



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad
Ph: 9207200, 9205225 Fax : 9210215
E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/TRF-44/CPGCL-2005/9548-50
August 12, 2008

Subject: **Decision of the Authority in the Matter of Adjustment of the Non-Escalable Component of Capacity Part of the Tariff Relating to Tax (applicable for the month of July 2008 only) for Central Power Generation Company Ltd. (CPGCL) (Case No. NEPRA/TRF-44/CPGCL-2005) - Intimation of Decision of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)**

Dear Sir,

Please find enclosed the decision along with schedule of tariff (02 pages) of the Authority in respect of adjustment on the Non-escalable Component of Capacity Part of the tariff relating to tax for Central Power Generation Company Ltd. (CPGCL) in Case No. NEPRA/TRF-44/CPGCL-2005.

2. Summary of decision is:


- Adjustment on account of Non-escalable component of capacity part of the tariff relating to Tax and applicable for the month of July 2008 only.

3. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

4. In view of above, the tariff adjustments intimated vide letters No. NEPRA/TRF-44/CPGCL-2005/6510-12 dated 05.03.2008, No. 6555-57 dated 07.03.2008, No. 7734-36 dated 30.05.2008, No. 8585-87 dated 26.06.2008, No. 8598-8600 dated 27.06.2008 and No. 8816-18 dated 02.07.2008 need to be notified prior to the notification of the attached schedule in order to implement tariff adjustment in respect of CPGCL.

Enclosure: As above

The Secretary
Cabinet Division
Government of Pakistan
Cabinet Secretariat
Islamabad


(Mahjoob Ahmad Mirza)

CC: 1. Secretary, Ministry of Water & Power, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.



Decision of the Authority in the Matter of Adjustment of the Non-Escalable component of capacity Part of the Tariff Relating to Tax for CPGCL for the Month of July, 2008

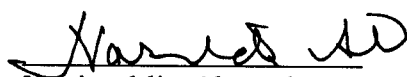
Pursuant to the Authority's decision dated February 24, 2006 in respect of generation tariff for Central Power Generation Company Ltd. (CPGCL), the Non-Escalable part of Capacity Purchase Price has been adjusted for the month of July, 2008 to cater for the payment of advance tax paid to Federal Government by CPGCL for the 4th quarter of the FY07-08. This adjustment on account of tax payment shall only be applicable for the month of July, 2008 and all the remaining components of the Non-Escalable capacity charge will remain the same. The Non-Escalable part of Capacity Purchase Price of (CPGCL) tariff is accordingly been revised, as indicated hereunder:


Capacity Purchase Price		CPP Payable only for the month of July, 2008 (Rs./kW/Month)
A	Escalable Component	67.5863
	Non Escalable Component(CPP)	
	Return on Equity	26.9500
	Interest Expense	25.9869
	Depreciation	32.9833
	Tax	57.7183
B	Total Non Escalable Component(CPP)	143.6385
	Total Capacity Purchase Price (A+B)	211.2248

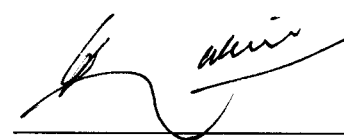
The revised tariff shall become immediately applicable as mentioned in S.R.O 661(I)/2006 dated June 24, 2006, subject to any difference in the tariff notified by the Federal Government as per section 31 (4) of the National Electric Power Regulatory Authority Act, 1997. In case the notified rate is different from the one already allowed for the immediate application the requisite adjustment in tariff shall be made as soon as possible but not than the succeeding billing month.

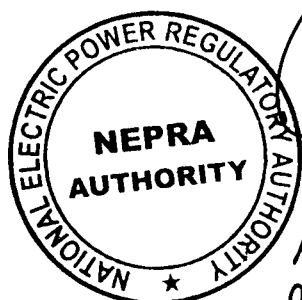
The revised Non-Escalable part of (CPGCL) tariff relating to tax to be notified in the official Gazette is attached as (Annex-I)


Authority


Nasiruddin Ahmed
Member


Maqbool Ahmad Khawaja
Member


Abdul Rahim Khan
Member

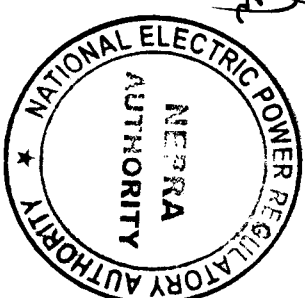



Khalid Saeed
Chairman

**Decision of the Authority in the Matter of Adjustment of the Non-Escalable component of Capacity Part of the Tariff
Relating to Tax for CPGCL valid for the Month of July, 2008**

Capacity Purchase Price		Reference	Current	CPP Payable only for the month of July, 2008
A	Escalable Component	(Rs./kW/Month)	(Rs./kW/Month)	(Rs./kW/Month)
	Non-Escalable Component(CPP)	51.2244	67.5863	67.5863
	Return on Equity	26.9500	26.9500	26.9500
	Interest Expense	25.9869	25.9869	25.9869
	Depreciation	32.9833	32.9833	32.9833
	Tax	-	-	57.7183
B	Total Non-Escalable Component(CPP)	85.9202	85.9202	143.6385
	Total Capacity Purchase Price (A+B)	137.1446	153.5065	211.2248

S. Kumar
4/08/08.



S. Kumar