



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-193/MPCL-2011/26346-26348  
December 5, 2019

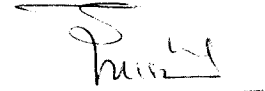
Subject: **Decision of the Authority in the matter of Review Motion filed by Metro Power Company Ltd. (MPCL) against the COD Decision of the Authority dated 22.02.2019 (Case No. NEPRA/TRF-193/MPCL-2011)**

Dear Sir,

Please find enclosed herewith subject decision of the Authority along Annex-I & II (13 pages) in the matter of Review Motion filed by Metro Power Company Ltd. (MPCL) against the COD Decision of the Authority dated 22.02.2019 in Case No. NEPRA/TRF-193/MPCL-2011.

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 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

Enclosure: As above

  
05/12/19

( Syed Safeer Hussain )

Secretary  
Ministry of Energy (Power Division)  
'A' Block, Pak Secretariat  
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF REVIEW MOTION FILED BY METRO POWER COMPANY LIMITED (MPCL) AGAINST THE COD DECISION OF THE AUTHORITY DATED 22-2-2019 (CASE NO. NEPRA/TRF-193/MPCL-2011).**

**1. Introduction**

- 1.1. The Authority issued the tariff determination of Metro Wind Power hereinafter referred to as "MPCL,") dated May 15, 2012, wherein, the Authority determined a cost plus levelized tariff of Rs. 12.7445/kWh, US cents 14.5236/kWh, which was required to be adjusted at Commercial Operations Date (hereinafter referred to as "COD"). MPCL after commencing commercial operations with effect from Sep 16, 2016 through its letter no. F-NEPRA-L17-00180 dated April 13, 2017 submitted its request for adjustment of relevant components of its tariff along with documents and evidences. The Authority vide its decision No. NEPRA/TRF-193/MPCL-2011/3149-3151 dated February 22, 2019 issued the tariff true up decision at COD stage.
- 1.2. Being aggrieved from the COD tariff adjustment decision of the Authority, MPCL vide letter No L/NEPRA/L19/00179 dated March 1, 2019 filed a review motion and requested an opportunity of hearing. The Authority admitted the referred review motion and notice was issued to Petitioner and the hearing was held on May 28, 2019 at NEPRA Head Office.

**2. Grounds for Review Motion**

- 2.1. In the written submission during the hearing, the Petitioner sought reliefs for the following matters.

**A. Reconsideration of the Tariff Determination**

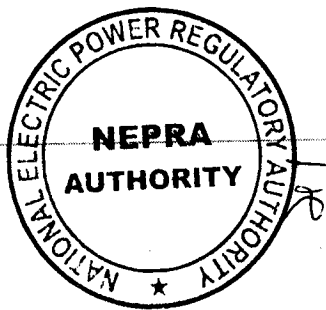
1. Reduction in Equity Portion of Approved Project Cost.
2. EPC Off-Shore – Disallowed PNTC I & II
3. EPC Off-Shore – Exchange Rate Variation.
4. Disallowed Project Cost.: (Non-EPC and project development costs:)

**B. Errors and Omissions in the Tariff Determination**

1. Approved Project Cost Funding By Debt and Equity.
2. Indexation of O&M Component.
3. Local Debt Indexation.
4. Foreign Debt Indexation.

**3. Reduction in Equity Portion of Approved Project Cost.**

- 3.1. The Petitioner submitted that it has funded the Project in debt to equity ratio of 72:28, however, the Authority in its determination had restricted the equity contribution to 25% of the Project cost on the basis of following:



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*"2.7.3 In view of the above the reference of 75:25 debt : equity contribution was allowed to MPCL, vide its tariff determination and any change to the reference capital structure was subject to a request to be filed by the petitioner within six months after the award of the tariff. Where MPCL belatedly vide its COD request claimed 72:28 debt : equity contribution, however as the request was not submitted within the stipulated time (i.e 6 months after the award of tariff). Consequently the capital structure of 75:25 debt : equity is based for computation at COD stage tariff determination."*

- 3.2. The Petitioner requested the Authority to reconsider its decision of restricting the equity contribution to 25%, and instead allow the actual equity contribution of 28% of the Project Cost.
- 3.3. Keeping in view the submission of the Petitioner, it is reiterated that the Petitioner was required as per the determination to communicate to the Authority about its financing structure within six months of the determination, which was not complied with. Therefore, the Authority declines the instant request of the Petitioner and maintains its earlier decision made at COD.

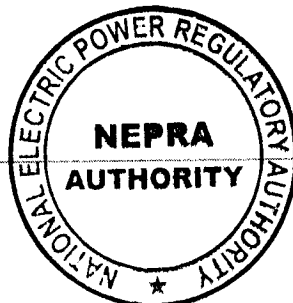
4. EPC Off-Shore – Disallowed PNTC I & II

- 4.1. The Petitioner submitted that in paragraph 2.2.16 of the Tariff Determination, the Authority has disallowed an amount of Euro 576,274, which represents the Preliminary Notice to Commence (PNTC) payments made to the EPC Contractor. Relevant extract is as follows:

Para "2.2.16 Moreover, considering the limited trail and corporate evidence for amounts transferred to their bank account at NBP Frankfurt Branch (i.e Euro 576,274 or PKR 81,239,571 including related bank charges and FED) were not approved by the Authority in the Project."

- 4.2. The Petitioner submitted that during the cost verification process, the Petitioner had provided copies of the EPC Offshore Contract and all the documentary evidence, including but not limited to the bank payment instruction, Form M, invoices, SBP permission, declaration, SWIFT messages, bank advice, bank statement, etc. to justify the said payments. Further, the Petitioner claimed that the Authority also sought direct confirmations from the EPC Contractor and National Bank of Pakistan, both of which have confirmed that the payments were made to Nordex Singapore Equipment Pvt. Limited in its NBP Account maintained with NBP Frankfurt.
- 4.3. The Petitioner further submitted that the Authority has not provided details of the "limited trail and Corroborative evidence", however, the Authority in para 2.2.8(iii) provides the following:

"Likewise NBP despite of reminder failed to provide the particulars and names of the directors of Nordex Singapore Equipment Pvt. Ltd and Nordex Singapore Services Pvt. Ltd despite the fact that the bank accounts of both these organizations were opened and maintained by NBP."



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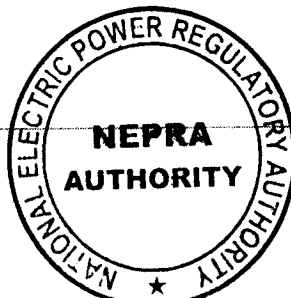
- 4.4. The Petitioner submitted that it appears that, the Authority has disallowed the said amounts on the basis that the Authority required “names and particulars of directors of Nordex Singapore Equipment Pvt. Limited”.
- 4.5. The Petitioner submitted that Nordex Singapore Equipment Pvt. Limited (“NSEPL”) is a 100% owned subsidiary of the Nordex SE (Germany) i.e., the parent. Copies of relevant extracts of the audited financial statements of Nordex SE (Germany), confirming the ownership of Nordex Singapore Equipment Pvt Limited has been provided. In addition, the register of directors of NSEPL has also been submitted, therefore the Petitioner requested the Authority to reconsider its decision and allow claimed cost incurred on payments of PNTC to the EPC Offshore Contractor.
- 4.6. The Authority considered the contentions of the Petitioner and is of the view that required level of assurance could not be attained during the verification process of the above transactions, and further the Petitioner has not been able to produce any new and substantial evidence at the time of its review motion, therefore the Authority maintains its earlier decision made at the time of COD dated 22-2-2019.

5. EPC Off-Shore – Exchange Rate Variation.

- 5.1. The Petitioner has referred Paragraph 2.2.14 of the Tariff Determination which provides that:

*“The Authority observed that against the claimed € 38.418 million, € 1.921 million has been paid after COD whereas the adjustments is to be made at COD. Therefore exchange rate prevailing at COD date to be applied to this subsequent payment.”*

- 5.2. Accordingly, the Petitioner submitted that its claim (based on actual exchange rates on the date of transaction) of USD 2.23 million was reduced to USD 2.16 million. The Petitioner has expressed that the Authority has not provided any rationale for using the COD exchange rate instead of using the actual payment date exchange rate.
- 5.3. The Petitioner therefore submitted that the Authority would acknowledge that the Nature of payments relating to “Retention Money” and “Provisional Acceptance” is such that these payments can only be made after a reasonable time has lapsed following COD, i.e. once all the conditions for release of “Retention Money” and PAC payments are met. Therefore, using the exchange rate prevailing on the date of COD, instead of date of actual payment, is not justified.
- 5.4. The Petitioner requested the Authority to reconsider its decision of using the exchange rate at COD for payments made after COD and allow actual exchange rate applicable on such payments.
- 5.5. The Authority considered the request of the Petitioner and is of the view that payments made after COD date are considered at an exchange rate prevailing at COD date, therefore being consistent with Authority’s decisions in other similar cases, the request of the





Petitioner is not justified. The Authority disallows the claim of the Petitioner for an exchange rate variation after COD date.

6. Disallowed Project Cost.

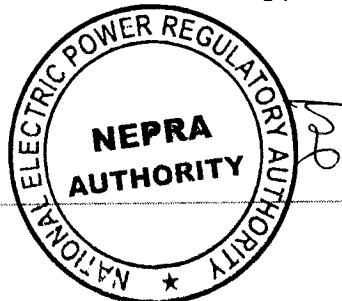
- 6.1. The Petitioner submitted that under the heads of Non - EPC & Project Development Cost and Financial Charges, the Authority has disallowed cost of US \$ 4.7Million, which was entirely funded through equity and the Petitioner had to incur those costs prudently in order to successfully achieve the commissioning of the Project.
- 6.2. Submission of the Petitioner for Non-EPC & Project Development Cost (PDC) on actual basis is not justified as the same are non-opener and cannot be justified on actual basis. The Authority disallows and decline the request of the Petitioner accordingly.
- 6.3. Further for Financial Charges, the adjustment mechanism given in the tariff determination at para 16(I)d) is given below;

*"Financial charges will be adjusted at COD on the basis of actual expense, up to a maximum of 3% of the total debt allowed (excluding the impact of interest during construction and financial charges), on production of authentic documentary evidence to the satisfaction of the Authority."*

- 6.4. The petitioner in its COD tariff adjustment request had claimed US\$ 4.678 million (Rs.473.306 million). For financial charges maximum limit of 3% of debt is allowed as determined by the Authority in the tariff determination. Therefore, extra amount is not accounted for as acceptable claim. The Authority declines the request of the Petitioner on actual basis and retains its decision to restrict the amount as 3% of debt assessed.

7. Approved Project Cost Funding By Debt and Equity.

- 7.1. The Petitioner submitted that the Project cost allowed by the Authority is USD 113.10 Million, based on which equity contribution was restricted to 25% of the Project cost, i.e. USD 28.274 million. Further it was pointed out that an amount of US\$ 3.569 million was understated from the debt amount allowed to Petitioner.
- 7.2. The total debt allowed by the Authority is US\$ 81.261 million, whereas 75% of the approved Project cost works out at USD 84.82 million (US\$ 3.569 million understated in the approved Project cost).
- 7.3. Considering the submission of the Petitioner it has been observed that inadvertently an error was made in the final calculation of the debt amount at COD stage decision while calculating the total debt amount, accordingly the error has been rectified. The revised project cost works out to be US\$ 113.096 million with equity amount US\$ 28.274 million and debt amount is US\$ 84.822 million, therefore the Authority decided to allow the revised project cost of US\$ 113.096 million accordingly.





8. Inadvertent errors and omission.

- 8.1. Further inadvertent errors and omission have been incorporated for Indexation of O&M component, local debt indexation and foreign debt indexation accordingly.

9. Indexations of O&M.

- 9.1. Following is the detail of indexations of O&M component of tariff:

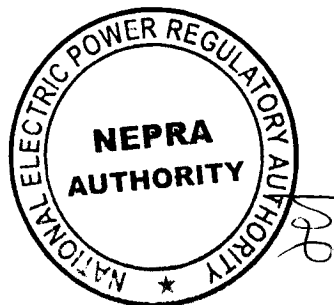
O&M component	Year 1-2		Year 3-10		Year 11-20	
	Local	Foreign	Local	Foreign	Local	Foreign
Reference (Rs/kWh)	0.2410	0.4885	0.3088	1.1095	0.2792	1.2038
Revised (Rs/kWh)	0.3229	0.6174	0.4137	1.4022	0.3741	1.5214

Particulars	Index Number	Month
Reference Values:		
Local CPI (General)	154.72	July 2011
US CPI	226.889	July 2011
Exchange rate (PKR/US\$)	87.75	Reference Ex. Rate
Revised Values:		
Local CPI (General)	207.3	June 2016
US CPI	241.038	June 2016
Exchange rate (PKR/US\$)	104.4	At COD Sep 16, 2016

- 9.2. The O&M components have been indexed at COD.

10. Order

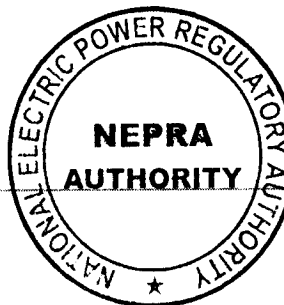
- I Pursuant to Section 7 of the NEPRA Act, 1997 read with Rule 6 of the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000, Metro Power Company Limited (the Petitioner) is allowed to charge the following specified/approved tariff for delivery of electricity to the power purchaser:





Tariff Components	Year 1-2	Year 3-10	Year 11-20	Indexation
	Rs./kWh.	Rs./kWh.	Rs./kWh.	-
O&M				
Local	0.3229	0.4137	0.3741	Local CPI (General)
Foreign	0.6174	1.0422	1.5214	PKR/US\$ & US CPI
Insurance	0.4317	0.4317	0.4317	PKR/US\$
Return on equity	3.5263	3.5263	3.5263	PKR/US\$
Return on equity during construction	0.9781	0.9781	0.9781	PKR/US\$
Withholding tax @7.5%	0.3378	0.3378	0.3378	
Debt service	8.8822	8.8822	-	PKR/US\$ & LIBOR for foreign loan and KIBOR for local loan

- i) The tariff has been calculated on the basis of net annual benchmark energy generation of 142.30 GWh at annual net plant capacity factor of 32.49% for installed capacity of 50 MW.
- ii) The above charges will be limited to the extent of net annual energy generation of 142.30 GWh. Net annual generation supplied to the power purchaser in a year, in excess of benchmark energy of 142.30 GWh will be charged at 10% of the prevalent approved tariff.
- iii) In the above tariff no adjustment for carbon emission reduction receipts, has been accounted for. However, upon actual realization of carbon emission reduction receipts, the same shall be distributed between the power purchaser and the petitioner in accordance with the approved mechanism given in the GoP Policy for Development of Renewable Energy for Power Generation 2006, as amended from time to time.
- iv) The PKR/US dollar exchange rate has been taken as Rs. 104.40.
- v) The above tariff is applicable for a period of twenty (20) years commencing from the commercial operations date.
- vi) The petitioner is entitled to payment of wind speed risk by the power purchaser in accordance with the GoP Policy for Development of Renewable Energy for Power Generation 2006, as amended from time to time.
- vii) The component wise reference tariff is indicated at Annex-I.
- viii) Debt Servicing Schedule is attached at Annex-II.





## II. Pass-Through Items

No provision for income tax has been accounted for in the tariff. If any tax is imposed on the petitioner, the exact amount paid by the petitioner shall be reimbursed by the power purchaser to the petitioner on production of original receipts. This payment will be considered as a pass-through payment spread over a 12 months period.

Furthermore, in such a scenario, the petitioner shall also submit to the power purchaser details of any tax shield savings and the power purchaser shall deduct the amount of these savings from its payment to the petitioner on account of taxation.

Withholding tax on dividends is also a pass through item just like other taxes as indicated in the government guidelines for determination of tariff for new IPPs. The power purchaser shall make payment on account of withholding tax at the time of actual payment of dividend, subject to maximum of 7.5% of 17% return on equity (including return on equity during construction). In case the petitioner does not declare a dividend in a particular year or only declares a partial dividend, then the difference in the withholding tax amount (between what is paid in that year and the total entitlement as per the net return on equity) would be carried forward and accumulated so that the petitioner is able to recover the same as a pass through from the power purchaser in future on the basis of the total dividend payout.

## III. Indexations:

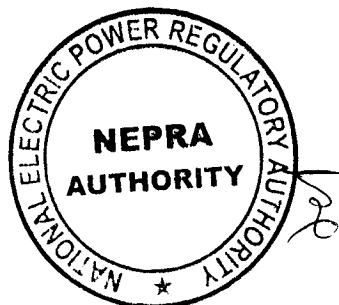
The following indexation shall be applicable to the reference tariff:

### i) Indexation applicable to O&M

The local part of O&M cost will be adjusted on account of local inflation and O&M foreign component will be adjusted on account of variation in dollar/rupee exchange rate and US CPI. Quarterly adjustments for inflation and exchange rate variation will be made on 1<sup>st</sup> July, 1<sup>st</sup> October, 1<sup>st</sup> January and 1<sup>st</sup> April respectively on the basis of latest available information with respect to CPI (notified by the Federal Bureau of Statistics)/alternative index determined by the Authority, US CPI (notified by US bureau of labor statistics) and revised TT & OD selling rate of US Dollar as notified by the National Bank of Pakistan. The mode of indexation will be as follows:

$$F \text{ O\&M (LREV)} = \text{O\&M (LREF)} * \text{CPI}(\text{rev}) / 207.30$$

$$F \text{ O\&M (FREV)} = \text{O\&M (FREF)} * \text{US CPI}(\text{rev}) / 241.038 * \text{ER (REV)} / 104.4$$







Where:

- F O&M (LREV) = The revised applicable fixed O&M local component of tariff
- F O&M (FREV) = The revised applicable fixed O&M foreign component of tariff indexed with US CPI and exchange rate Variation
- O&M (LREF) = The reference fixed O&M local component of tariff for the relevant period
- O&M (FREF) = The reference fixed O&M foreign component of tariff for the relevant period
- CPI(REV) = The revised consumer price index (general) / alternative index determined by the Authority
- CPI (REF) = 207.30 consumer price index (general) of June 2016 notified by the Federal Bureau of Statistics / alternative index determined by the Authority.
- US CPI (REV) = The revised US CPI (all urban consumers)
- US CPI (REF) = 241.038 US CPI (all urban consumers) for the month of June 2016 as notified by the US Bureau of Labor Statistics
- ER<sub>(Ref)</sub> reference TT & OD selling rate of US dollar is 104.4
- ER (REV) = the revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan

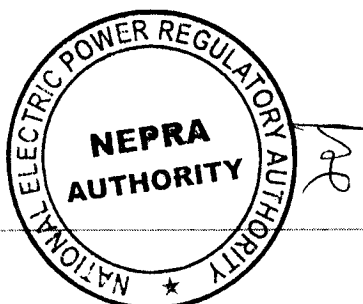
ii) **Adjustment of insurance component**

In case of insurance denominated in US \$, insurance cost component of tariff will be adjusted on account of US\$/PKR exchange rate variation on annual basis. Further, insurance component of the reference tariff will be adjusted as per actually incurred prudent costs, subject to maximum of 1.35% of the approved EPC cost, on annual basis upon production of authentic documentary evidence by the petitioner.

iii) **Return on equity**

The return on equity component of tariff will be adjusted on the basis of revised TT & OD selling rate of US Dollar as notified by the National Bank of Pakistan according to the following formula:

$$ROE (REV) = ROE(REF) \times ER(REV) / ER(REF)$$





Where:

ROE (REV) = Revised return on equity component of tariff expressed in Rs/kWh.

ROE (REF) = Reference return on equity component of tariff expressed in Rs/kWh.

ER (REV) = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan

ER (REF) = The reference TT & OD selling rate of US dollar

iv) Return on equity during construction

The return on equity during construction component of tariff has been adjusted on the basis of revised TT & OD selling rate of US Dollar as notified by the National Bank of Pakistan according to the following formula:

$$ROEDC (REV) = ROEDC (REF) \times ER(REV) / ER(REF)$$

Where:

ROEDC (rev) = Revised return on equity during construction component of tariff expressed in Rs/kWh.

ROEDC (ref) = Reference return on equity during construction component of tariff expressed in Rs/kWh.

ER (REV) = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan

ER (REF) = The reference TT & OD selling rate of US

v) Adjustment for LIBOR/KIBOR variation

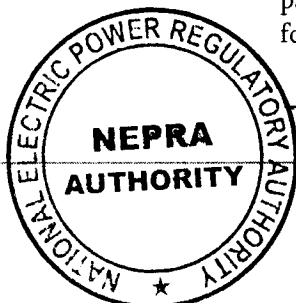
The interest part of fixed charge component will remain unchanged throughout the term except for the adjustment due to variation in 6 months LIBOR/KIBOR, while spread of 4.50% on 6 months LIBOR and 3% on 6 months KIBOR remaining the same, according to the following formula:

For foreign financing

$$\Delta I = P (REV) * (LIBOR (REV) - 0.92\%) / 2$$

Where:

$\Delta I$  the variation in interest charges applicable corresponding to variation in 6 months LIBOR.  $\Delta I$  can be positive or negative depending upon whether 6 months LIBOR (Rev) per annum > or < 0.92%. The interest payment obligation will be enhanced or reduced to the extent of  $\Delta I$  for each half year under adjustment.





P(REV) is the outstanding principal (as indicated in the attached debt service schedule to this order at Annex-II) on a biannual basis at the relevant six monthly calculations date.

Foreign debt and its interest will also be adjusted on bi-annual basis on account of actual variation in PKR/US \$ over the applicable reference exchange rate.

**For local financing**

$\Delta I$   $P (REV) * (KIBOR (REV) - 6.06\%) / 2$

Where:

$\Delta I$  the variation in interest charges applicable corresponding to variation in 6 months KIBOR.  $\Delta I$  can be positive or negative depending upon whether 6 months KIBOR (Rev) per annum > or < 6.06%. The interest payment obligation will be enhanced or reduced to the extent of  $\Delta I$  for each half year under adjustment.

P(REV) is the outstanding principal (as indicated in the attached debt service schedule to this order at Annex-II) on a biannual basis at the relevant six monthly calculations date.

**Note:**

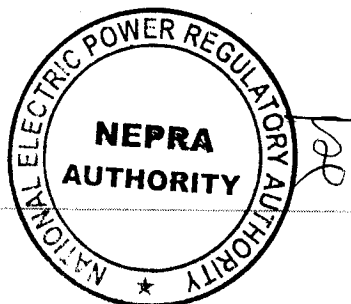
Adjustments on account of inflation, foreign exchange rate variation, LIBOR/KIBOR variation and actual insurance will be approved and announced by the Authority within fifteen working days after receipt of the petitioner's request for adjustment in tariff in accordance with the requisite indexation mechanism stipulated herein.

**Wind Power Plant's Performance Data:**

The petitioner shall install monitoring masts with properly calibrated automatic computerized wind speed recording meters at the same height as that of the wind turbine generators and a compatible communication/SCADA system both at the wind farm and power purchaser's control room for transmission of wind speed and power output data to the power purchaser's control room.

**Emissions Trading/ Carbon Credits:**

The petitioner shall process and obtain emissions/carbon credits expeditiously and credit the proceeds to the power purchaser as per the GoP Policy for Development of Renewable Energy for Power Generation 2006, as amended from time.





Other:

The Authority has allowed/approved only those cost(s), term(s), condition(s), provision(s), etc. which have been specifically approved in this tariff determination. Any cost(s), term(s), condition(s), provision(s), etc. contained in the tariff petition or any other document which are not specifically allowed/approved in this tariff determination, should not be implied to be approved, if not adjudicated upon in this tariff determination.

AUTHORITY

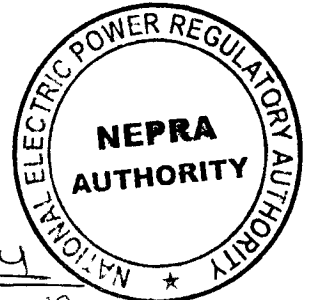
(Rafique Ahmed Shaikh)  
Member

(Rehmatullah Baloch)  
Member

(Saif Ullah Chattha)  
Member

Engr. Bahadur Shah  
Vice Chairman

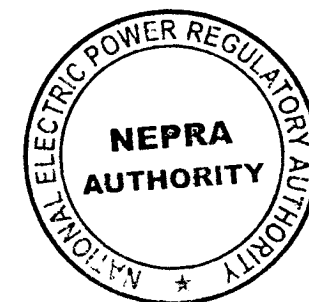
Tauseef H. Farooqi  
Chairman



05/12/19

**METRO POWER COMPANY LIMITED**  
**REFERENCE TARIFF TABLE**

Year	O&M		Insurance	Return on equity	Return on equity during construction	Withholding tax @7.5%	Loan repayment	Interest charges	Tariff
	Local	Foreign							
	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh	Rs. / kWh
1	0.3229	0.6174	0.4317	3.5263	0.9781	0.3378	4.3839	4.4983	15.0963
2	0.3229	0.6174	0.4317	3.5263	0.9781	0.3378	4.7069	4.1752	15.0963
3	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	5.0553	3.8269	15.9719
4	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	5.4311	3.4510	15.9719
5	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	5.8367	3.0454	15.9719
6	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	6.2745	2.6076	15.9719
7	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	6.7472	2.1349	15.9719
8	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	7.2578	1.6244	15.9719
9	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	7.8093	1.0728	15.9719
10	0.4137	1.4022	0.4317	3.5263	0.9781	0.3378	8.4053	0.4768	15.9719
11	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
12	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
13	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
14	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
15	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
16	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
17	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
18	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
19	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
20	0.3741	1.5214	0.4317	3.5263	0.9781	0.3378	-	-	7.1694
<b>Levelized</b>	<b>0.3842</b>	<b>1.2754</b>	<b>0.4317</b>	<b>3.5263</b>	<b>0.9781</b>	<b>0.3378</b>	<b>4.2226</b>	<b>2.1880</b>	<b>13.3440</b>

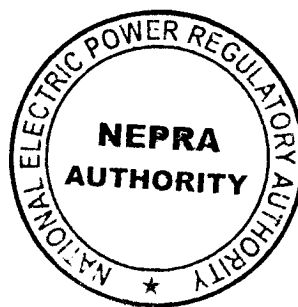


The reference tariff has been calculated on the basis of net annual benchmark energy generation of 142.3 GWh. Net annual generation supplied to the power purchaser in a year, in excess of benchmark energy of 142.3 GWh will be charged at 10% of the prevalent approved tariff.

Exchange rate 1US\$/PKR 104.40 Levelized tariff @ 10% works out to US cents 12.7816

**METRO POWER COMPANY LIMITED  
DEBT SERVICING SCHEDULE**

Period	Local Debt					Foreign Debt					Annual Principal Repayment	Annual Interest	Annual Debt Servicing
	Principal	Repayment	Interest	Balance	Total Debt Service	Principal	Repayment	Interest	Balance	Total Debt Service			
	Rs. in M	Rs. in M	Rs. in M	Rs. in M	Rs. in M	US\$ in M	US\$ in M	US\$ in M	US\$ in M	US\$ in M			
1	4,771.917	151.633	216.168	4,620.284	367.801	38.678	1.482	1.048	37.196	2.531			
	4,620.284	158.502	209.299	4,461.782	367.801	37.196	1.523	1.008	35.673	2.531			
	<b>4,771.917</b>	<b>310.135</b>	<b>425.467</b>	<b>4,461.782</b>	<b>735.602</b>	<b>38.678</b>	<b>3.005</b>	<b>2.056</b>	<b>35.673</b>	<b>5.061</b>	<b>4.3839</b>	<b>4.4983</b>	<b>8.8822</b>
	4,461.782	165.682	202.119	4,296.100	367.801	35.673	1.564	0.967	34.109	2.531			
2	4,296.100	173.188	194.613	4,122.913	367.801	34.109	1.606	0.924	32.503	2.531			
	<b>4,461.782</b>	<b>338.870</b>	<b>396.732</b>	<b>4,122.913</b>	<b>735.602</b>	<b>35.673</b>	<b>3.170</b>	<b>1.891</b>	<b>32.503</b>	<b>5.061</b>	<b>4.7069</b>	<b>4.1752</b>	<b>8.8822</b>
	4,122.913	181.033	186.768	3,941.880	367.801	32.503	1.650	0.881	30.853	2.531			
	3,941.880	189.234	178.567	3,752.646	367.801	30.853	1.694	0.836	29.159	2.531			
3	<b>4,122.913</b>	<b>370.267</b>	<b>365.335</b>	<b>3,752.646</b>	<b>735.602</b>	<b>32.503</b>	<b>3.344</b>	<b>1.717</b>	<b>29.159</b>	<b>5.061</b>	<b>5.0553</b>	<b>3.8269</b>	<b>8.8822</b>
	3,752.646	197.806	169.995	3,554.840	367.801	29.159	1.740	0.790	27.419	2.531			
	3,554.840	206.767	161.034	3,348.074	367.801	27.419	1.788	0.743	25.631	2.531			
	<b>3,752.646</b>	<b>404.573</b>	<b>331.029</b>	<b>3,348.074</b>	<b>735.602</b>	<b>29.159</b>	<b>3.528</b>	<b>1.533</b>	<b>25.631</b>	<b>5.061</b>	<b>5.4311</b>	<b>3.4510</b>	<b>8.8822</b>
4	3,348.074	216.133	151.668	3,131.940	367.801	25.631	1.836	0.695	23.795	2.531			
	3,131.940	225.924	141.877	2,906.016	367.801	23.795	1.886	0.645	21.909	2.531			
	<b>3,348.074</b>	<b>442.057</b>	<b>293.545</b>	<b>2,906.016</b>	<b>735.602</b>	<b>25.631</b>	<b>3.722</b>	<b>1.339</b>	<b>21.909</b>	<b>5.061</b>	<b>5.8367</b>	<b>3.0454</b>	<b>8.8822</b>
	2,906.016	236.158	131.643	2,669.858	367.801	21.909	1.937	0.594	19.972	2.531			
5	2,669.858	246.856	120.945	2,423.002	367.801	19.972	1.989	0.541	17.983	2.531			
	<b>2,906.016</b>	<b>483.015</b>	<b>252.587</b>	<b>2,423.002</b>	<b>735.602</b>	<b>21.909</b>	<b>3.926</b>	<b>1.135</b>	<b>17.983</b>	<b>5.061</b>	<b>6.2745</b>	<b>2.6076</b>	<b>8.8822</b>
	2,423.002	258.039	109.762	2,164.963	367.801	17.983	2.043	0.487	15.940	2.531			
	2,164.963	269.728	98.073	1,895.235	367.801	15.940	2.099	0.432	13.841	2.531			
6	<b>2,423.002</b>	<b>527.767</b>	<b>207.835</b>	<b>1,895.235</b>	<b>735.602</b>	<b>17.983</b>	<b>4.142</b>	<b>0.919</b>	<b>13.841</b>	<b>5.061</b>	<b>6.7472</b>	<b>2.1349</b>	<b>8.8822</b>
	1,895.235	281.947	85.854	1,613.288	367.801	13.841	2.155	0.375	11.686	2.531			
	1,613.288	294.719	73.082	1,318.569	367.801	11.686	2.214	0.317	9.472	2.531			
	<b>1,895.235</b>	<b>576.666</b>	<b>158.936</b>	<b>1,318.569</b>	<b>735.602</b>	<b>13.841</b>	<b>4.369</b>	<b>0.692</b>	<b>9.472</b>	<b>5.061</b>	<b>7.2578</b>	<b>1.6244</b>	<b>8.8822</b>
7	1,318.569	308.070	59.731	1,010.500	367.801	9.472	2.274	0.257	7.198	2.531			
	1,010.500	322.025	45.776	688.474	367.801	7.198	2.336	0.195	4.863	2.531			
	<b>1,318.569</b>	<b>630.095</b>	<b>105.507</b>	<b>688.474</b>	<b>735.602</b>	<b>9.472</b>	<b>4.609</b>	<b>0.452</b>	<b>4.863</b>	<b>5.061</b>	<b>7.8093</b>	<b>1.0728</b>	<b>8.8822</b>
	688.474	336.613	31.188	351.862	367.801	4.863	2.399	0.132	2.464	2.531			
8	351.862	351.862	15.939	(0.000)	367.801	2.464	2.464	0.067	-	2.531			
	<b>688.474</b>	<b>688.474</b>	<b>47.127</b>	<b>(0.000)</b>	<b>735.602</b>	<b>4.863</b>	<b>4.863</b>	<b>0.199</b>	<b>-</b>	<b>5.061</b>	<b>8.4053</b>	<b>0.4768</b>	<b>8.8822</b>



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