



**National Electric Power Regulatory Authority**  
Islamic Republic of Pakistan

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E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/TRF-46/NPGCL-2005/6950-52  
August 7, 2012

Subject: **Decision of the Authority relating to the Tariff Adjustment of Northern Power Generation Co. Ltd. (NPGCL) for Variation in CPI w.e.f. July 01, 2012 (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 herewith the decision of the Authority along with revised schedule of tariff (Annex-I) and Note of Dissent of Mr. Shaukat Ali Kundi, Member NEPRA (03 pages) regarding adjustment in escalable component of capacity purchase price on account of variation in CPI w.e.f. July 01, 2012 in respect of Northern Power Generation Co. Ltd. in Case No. NEPRA/TRF-46/NPGCL-2005.

2. 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.

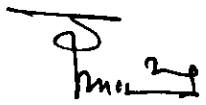
3. Please note that revised schedule of tariff attached to the decision as Annex-I is required to be notified in the official Gazette.

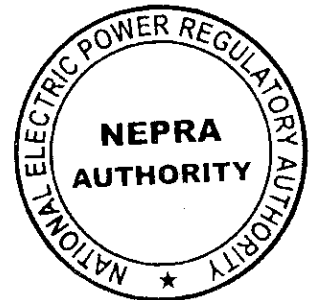
Enclosure: As above

Secretary,  
Ministry of Water & Power,  
Government of Pakistan  
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, Islamabad.

  
( Syed Safer Hussain )



**DECISION OF THE AUTHORITY RELATING TO THE TARIFF ADJUSTMENT OF  
NORTHERN POWER GENERATION COMPANY LIMITED FOR VARIATION IN CPI,  
W.E.F JULY 01, 2012**

Pursuant to the Authority's determination in Case No. NEPRA/TRF-46/NPGCL-2005, the tariff of Northern Power Generation Company Limited (NPGCL) is subject to adjustment in Escalable Component of Capacity Purchase Price to compensate for variation in the Consumer Price Index (CPI). NPGCL vide letter No. FD/NPGCL/TRF/18-19 dated 2<sup>nd</sup> July 2012 requested the Authority for adjustment of the Escalable Component part of Capacity Charge part of tariff w.e.f July 01, 2012. In accordance with the decision of the Authority dated May 15, 2012, the NPGCL current adjustment has been made on the basis of revised references. The revised Escalable part of Capacity Purchase Price of NPGCL tariff w.e.f. July 01, 2012 is indicated hereunder:

		Revised w.e.f 1 <sup>st</sup> July 2012 Rs./kW/Month
	Escalable CPP	
	Administration & Establishment Cost	91.3273
	Insurance and Regulatory Cost	6.6550
	other income	(17.2974)
A	Total Escalable CPP	80.6849
B	Non Escalable CPP	182.1886
	Total Capacity Purchase Price (A+B)	262.8735

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

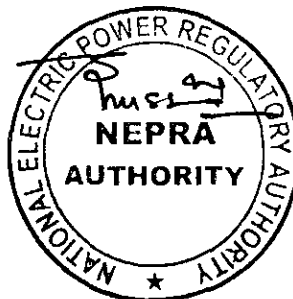
**AUTHORITY**

*This note is attached —*  
*Shaukat Ali Kundi*  
(Shaukat Ali Kundi)  
Member  
06.08.2012

*27/7/2012*  
*Habibullah Khilji*  
(Habibullah Khilji)  
Member

*11 07 12*  
*Khawaja Muhammad Naeem*  
(Khawaja Muhammad Naeem)  
Member

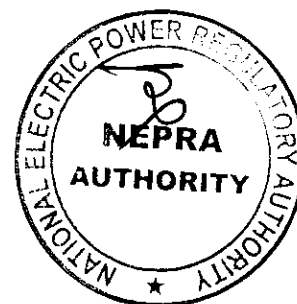
*30/7*  
*Ghiasuddin Ahmed*  
(Ghiasuddin Ahmed)  
Acting Chairman



**DECISION OF THE AUTHORITY RELATING TO THE TARIFF ADJUSTMENT OF NORTHERN POWER  
GENERATION COMPANY LIMITED FOR VARIATION IN CPI w.e.f JULY 01, 2012**

		<b>Rev. Reference</b>	<b>Previous</b>	<b>Revised</b>
		<b>Rs./kW/Month</b>	<b>Rs./kW/Month</b>	<b>Rs./kW/Month</b>
	<b>Escalable CPP</b>			
	Administration & Establishment Cost	81.3309	86.6623	91.3273
	Insurance and Regulatory Cost	5.9266	6.3151	6.6550
	Other income	(15.4041)	(16.4139)	(17.2974)
<b>A</b>	<b>Total Escalable CPP</b>	<b>71.8534</b>	<b>76.5635</b>	<b>80.6849</b>
<b>B</b>	Non-Escalable CPP	182.1886	182.1886	182.1886
	<b>Total Capacity Purchase Price (A+B)</b>	<b>254.0420</b>	<b>258.7521</b>	<b>262.8735</b>

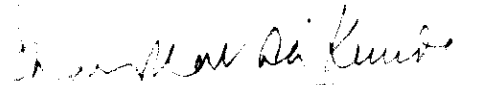
*M. S. S. S.*



**Note of Dissent of Mr. Shaukat Ali Kundi, Member (Licensing) NEPRA**  
**in the matter of Adjustment in Escapable Part of Capacity Payment**  
**Price (CPP) on Account of CPI Variation w.e.f. July 01, 2012 with**  
**respect to Northern Power Generation Company Limited (NPGCL)**  
**Case No. NEPRA/TRF-46/NPGCL-2005**

1 The requested adjustment in CPP of NPGCL on account of variation in CPI is based on Net Dependable Capacity (NDC) of 1568.00 MW. However, the review of the information being received from NPCC reveals that peak load sharing capacity of NPGCL is drastically reduced.

(2). Therefore, in my view allowing CPP to NPGCL on historic NDC is neither prudent nor justifiable. I therefore, decline allowing adjustment in Escapable part of CPP on account of CPI variation.

  
(Shaukat Ali Kundi) 06.08.2012  
Member (Licensing)