



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-46/NPGCL-2005/9853-77
August 25, 2008

Subject: **Decision of the Authority in the Matter of Adjustment of the Non-Escalable Component of Capacity Part of Tariff Relating to Tax (applicable for the month of August 2008 only) for Northern Power Generation Company Ltd. (NPGCL) (Case No. NEPRA/TRF-46/NPGCL-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 tariff relating to tax for Northern Power Generation Company Ltd. (NPGCL) in Case No. NEPRA/TRF-46/NPGCL-2005.

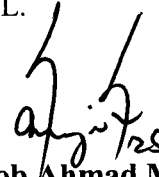
2. Summary of decision is:

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

3. In view of above, the tariff adjustments intimated vide letters No. NEPRA/TRF-46/NPGCL-2005/7108-10 dated 19.10.2006, No. 1424-26 dated 12.03.2007, No. 5716-18 dated 22.01.2008, No. 5811-13 dated 25.01.2008, No. 7475-77 dated 16.05.2008, No. 7537-39 dated 21.05.2008, No. 7729-31 dated 30.05.2008, No. 8517-19 dated 25.06.2008, No. 8522-24 dated 25.06.2008, No. 8908-10 dated 09.07.2008, No. 9028-30 dated 17.07.2008, No. 9223-25 dated 22.07.2008, No. 9399-9401 dated 05.08.2008 and No. 9700-9702 dated 22.08.2008 need to be notified prior to the notification of the attached schedule in order to implement tariff adjustments in respect of NPGCL.

Enclosure: As above


(Mahjoob Ahmad Mirza)

The Secretary
Cabinet Division
Government of Pakistan
Cabinet Secretariat
Islamabad

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 Tariff Relating to Tax for NPGCL for the Month of August, 2008

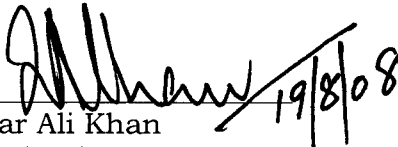
Pursuant to the Authority's decision dated May 02, 2006 in respect of generation tariff for Northern Power Generation Company Ltd. (NPGCL), the Non-Escalable part of Capacity Purchase Price has been adjusted for the month of August, 2008 to cater for the payment of advance tax paid to Federal Government by NPGCL. This adjustment on account of tax payment shall only be applicable for the month of August, 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 (NPGCL) tariff is accordingly been revised, as indicated hereunder:

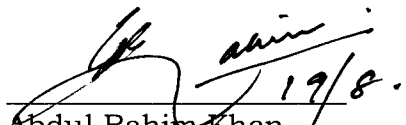
Capacity Purchase Price		CPP Payable only for the month of August, 2008
		(Rs./kW/Month)
A	Escalable Component	49.0630
	Non-Escalable Component(CPP)	
	Depreciation	58.2696
	Interest payment for long term loan	6.6560
	Return on Equity	117.2630
	Tax	57.3980
B	Total Non-Escalable Component(CPP)	239.5866
	Total Capacity Purchase Price (A+B)	288.6496

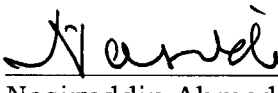
The revised tariff shall become immediately applicable as mentioned in S.R.O 997(I)/2006 dated September 20, 2006, subject to any difference in the tariff notified by the Federal Government as per section 31 (4) of the National Electric Power Regulatory Authority Act, 1997. In case the notified rate 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 later than the succeeding billing month.

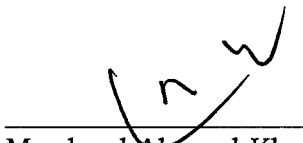
The revised Non-Escalable part of (NPGCL) tariff relating to tax to be notified in the official Gazette is attached as (Annex-I)

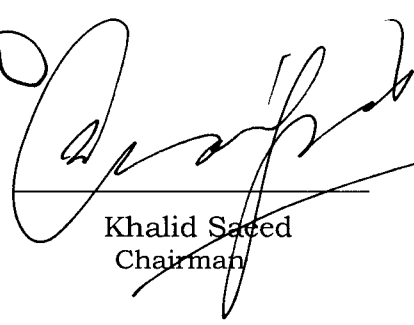
Authority


Zafar Ali Khan
Member/Vice Chairman


Abdul Rahim Khan
Member


Nasiruddin Ahmed
Member


Maqbool Ahmad Khawaja
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 NPGCL, Valid for the Month of August, 2008**

Capacity Purchase Price		Reference	Current	CPP Payable only for the month of August, 2008
A	Escalable Component	(Rs./kW/Month)	(Rs./kW/Month)	(Rs./kW/Month)
	Non-Escalable Component(CPP)	37.1854	49.0630	49.0630
	Depreciation	58.2696	58.2696	58.2696
	Interest payment for long term loan	6.6560	6.6560	6.6560
	Return on Equity	117.2630	117.2630	117.2630
	Tax	-	102.0408	57.3980
B	Total Non-Escalable Component(CPP)	182.1886	284.2294	239.5866
	Total Capacity Purchase Price (A+B)	219.3739	333.2924	288.6496

S. Subramanian
15/08/08

S. Subramanian

