



Registrar

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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No. NEPRA/TRF-106/NPGCL-2008/3907-09  
May 29, 2009

Subject:- **Corrigendum - Decision of the Authority w.r.t Application for Approval of Generation Tariff for Rental Power Projects of Gulf Rental Power (62 MW Net at Site on RFO) at Eminabad Gujranwala and Independent Power (Pvt.) Ltd. (200 MW Net at Site on RFO) at Gojra Faisalabad submitted by NPGCL**

This is with reference to our earlier communication vide letter No. NEPRA/TRF-106/NPGCL-2008/1492-94 dated April 13, 2009; following corrections need to be made in Annex-II and III of the decision:

- i) The Point number 8 of the Annex-II needs to be deleted.
  - ii) The point number 11 of Annex-II may be replaced with "Withholding Tax of 6% will be deducted by the Power Purchaser on each invoice. Withholding Tax beyond 6%, if any shall be paid by respective GENCO".
  - iii) Point number 12 may be deleted.
  - iv) The typo error indicated as Annex-IV & VI in Annex-III may be deleted.
2. Revised Annexes-II & III have been attached for the purpose of clarification.

Enclosure: As above.

The Secretary  
Cabinet Division  
Government of Pakistan  
Cabinet Secretariat  
Islamabad

CC:

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

  
( Arshad Mehmood )



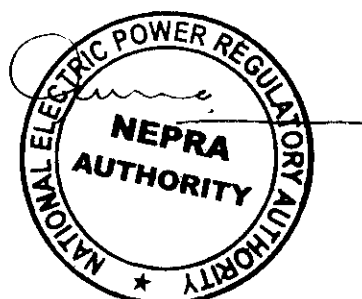
**ASSUMPTIONS TO REFERENCE TARIFF**

1. Lump sum Rental Charges are fixed and no indexation in Rental Charges will be provided.
2. Rental charges will paid in 60 equal monthly installments in US \$, as per Rental Services Contract.
3. Exchange Rate of 1 US \$ = PKR 62.00 has been assumed.
4. Fuel cost component is based on a total fuel price of Rs. 28,350/- per metric ton which includes RFO price of Rs.26,000/- per metric ton and Freight charges of R.s.2,350/- per metric ton.
5. Indexation in fuel cost component due to variations in price of RFO will be applicable as per the provisions of Rental Services Contract.
6. Installed and Net Generation capacity is assumed to be as under.

Description	Eminabad- Gujranwala G/S Additional Block	Gojra-Faisalabad G/S Additional Block
Gross Capacity (ISO)	80.50 MW	220.97 MW
Gross Capacity (Mean Site Conditions)	70.00 MW	205.50 MW
Net Capacity (ISO)	72.45 MW	215.47 MW
Net Capacity (Mean Site Conditions)	62.00 MW	200.00 MW
Guaranteed Availability of Plant	90%	93.97%
Guaranteed Available Electric Output	55.80 MW	187.94 MW

7. The Modification of Generation License and Tariff Determination will be the responsibility of Northern Power Generation Company Ltd.
8. Arrangement of Import License and payment import duties will be the responsibility of Northern Power Generation Company Ltd.
9. No return has been assumed by Northern Power Generation Company Ltd.
10. Withholding Tax of 6% will be deducted by the Power Purchaser on each invoice. Withholding Tax beyond 6%, if any shall be paid by respective GENCO.
11. Reference Tariff will be calculated on the basis of Constant Contract Capacity and Heat Rate (Efficiency) throughout the Rental Term of the Projects.
12. All entries in the Reference Tariff will be rounded to four Decimal Points.

8



ADJUSTMENTS TO REFERENCE TARIFF

Variations to the Fuel Cost Components shall be calculated as provided in the following formula as and when fuel prices are changed and notified by the relevant Authority / Oil Company(ies).

$$FCC_c = FCC_{(REF)} * \text{Fuel Price Factor}$$

Where

$$FCC_c = \text{Fuel Cost Component on relevant date}$$

$$FC_{(REF)} = \text{The value of the Fuel Cost Component expressed in Rupees;}$$

$$\text{Fuel Price Factor} = \text{Fuel Price}_{(P)} \text{ divided by Fuel Price}_{(REF)}$$

$$\text{Fuel Price}_{(P)} = \text{The per unit delivered price of fuel HHV at the plant as established by GOP (after correction for standard and expressed in Rupees), at date "P" and}$$

$$\text{Fuel Price}_{(Ref)} = \text{The per unit delivered price of fuel at the plant (after correction for standard and expressed in Rupees), at reference date which is Rs.28,350/- per metric Ton HHV in case of RFO fuel (including transportation charges). This price is without GST.}$$

8

