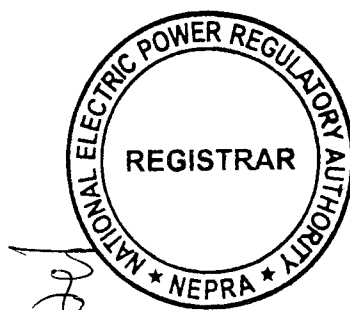


(i) *Financial Charge*

Financial Charges with respect to NTDCL investments may be considered as per the actual, keeping in view the prudence of the cost.

Part 10: Multiyear Tariff Methodology

- 10.1. A multi-year tariff has the potential to yield more predictable rate levels over time. A multi-year tariff may be less volatile and subject to fewer intra-period adjustments.
- 10.2. Planning will be the foundation of the multi-year tariff. Additional transmission investment through private as well as public power companies in Pakistan power market will be governed by the Planning Documents. All the schedules and processes mentioned in the Part 6 and Part 7 of these guidelines would apply in the multiyear tariff regime.
- 10.3. The objectives of the Multiyear Tariff for NTDCL include:-
- (1) To increase the stability and predictability of the future revenue streams of the transmission licensees.
 - (2) Allow and promote better planning of investment and financing needs, and strategic decision making.
 - (3) To strengthen the incentives for transmission licensees to provide transmission services as efficiently as possible.
 - (4) To minimize the risks and costs of regulatory assessments by the Authority.
- 10.4. A petition for a multi-year tariff must include the planning and investment information (Planning Documents which is already approved by the Authority in a separate proceedings as discussed in Part 7 of these guidelines)
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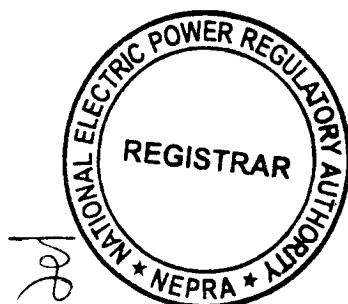
Annex - I

Revenue Requirement (under RoE model)

Description	Rupees in Million	
	FY ----- Actual	FY ---- Forward Looking
General Establishment and Administration		
Repair and Maintenance		
Insurance		
Other Expenses		
Return on Equity		
Financial Charges		
Depreciation		
± Prior Year Adjustment		
Pass through Costs		
Less: Other income		

Revenue Requirement (under WACC model)

Description	Rupees in Million	
	FY ----- Actual	FY ---- Forward Looking
General Establishment and Administration		
Repair and Maintenance		
Insurance		
Other Expenses		
RoRB		
Depreciation		
± Prior Year Adjustment		
Pass through Costs		
Less: Other income		



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Annex-II (Applicable in case of MYT)

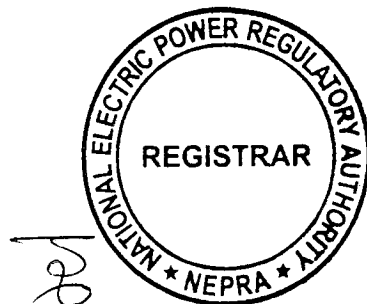
O&M Expense Assessment

For MYT, the O&M part of transmission revenue requirement shall be indexed with CPI subject to adjustment for efficiency gains (X factor). Accordingly, the O&M will be indexed every year according to the following formula:

$$O \& M_{(Rev)} = O \& M_{(Ref)} \times [1 + (\Delta CPI - X)]$$

Where:

- O&M_(Rev) = Revised O&M Expense for the Current Year
- O&M_(Ref) = Reference O&M Expense for the Reference Year
- Δ CPI = Change in Consumer Price Index published by Pakistan Bureau of Statistics latest available on 1st July against the CPI as on 1st July of the Reference Year in terms of percentage.
- X = Efficiency factor

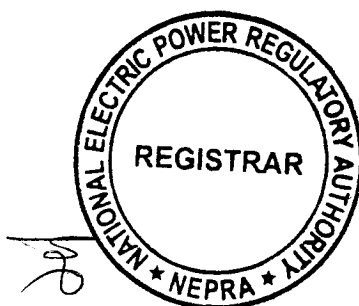


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Annex-III

Regulatory Asset Base (under WACC model)

Description	Rupees in Million	
	FY ---- Actual	FY ---- Forward Looking
Opening fixed assets in operation		
Assets Transferred during the year		
Closing Fixed Assets in Operation		
Less: Accumulated Depreciation		
Net Fixed Assets in operation		
+ Capital Work in Progress (Closing)		
Total Fixed Assets		
Less: Deferred Credit		
Total		
Average Regulatory Assets Base		



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Annex-IV

Capital Base (under RoE model)

Description	Rupees in Million	
	FY ----- Actual	FY ----- Forward Looking
Opening fixed assets in operation		
Add: Assets Transferred during the year		
Closing Fixed Assets in Operation		
Less: Accumulated Depreciation		
Net Fixed Assets in operation		
Add: Capital Work in Progress (Closing)		
Fixed Assets (A)		
Add: Current Asset		
Store & Spares (As decided by the Authority)		
Accounts Receivables (As decided by the Authority)		
Cash & Bank Balance (As decided by the Authority)		
Current Assets (B)		
Less: Non-Current & Current Liabilities (C)		
Capital Base (A+B-C)		



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Annex-V (Applicable in case of MYT)

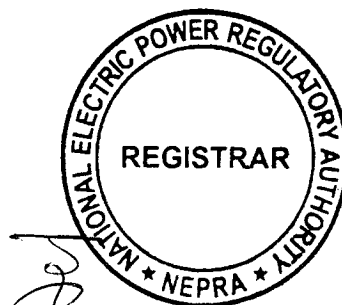
RORB Assessment (under WACC model)

RORB adjustment will be made in accordance with the following formula/mechanism:

$$RORB_{(Rev)} = RORB_{(Ref)} \times \frac{RAB_{(Rev)}}{RAB_{(Ref)}}$$

Where:

- RORB_(Rev) = Revised Return on Rate Base for the Current Year
- RORB_(Ref) = Reference Return on Rate Base for the Reference
- RAB_(Rev) = Revised Rate Base for the Current Year
- RAB_(Ref) = Reference Rate Base for the Reference Year



Annex-VI

RORB Adjustment (under WACC model)

The reference RORB shall be adjusted / trued ups on annual basis. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information provided by the Petitioner. The adjustment of RORB will be determined according to the following formula;

$$RORB_{(adj)} = (RORB_{(Ref)} \times \frac{RAB_{(act)}}{RAB_{(Ref)}}) - RORB_{(a)}$$

Where:

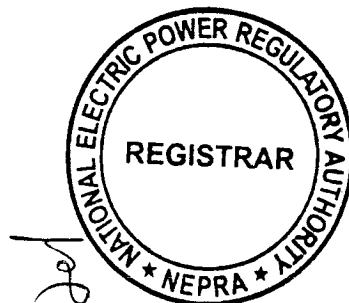
- RORB_(adj) = Return on Rate Base Adjustment
- RORB_(Ref) = Reference Return on Rate Base
- RAB_(Act) = Actual Rate Base for Assessed Year
- RAB_(Ref) = Reference Rate Base for the Reference Year
- RORB_(a) = Return on Rate Base assessed in previous year

After finalization of Audited Financial statement of assessed financial year, the difference between audited and draft financial statements would be allowed as prior year adjustment. The adjustment of RORB will be determined according to the following formula;

$$RORB_{(adj.f)} = ((RORB_{(Ref)} \times \frac{RAB_{(act.a)}}{RAB_{(Ref)}}) - RORB_{(a)}) - RORB_{(adj)}$$

Where:

- RORB_(adj.f) = Return on Rate Base Adjustment
- RORB_(Ref) = Reference Return on Rate Base
- RAB_(act.a) = Actual Rate Base as Per Audited Financial Statements for
- RAB_(Ref) = Reference Rate Base for the Reference Year
- RORB_(adj) = Adjustment is already given on Return on Rate Base
- RORB_(a) = Return on Rate Base assessed in previous year



Annex-VII (Applicable in case of MYT)

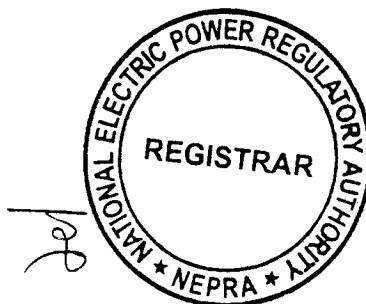
ROE Assessment (under RoE model)

ROE adjustment will be made in accordance with the following formula/mechanism:

$$ROE_{(Rev)} = ROE_{(Ref)} \times \frac{CB_{(Rev)}}{CB_{(Ref)}}$$

Where:

- ROE_(Rev) = Revised Return on Equity for the Current Year
- ROE_(Ref) = Reference Return on Equity for the Reference Year
- CB_(Rev) = Capital Base for the Current Year
- CB_(Ref) = Capital Base for the Reference Year



Annex-VIII

RoE Adjustment (under RoE model)

The reference ROE shall be adjusted / trued ups on annual basis. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information provided by the Petitioner. The adjustment of ROE will be determined according to the following formula;

$$ROE_{(adj)} = (ROE_{(Ref)} \times \frac{CB_{(act)}}{CB_{(Ref)}}) - CB(a)$$

Where:

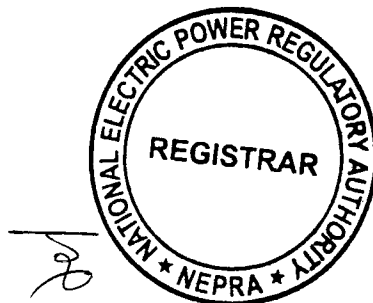
- ROE_(adj) = Return on Equity Adjustment
- ROE_(Ref) = Reference Return on Equity
- CB_(Act) = Actual Capital Base for Assessed Year
- CB_(Ref) = Reference Capital Base for the Reference Year
- ROE_(a) = Return on Equity assessed in previous year

After finalization of Audited Financial statement of assessed financial year, the difference between audited and draft financial statements would be allowed as prior year adjustment. The adjustment of ROE will be determined according to the following formula;

$$ROE_{(adj.f)} = ((ROE_{(Ref)} \times \frac{CB_{(act.a)}}{CB_{(Ref)}}) - ROE(a)) - ROE(adj)$$

Where:

- ROE_(adj.f) = Return on Equity Adjustment
- ROE_(Ref) = Reference Return on Equity
- CB_(act.a) = Actual Capital Base as Per Audited Financial Statements for
- CB_(Ref) = Reference Capital Base for the Reference Year
- ROE_(adj) = Adjustment is already given on Return on Equity
- ROE_(a) = Return on Equity assessed in previous year



Annex-IX (Applicable in case of MYT)

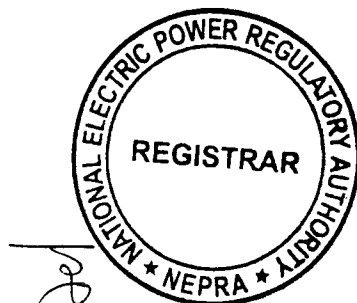
Depreciation Expense Assessment

Depreciation expense for the current year will be assessed in accordance with the following formula/mechanism:

$$DEP_{(Rev)} = DEP_{(Ref)} \times \frac{GFAIO_{(Rev)}}{GFAIO_{(Ref)}}$$

Where:

- DEP_(Rev) = Revised Depreciation Expense for the Current Year
- DEP_(Ref) = Reference Depreciation Expense for the Reference Year
- GFAIO_(Rev) = Revised Gross Fixed Assets in Operation for the Current Year
- GFAIO_(Ref) = Reference Gross Fixed Assets in Operation for the Reference Year



Annex-X

Depreciation Expense Adjustment

The reference depreciation charges shall be adjusted / trued ups on annual basis. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information submitted by the Petitioner. The adjustment of depreciation charges will be determined according to the following formula;

$$Dep_{(adj)} = Dep_{(d)} - Dep_{(o)}$$

Where:

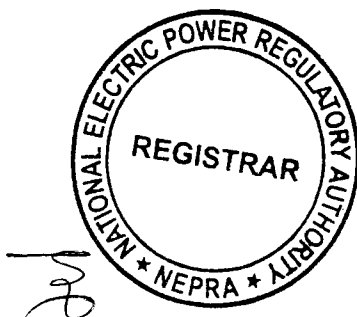
- Dep_(adj) = Depreciation Adjustment
- Dep_(d) = Depreciation charges as per draft Financial Statements.
- Dep_(o) = Depreciation charges Assessed in the previous year.

After finalization of Audited Financial statement of assessed financial year, the difference between audited and draft financial statements would be allowed as prior year adjustment in the next year tariff assessment. The adjustment of depreciation charges will be determined according to the following formula;

$$Dep_{(adj.f)} = (Dep_{(act)} - Dep_{(o)}) - Dep_{(adj)}$$

Where:

- Dep_(adj.f) = Depreciation Adjustment
- Dep_(adj) = Depreciation Adjustment already given.
- Dep_(act) = Depreciation charges as per Audited Financial Statements.
- Dep_(o) = Depreciation charges Assessed in the previous year.



Annex-XI

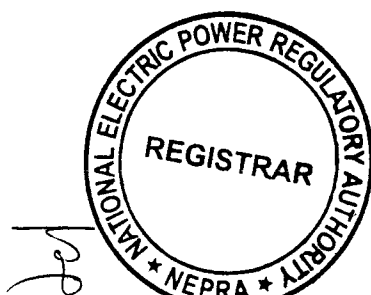
Other Income

Other income for the current year will be assessed in accordance with the following formula/mechanism:

$$OI_{(Rev)} = OI_{(1)} + (OI_{(1)} - OI_{(0)})$$

Where:

- $OI_{(Rev)}$ = Revised Other Income for the Current Year
- $OI_{(1)}$ = Actual Other Income as per latest Financial Statements.
- $OI_{(0)}$ = Actual/Assessed Other Income used in the previous year.



Annex-XII

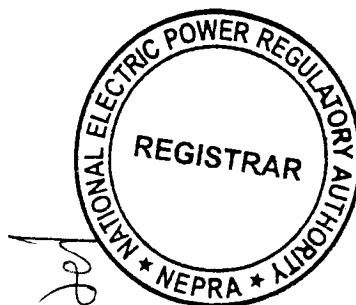
KIBOR Adjustment (under WACC model)

The reference KIBOR shall be adjusted / trued ups on annual basis. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information submitted by the Petitioner. The 3 month's KIBOR at the last date of each month will be used for average purpose. The adjustment of KIBOR will be determined according to the following formula;

$$K_{(adj)} = (K_{(avg)} - K_{(o)}) * D_{(sr)} * RAB_{(r)}$$

Where:

- $K_{(adj)}$ = KIBOR Adjustment
- $K_{(Avg.)}$ = Average of last 12 months of 3 month's KIBOR for previous year.
- $K_{(o)}$ = Reference KIBOR.
- $D_{(sr)}$ = Reference Debt Ratio for reference year
- $RAB_{(r)}$ = Rate base assessed for previous year



Annex-XIII

KIBOR Spread Adjustment (under WACC model)

The reference KIBOR Spread shall be adjusted / trued ups on annual basis. The Petitioner will file a request for the adjustment not later than 7th July each year. The adjustment shall be based on the information submitted by the Petitioner. The adjustment of KIBOR Spread will be determined according to the following formula;

$$KS_{(adj)} = (KS_{(avg)} - KS_{(o)}) * KS_{(s)} * D_{(sr)} * RAB_{(r)}$$

Where:

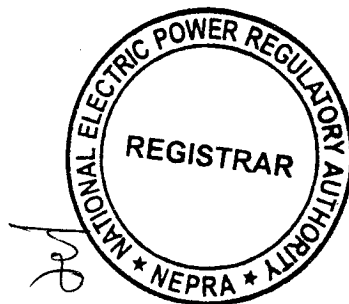
- KS_(adj) = KIBOR Spread Adjustment
- KS_(Avg.) = Average KIBOR Spread of all loans for assessed year as per draft financial statements.
- KS_(o) = Reference KIBOR Spread.
- KS_(s) = KIBOR Spread sharing percentage allowed to consumers.
- D_(sr) = Reference Debt Ratio for reference year
- RAB_(r) = Rate base assessed for previous year

After finalization of Audited Financial statement of assessed financial year, the difference between audited and draft financial statements would be allowed as prior year adjustment. The adjustment of KIBOR Spread will be determined according to the following formula;

$$KS_{(adj.f)} = ((KS_{(avg)} - KS_{(o)}) * KS_{(s)} * D_{(sr)} * RAB_{(r)}) - KS_{(adj)}$$

Where:

- KS_(adj.f) = KIBOR Spread Adjustment
- KS_(Avg.) = Average KIBOR Spread of all loans for assessed year as per draft financial statements.
- KS_(o) = Reference KIBOR Spread.
- KS_(s) = KIBOR Spread sharing percentage allowed to consumers.
- D_(sr) = Reference Debt Ratio for reference year
- RAB_(r) = Rate base assessed for previous year
- KS_(adj) = KIBOR Spread adjustment already given



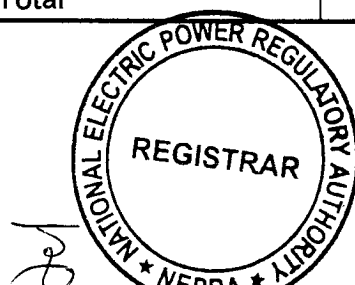
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National Transmission And Despatch Company
Company Statistics

Description	Period	Period
	Actual	Projected
Units Received		
Units Sold		
Peak demand During FY		
Average MDI During FY		
Transmission Lines (KM)		
500 KV		
220 KV		
Number of Grid Stations (Nos.)		
500 KV		
220 KV		
Transformers Capacity (MVA)		
500 KV		
220 KV		

Detail of Employees	Period	Period
	Actual	Projected
	Nos.	Nos.
A Qualified Professionals		
Engineers		
Others		
B Staff		
Technical		
Non Technical		
Total	-	-

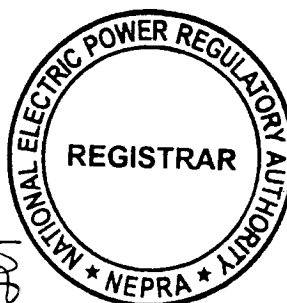
Cost of Employees	Period	Period
	Actual	Projected
	Mln. Rs.	Mln. Rs.
A Qualified Professionals		
Engineers		
Others		
B Staff		
Technical		
Non Technical		
Total	-	-



National Transmission And Despatch Company
CALCULATION OF PROFIT
FOR THE PERIOD ENDING 30th JUNE

Mln. Rs.

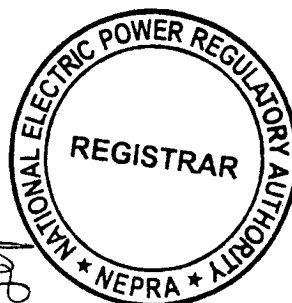
			Period	Period	Period
		Description	Determined	Actual	Projected
A		Revenue From Transmission Charges			
B		Other Revenue			
	a)	Interest on Investment			
	b)	Other Income			
		Total Other Revenue			
C		Total Revenue (A+B)			
D		Expenditure			
	i)	Operating expenses			
	ii)	Depreciation Charges			
	iii)	Financial Charges			
		Total Expenditure			
E		Special appropriation to cover			
	i)	Previous year's adjustment			
	ii)	Contribution to contingency Reserve			
	iii)	Any other appropriation permitted by the Federal Govt.			
		Total of E (from i to iii)			
		Clear Profit (C-D-E)			
		Reasonable Return			
		Excess of Clear Profit Over Reasonable Return			



National Transmission And Despatch Company
OPERATING, FINANCIAL AND OTHER CHARGES
FOR THE PERIOD ENDING 30th JUNE

MIn. Rs.

Description		Period	Period	Period
		Determined	Actual	Projected
	a) Salaries, wages and other benefits			
	b) Repair & Maintenance			
	c) Rent, Rate & Taxes			
	d) Telephone & Postage			
	e) Power, Light & Water			
	f) Office Supplies & Other Expenses			
	g) Travelling and Conveyance			
	h) Professional Fees			
	i) Transportation			
	j) Electricity bills collection charges			
	k) Computer Services			
	l) Provision for doubtful Debts			
	m) Management Fees			
	n) Other Charges			
	o) Amortization of Deferred Cost			
	p) Deprecation			
	Total Transmission Costs			
3	Financial Charges			
	a) Foreign Direct Loan			
	b) Foreign Relent Loan			
	c) Federal Government Loan			
	d) Bonds			
	e) Currency Fluctuation			
	f) Short Term Loans			
	g) Bank Chagres			
	Total Operating Charges			
4	Special appropriation to cover			
	a) Previous year's adjustment			
	b) Contribution to contingency Reserve			
	c) Any other appropriation permitted by the Federal Govt.			
	Total Appropriation			
	Total Expenditure (1+2+3+4)			

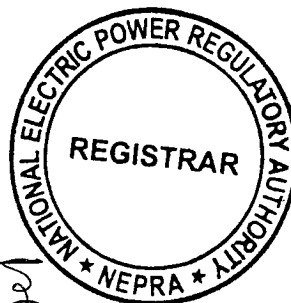


Form 4

National Transmission And Despatch Company
CALCULATION OF UOSC FOR XWDISCOS

(Rs. Mln)

Description	Period	Period	Period
	Determined	Actual	Projected
A Transmission Costs Mln. Rs.			
B Maximum System Demand MW			
C Demand Charges Rs. /kW/Month			
D Units Received at Bus Bar GWh			
E Energy Charges at Bus Bar (A/E) Rs./kWh			
F Transmission Losses			
G Energy Charges per unit Transmitted $\{F/(1-G)\}$ Rs./kWh			

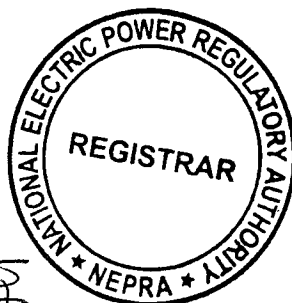


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National Transmission And Despatch Company
RORB Calculation

Description	Period	Period	Period
	Determined	Actual	Projected
A Gross Fixed Assets in Operation - Opening Bal			
B Addition in Fixed Assets			
C Gross Fixed Assets in Operation - Closing Bal			
D Less: Accumulated Depreciation			
E Net Fixed Assets in Operation			
F Add: Capital Work In Progress - Closing Bal			
G Investment in Fixed Assets			
H Less: Deferred Credits			
I Regulatory Assets Base			
J Average Regulatory Assets Base			
Rate of Return			
Return on Rate Base			



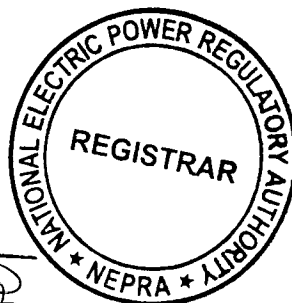
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National Transmission And Despatch Company
CAPITAL BASE CALCULATION

(Rs. Mln)

Description		Period	Period	Period
		Determined	Actual	Projected
A	Fixed Assets			
	a) Original Cost of Fixed Assets in Operation			
	Less: Consumers' Capital Contribution			
	Accumulated Depreciation			
	Assets Written / Disposed Off			
	Total - A			
B	Capital Work in Progress			
	Current Assets *			
	a) Store & Spares (As decided by the Authority)			
	b) Accounts Receivables (As decided by the Authority)			
	c) Cash & Bank Balance (As decided by the Authority)			
	Total - B			
C	Total A+B			
D	Less:			
	a) The amount payable to the parent/sister concern			
	b) Foreign Loans - Direct			
	c) Foreign Loans - Relent			
	d) Federal Government Loan			
	e) Borrowing from Government's approved Organisation/ Institution			
	f) Government's approved Bonds /Instruments etc. issued by the Licensee			
	g) Security Deposits by the Consumers			
	h) Employees Retirement Benefit			
	i) Dividends Payable at the beginning of accounting year.			
	j) Creditors, accrued and other current liabilities.			
	k) Carried forward amount (at the beginning of accounting year) for the distribution to the consumers.			
	Total - D			
E	Capital Base (C-D)			
F	Reasonable return on Capital Base %			
G	Reasonable return on Capital Base (E * F)			
	Total Financial Charges			



National Transmission And Despatch Company
 DISCO Wise Peak Demand (MW)

FY (Actual)

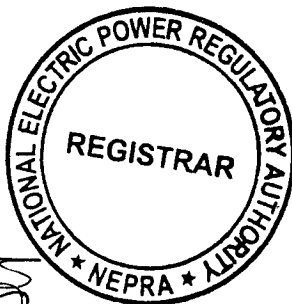
MW

DISCOs Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Avg.
FESCO													
GEPCO													
HESCO													
SEPCO													
IESCO													
LESCO													
MEPCO													
PESCO													
QESCO													
TESCO													
Total													
KESC													
Total													

FY (Projected)

MW

DISCOs Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Avg.
FESCO													
GEPCO													
HESCO													
SEPCO													
IESCO													
LESCO													
MEPCO													
PESCO													
QESCO													
TESCO													
Total													
KESC													
Total													



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Form 8

National Transmission And Despatch Company
POWER STATION WISE FUEL WISE POWER ACQUISITION AT BUS BAR
 FY _____

GWh

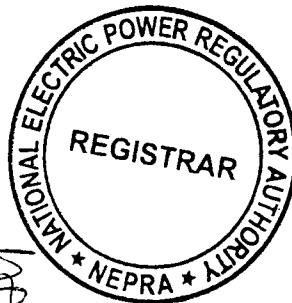
NAME OF POWER STATION	FUEL	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
-----------------------	------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-------

HYDEL

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Total - Hydel

Total Gas WAPDA & IPPs														
Nuclear														
Total														



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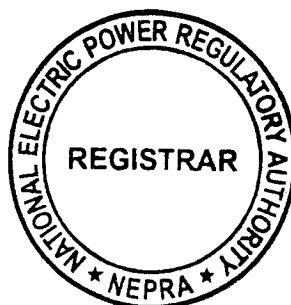
Form 12

National Transmission And Despatch Company

Heat Rates - BTUs

FY _____

NAME OF POWER STATION	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN



MR

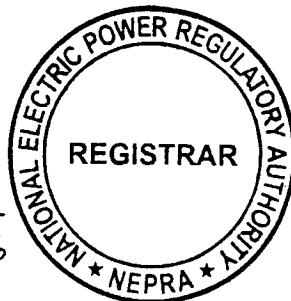
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Form 14
National Transmission And Despatch Company
Cash Development Loans
FY _____

(Rs. Mr

Sr No.	Loans	Interest Rate	Remaining Years	First Half of FY				Second Half of FY			
				O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal
						-					
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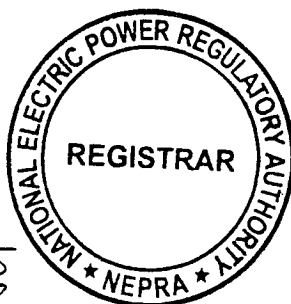
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Form 18
National Transmission And Despatch Company
 Foreign Relent Loans
 FY _____

(Rs. Min)

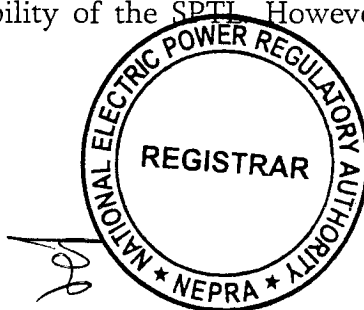
Sr No.	Loans	Interest Rate	Remaining Years	First Half of FY				Second Half of FY				
				O/Bal	Disbursement	Repayment	C/Bal	O/Bal	Disbursement	Repayment	C/Bal	
						-						
						-						
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Section 3 TRANSMISSION GUIDE LINES 2016 FOR SPECIAL PURPOSE TRANSMISSION LICENSEE (SPTL)

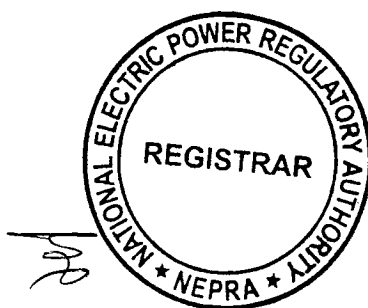
Part 11. INTRODUCTION

- 11.1. The NEPRA Act considers and allows more than one transmission licensees, through the figure of special purpose transmission licenses.
- 11.2. In view of the expected induction of large scale generation capacity in the system necessitating the corresponding augmentation in the transmission network, the Government of Pakistan (GoP), issued the policy framework for private sector transmission line proposals 2015, for both AC and DC High Voltage (HV) & Extra High Voltage (EHV) Power Transmission Lines, Repeater station, Substations, and Converter Stations. The policy framework provides option for Private as well as Public Private Partnership (PPP) mode for investment. Under the Policy, currently the applicable approach would be the tendering of transmission investments and the allowed revenue requirement would be a result of the competitive tender process. In other words, the transmission revenue requirement would be determined through competition. The Special Purpose Transmission licensee has to carry out the competitive bidding process in accordance with NEPRA Competitive Bidding Transmission Tariff (Approval Procedure) Regulations
- 11.3. Main features related to transmission tariffs of transmission projects tendered under the PPIB Policy can be summarized as follow;
- 11.4. The projects would be offered on Build, Own, Operate, and Transfer (BOOT) basis, comprising of EHV Overhead Transmission Lines (OHL) and Grid Stations (GS) or Converter Stations (CS). The term of these projects will be 25 years, following which they will be transferred to NTDCL. Therefore, the revenue requirement resulting from the tender and the special purpose transmission license would apply for 25 years.
- 11.5. The ownership and operation of the Transmission Line as well as its associated GS/CS will be the responsibility of the SPTL. However, the PPIB Board may decide a



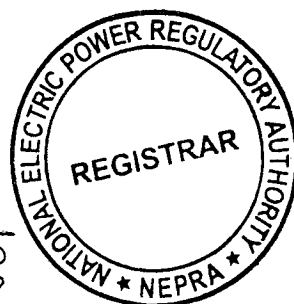
different responsibility structure for operation, routine and periodic maintenance for specific projects, which should be in line with NEPRA Act.

- 11.6. The SPTL shall obtain appropriate insurance for the Grid/Converter Stations and other major installations as required in licenses and Grid Code.
- 11.7. The minimum requirement for equity investment is 20% of the total capital cost of the project, subject to a maximum of 30%. Equity in excess of 30% may be considered as Debt. The sponsors may raise local and foreign finance in accordance with the regulations applicable to industry in general.
- 11.8. Profits and gains derived by the SPTL from Transmission Line projects shall be exempt from corporate income tax for a period of 10 years from the date of establishment of the SPTL or from the date of commencement of business whichever is earlier.
- 11.9. Dividends distributed by an SPTL engaged in Transmission Lines Projects shall be taxable at the rates specified in the Income Tax Ordinance 2001.
- 11.10. The Authority in view of the existing legislations and the recent policy frame work of GOP, considers the following tariff Regimes for the determination of Revenue Requirement for the transmission licensees in the private sector;
 1. Competitive Bidding (CB)
 2. Cost Plus Tariff
- 11.11. **Competitive Bidding (CB) (as per NEPRA Competitive Bidding Transmission Regulations) in line with GoP Transmission Policy 2015**
 - 11.11.1 Tariff for a transmission project may be awarded based on Competitive Bidding (CB), in line with the NEPRA Competitive Bidding Transmission Tariff (Approval Procedure) Regulations to be notified by NEPRA.



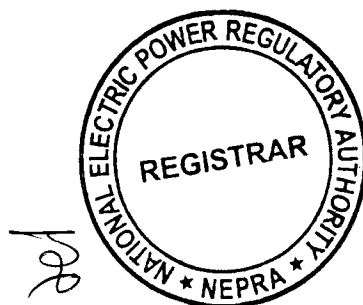
11.12. Cost plus tariff- As per NEPRA (Tariff Standards and Procedure) Rules 1998

- 11.12.1 Tariff for a transmission project may also be awarded on Cost Plus basis in line with the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules 1998. The Project should be among the list of transmission lines which have been identified to be offered to private sector on BOOT basis. This would ensure a formal planning for transmission line to be offered to private sector rather than adhoc arrangement and tariff petitions submitted to NEPRA. The Transmission Licensee/ Petitioner seeking determination of Revenue Requirement on cost plus regime shall file petition before NEPRA, duly signed/sealed by the Petitioner or its authorized representative and each page of the petition as well as annexure are to be initialed by the person filing the petition. The petition shall be accompanied with copy of necessary authorization in favor of the signatory, if the petition is filed by a legal person other than natural person. The affidavit filed as to correctness of the petition shall also be sealed/countersigned by the person authorized to take oaths.
- 11.12.2. Beside the information required under sub-rule (2) of rule 3 of NEPRA Tariff (Standards & Procedure) Rules, 1998, the information prescribed hereinafter as per Forms attached with these Guidelines shall also be provided by the Transmission Licensees along-with the petitions filed for determination of transmission charges. The information incorporated in all such Forms shall be accurate and complete in all respects. Provided that NEPRA may amend any such Form as and when required. Provided further that NEPRA may decline admission of any such petition upon failure of the transmission company to provide any of the given Forms as hereinafter prescribed.
- 11.12.3 The documents associated with tariff of a transmission line to be submitted along the tariff petition should include;

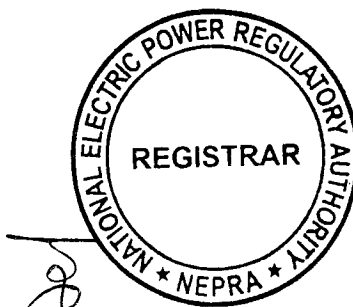


- a. Interconnection studies, load flows and system stability studies to ensure the proposed transmission line is technically justified and thoroughly evaluated before submitting to NEPRA.
- b. The draft implementation agreement negotiated by PPIB. Moreover the draft transmission service agreement as negotiated with NTDCL should also be made available for review along with the tariff petition. This will facilitates in evaluating the O & M related cost in context of the Implementation Agreement and transmission service agreement negotiated.
- c. The list of generation/energy source which is envisaged to be transmitted from the receiving end of the transmission line should be clearly specified.
- d. Where the transmission line is to be built in parallel to the generation sources, the RCOD of those projects to be provided along with the completion period of that particular transmission line.
- e. The consumption or distribution arrangement at the later end of transmission line for the energy transmitted.
- f. The tariff petition to be submitted should complement design and functional performance requirement documented between NTDCL and SPTL.
- g. Detailed information and documentary evidences with regard to the competitive bidding process and selection of EPC and O & M contractor. This should include but not limited to (a) Bidding document (b) Bid evaluation report-technical (c) Bid evaluation report-financial (d) Approval of competent Authority on bidding process and its outcome.
- h. The cost claimed in tariff petition for Right of Way (ROW) and converter station should be duly accompanied by the exact route/corridor.
- i. A finance plan indicating the funding mechanisms available to the bidder that would be used to support the financing for the project, including definitive evidence of debt and equity capital available for the project;
- j. Credible evidence for insurance claim
- k. Credible evidence for sinosure claim (if applicable)

11.12.3. The transmission company shall submit the requisite information along-with the prescribed Forms along with their tariff petitions in one package, notwithstanding the size of the package.



- 11.12.4. The checklist of completeness of all the requisite information shall be ensured by the office of Registrar while receiving the tariff petitions. Notwithstanding provision of the information being prescribed through these Guidelines, the Authority may call for any other information to be filed and the admission of the petition could be refused by the Authority owing to non-filing of the requisite information.
- 11.12.5. The project would be offered on Build, Own, Operate, and Transfer (BOOT) basis, comprising of EHV Overhead Transmission Lines (OHL) and Grid Stations (GS) or Converter Stations (CS). The term of these projects will be from 15 to 30 years, following which they will be transferred to NTDC.
- 11.12.6. The information required to be submitted by a transmission licensee shall be as under:-
- (a) The information required under rule 3(2) of NEPRA Tariff (Standards & Procedure) Rules, 1998.
 - (b) Project Cost comprising *inter-alia* EPC Cost, Interest During Construction, Sinosure Fee during Construction, Bank Commitment/Arrangement Fee, Interest During Construction, ROW, Duties & Taxes and Non-EPC/ Project development cost
 - (c) The requirement comprising *inter-alia* of O&M Cost, Insurance Cost, ROEDC & ROE, Debt Service, Security Cost (if applicable), Sinosure Fee (If applicable), land lease (if applicable).
 - (d) The details of pass through items if any.
 - (e) The detail and justifications for each of the costs recorded in the prescribed formats.



Part 12 Formulae and principles for determining the Revenue Requirement

12.1. The Revenue Requirement will be determined/approved by NEPRA as per the following formulae;

$$\text{Revenue Requirement} = \text{O\&M}_T + \text{INS}_T + \text{ROEDC}_T + \text{ROE}_T + \text{DS}_T + \text{SC}_T + \text{LLC}_T + \text{SIN}_T$$

Where

O&M_(T) is the Operation & Maintenance Expenses

INS_T is Insurance Cost

ROEDC_T is the Return on Equity during Construction

ROE_T is the Return on Equity

DS_T is Debt Servicing

SC_T is Security Fee (if applicable)

LLC_T Land Lease Cost

SIN_T is the Sinosure Fee, (if applicable).

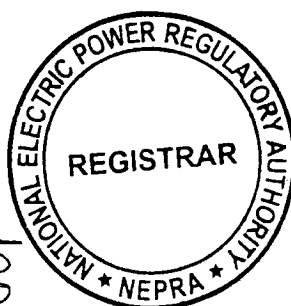
12.2. The UoSC will be calculated in Rs./kW/h and will be paid only if the transmission lines are available for despatch of energy (except for defined Force Majeure Events).

12.3. Assessment of the Component of the Transmission Charge

12.3.1. The petitioner company shall not earn return on any pass-through costs.

12.3.2. The Transmission Charge shall be calculated using the submitted data and information as per NEPRA's direction on the basis of best utility practices. The information provided along with the tariff petition should be complete for the determination of Revenue Requirement, recognizing that additional data and information may be obtained during the process of determining the tariff.

12.3.3. Any loss beyond the assessed level will be borne by SPTL.



12.3.4. NEPRA may refuse/decline the requested Transmission Charges in its entirety if not duly supported with verifiable documents and may require to re-submit its request along with requisite evidence.

12.4. Operation & Maintenance Cost

12.4.1. The Operation and Maintenance cost may include the foreign and local components. The Authority will assess the O&M cost based on its prudence and also keeping in view the International and local benchmarks. In case of foreign O&M cost, exchange rate variation will be allowed in the foreign O&M component of the transmission charges.

12.5. Insurance during Operational Phase

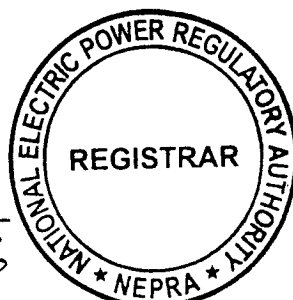
12.5.1. The Insurance cost may include the local as well as the foreign insurance. The Authority while assessing the Insurance cost will take into account the prudence of the cost and may also consider the International and local benchmarks in this regard. In case of foreign Insurance, exchange rate variation will be allowed in the foreign O&M component of the transmission charges.

12.6. Return on Equity (RoE) & Return on Equity during Construction (RoEDC)

12.6.1. An equity of minimum 20% and maximum of 30% of the total project cost will be assumed while calculating the RoE and RoEDC. Equity in excess of 30% may be considered as Debt.

12.6.2. RoE/RoEDC may be established on the basis of International and local benchmark parameters to ensure clarity for the prospective investors which may be periodically reviewed in consultation with the key stakeholders. The Authority may continue with exercising judgment in its application of empirical evidence from the market. The Authority reserves the right to change the RoE / RoEDC parameters with refinement in the methodology and data and in light of new available data. The RoE/RoEDC so revised will be applicable to the prospective investors only.

12.6.3. While determining the RoE/ RoEDC, the Authority may consider the return of a long term risk free debt instrument plus a market premium determined by it. The RoE/ RoEDC may be calculated in accordance with Capital Asset Pricing Model (CAPM) or the principles of comparative risk.



12.6.4. RoEDC component will be adjusted at time of COD on the basis of approved actual equity drawdowns within the overall equity allowed by the Authority.

12.7. Debt Servicing including Interest Cost and Loan Re- payment -

12.7.1. Interest Cost

12.7.1.1. The SPTL is allowed to fund its project cost from within the Pakistan or through foreign financing. While allowing the recovery of financial charges amount through the transmission charges, the Authority may assess reasonable spread over KIBOR or LIBOR, as the case may be keeping in view local as well as international benchmarks.

12.7.2. Loan Re-payment

12.7.2.1. The recovery of principal amount of debt will be allowed as a separate debt component in the Revenue Requirement in accordance with the approved terms and conditions of the borrowings

12.8. Security Fees

12.8.1. The SPTL may be allowed to recover the security fee if applicable. The Authority will assess the security fee based on its prudence as a separate component of tariff of the Revenue Requirement.

12.9. Sinosure Fees

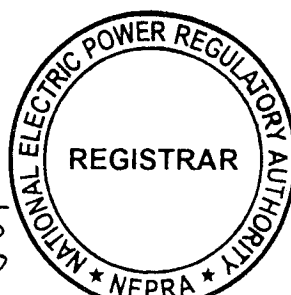
12.9.1. The SPTL may be allowed to recover the sinosure fee if applicable on financing. The Authority will assess the sinosure cost based on its prudence as a separate component of tariff of the Revenue Requirement.

12.10. One Time Adjustments at COD

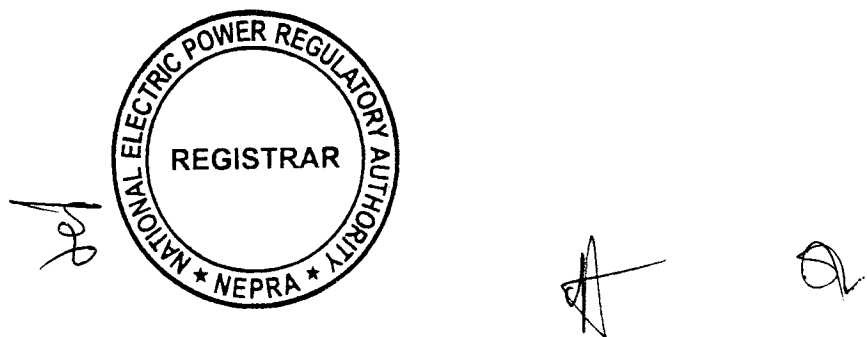
- a. Adjustments at the time of COD will be made, as specified in the tariff determination.
- b. The reference tariff table shall be revised at COD while taking into account the adjustments as prescribed in the determination. The SPTL shall submit its request to the Authority within 90-120 days of achieving COD for necessary adjustments in tariff.

12.11. Provincial Government Owned Transmission Line Projects

12.11.1. The transmission line projects owned by the Provincial Govt. will carried out on Built Own Operate (BOO) basis. Therefore for the purpose of determination of

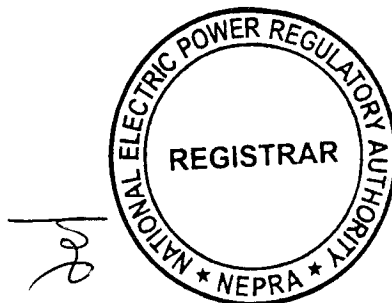


Revenue Requirement for such projects the guidelines for the Special Purpose Transmission Licensee will be applicable except to the extent of redemption of equity. However, the Provincial Govt. may also opt for projects on BOOT basis.



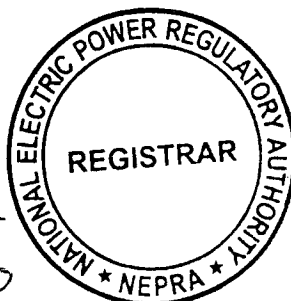
FORM 1 Project Assumptions

Capacity (MW)	
Annual Design Capability/Benchmark energy (kWh)	
Concession Period (Years)	
Constructiod Period (months)	
Start of Construction (DD/MMM/YYYY)	
Expected COD Date (DD/MMM/YYYY)	



Form 2 Project Cost

S.No	Project Cost Breakup	Amount		Remarks
		US \$	Rs	
1	EPC Costs			Along with EPC price breakup supported with relevant BOQs
2	Non EPC/PDC Cost			Detailed Non EPC/ PDC cost breakup
3	Financial Charges			Nature and breakup of claimed financial charges
4	Land Lease/ROW Cost			District wise per KM rate of land
5	Insurance during construction			Supported with Risk Coverage
6	Sinosure fee			Basis and type of sinosure fee claimed
7	Duties and Taxes			As applicable
8	Interest During Construction			Supported with drawdown schedule and debt repayment plan
9				
	Total			



FORM 3 Debt/Equity

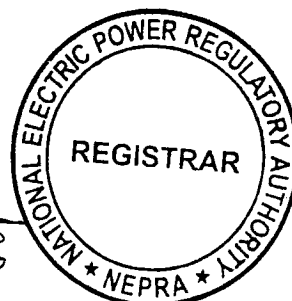
Drawdown %	Equity drawdown %	Debt drawdown %
Year 0 (Pre Financial Close)		
Year 1		
Year 2		
Year 3		

Total		

Debt %	
Equity %	
Requested ROE (%)	
Libor	
Spread	
Interest rate	
Exchange rate	
WHT on Dividends (%)	
Reference LIBOR (%)	
Reference Spread over LIBOR (%)	
Reference Interest Rate (%)	
Reference USD:PKR rate	

Sinosure Option for Tariff	Annual
Sinosure Upfront Fee (%)	
Sinosure Annual Fee (%)	
Sinosure Commitment Fee -Annual (%)	
WHT on Sinosure Payments (%)	
Availability period for the loan (months)	
Loan Repayment (years)	
Grace Period (Months)	
Loan Repayments in a year	
Total Loan Amount (USD'Mn)	
Total Equity Amount (USD'Mn)	

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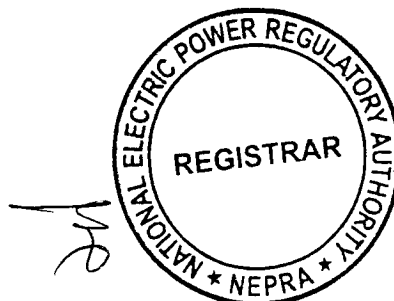


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Foreign Lender				
Sr.no	Name of Lender	Portion	Rate %	Amount
1		%		
2		%		
3		%		
4		%		

Local Lender				
Sr.no	Name of Lender	Portion	Rate %	PKR billion
1		%		
2		%		
3		%		
4		%		

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Form 5 (a) Debt Drawdown

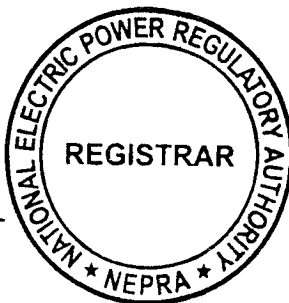
No of Months	Drawdown		Drawdowns for no of months	IDC	Annual Sinosure Fee (if applicable)
	%age	Amount			
1	%age		27		
2	%age		26		
3	%age		25		
4	%age		24		
5	%age		23		
6	%age		22		
7	%age		21		
8	%age		20		
9	%age		19		
10	%age		18		
11	%age		17		
12	%age		16		
13	%age		15		
14	%age		14		
15	%age		13		
16	%age		12		
17	%age		11		
18	%age		10		
19	%age		9		
20	%age		8		
21	%age		7		
22	%age		6		
23	%age		5		
24	%age		4		
25	%age		3		
26	%age		2		
27	%age		1		

Total IDC

0

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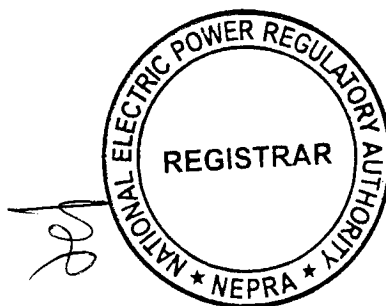
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Form 5 (b) Equity Drawdowns

No of Months	Drawdown		Drawdowns for no of months	ROEDC
	%age	Amount		
1	%age		27	
2	%age		26	
3	%age		25	
4	%age		24	
5	%age		23	
6	%age		22	
7	%age		21	
8	%age		20	
9	%age		19	
10	%age		18	
11	%age		17	
12	%age		16	
13	%age		15	
14	%age		14	
15	%age		13	
16	%age		12	
17	%age		11	
18	%age		10	
19	%age		9	
20	%age		8	
21	%age		7	
22	%age		6	
23	%age		5	
24	%age		4	
25	%age		3	
26	%age		2	
27	%age		1	

Total ROEDC

0

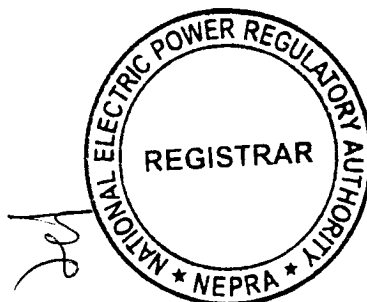


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FORM 6 Equity Redemption

Year	Redemption Amount	Equity Redemption Component - PKR/kwh	ROE Component - PKR/kwh	ROEDC Component - PKR/kwh	Total ROE Component - PKR/kwh	WHT on Dividends - PKR/kwh
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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22						
23						
24						
25						

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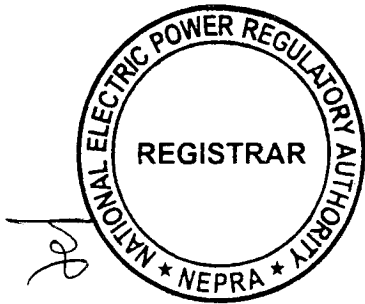
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FORM 7 DEBT SERVICING SCHEDULE

Period	Foreign Debt					Annual Principal Repayment Rs./kWh	Annual Interest Rs./kWh	Annual Debt Servicing Rs./kWh
	Principal Million US \$	Repayment Million US \$	Mark-Up Million US\$	Balance Million US \$	Total Debt Service Million US \$			
1								
2								
3								
4								
5								
6								
7								
8								

Period	Local Debt					Annual Principal Repayment Rs./kWh	Annual Interest Rs./kWh	Annual Debt Servicing Rs./kWh
	Principal Billion PKR	Repayment Billion PKR	Mark-Up Billion PKR	Balance Billion PKR	Total Debt Service Billion PKR			
1								
2								
3								
4								
5								
6								
7								
8								

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FORM 8 O&M COST BREAK UP

	Foreign Off Shore US\$	Local On Shore Rs	Equivalent US\$	Total US \$
Converter Stations				
O&M Cost for Subcontractor				

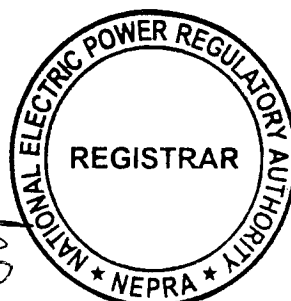
Sub Total O&M Cost for Subcontractor	-	-	-	-
O&M Cost for Project Co.				
Sub Total O&M Cost for Project Co.	0.00	0.00	-	-
Converter Stations Total (1+2)	-	-	-	-
Transmission Line				
O&M Cost for Subcontractor				
Cost Estimates by NTDC				
Supplemental of Cost Estimates				
Sub Total O&M Cost for Subcontractor	-	-	-	-
O&M Cost for Project Co.				

Sub Total O&M Cost for Project Co	-	-	-	-
Transmission Line Total (1+2)	-	-	-	-
Operating Cost for Project Co.				

Operating Cost for Project Co. Total	0	0	0	0
Grand Total excluding Land Lease	0	0	0	0

Grand Total	-	-	-	-

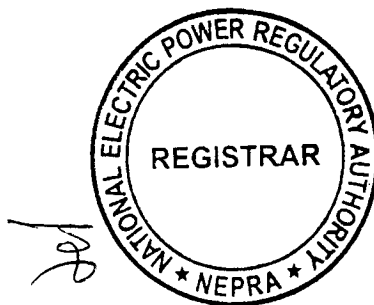
Operations and Maintenance Costs			
Operation Expenses	Claim		Cost (Rs million)
	Cost (US \$ million)	Tariff Component Rs./kWh	
Fixed O & M-Foreign			
Fixed-O & M-ITC Local			
Fixed O & M-NTDC O & M Local			
Land Lease			



DETAILS OF TRANSMISSION LINES & SUBSTATIONS & CONVERTORS & COMMUNICATION SYSTEM

S. No.	Name
1	
2	
3	
4	
-	

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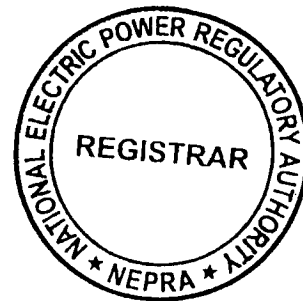
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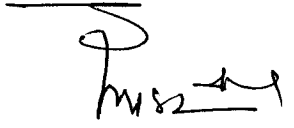
Requested Tariff Table

Year	O&M				Total O&M Rs. / kWh	Insurance Rs. / kWh	Return on Equity Rs. / kWh	Return on equity during Construction Rs. / kWh	Withholding Tax Rs. / kWh	Loan Repayment Rs. / kWh	Interest Charges Rs. / kWh	Sinosure Rs. / kWh	Tariff	
	Foreign	Local ICT	Local NTDC	Land									Rs. / kWh	c / kWh
	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh									Rs. / kWh	c / kWh
1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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Levelized Tariff														

Year	O&M				Total O&M Rs. / kWh	Insurance Rs. / kWh	Return on Equity Rs. / kWh	Return on equity during Construction Rs. / kWh	Withholding Tax @7.5% Rs. / kWh	Loan Repayment Rs. / kWh	Interest Charges Rs. / kWh	Sinosure Rs. / kWh	Tariff	
	Foreign	Local ICT	Local NTDC	Land									Rs. / kWh	c / kWh
	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh									Rs. / kWh	c / kWh
Av. Year 1-10														
Av. Year 11-25														

Levelized														




06.04.17
 (Syed Safer Hussain)
 Registrar