

## National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-229/PHYDO-2013/8667-8669 July 23, 2014

Subject: Decision of the Authority in the matter of Motion for Leave for Review filed by Pakhtunkhwa Hydel Development Organization for its Machai Hydropower Project against Tariff Determination dated March 14, 2014 [Case No. NEPRA/TRF-229/PHYDO-2013]

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority (02 pages) in the matter of Motion for Leave for Review filed by Pakhtunkhwa Hydel Development Organization for its Machai Hydropower Project against Authority's Tariff Determination dated 14.03.2014 in Case No. NEPRA/TRF-229/PHYDO-2013, for information.

Enclosure: As above

+ 23/7/14

(Syed Safeer Hussain)

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Secretary Ministry of Water & Power 'A' Block, Pak Secretariat Islamabad

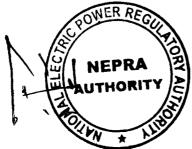
CC:

- 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 MOTION FOR LEAVE FOR REVIEW FILED BY PAKHTUNKHWA HYDEL DEVELOPMENT ORGANIZATION FOR ITS MACHAI HYDROPOWER PROJECT AGAINST TARIFF DETERMINATION DATED MARCH 14, 2014 <u>CASE NO. NEPRA/TRF-229/PHYDO-2013</u>

- 1. Pakhtunkhwa Hydel Development Organization (hereinafter referred to as the "petitioner") filed a motion for leave for review (hereinafter referred to as the "review motion") under Rule 16 (6) of the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 (hereinafter referred to as the "Rules") read with other applicable laws, against tariff determination dated March 14, 2014 (hereinafter referred to as the "determination").
- 2. Brief facts of the case are that the petitioner filed a tariff petition under rule 3 of the Rules for determination of its generation tariff before National Electric Power Regulatory Authority (hereinafter referred to as the "Authority"). After admission of petition, a hearing was conducted wherein the petitioner explained technical details of the project, costs claimed by it under different heads and requested for grant of tariff applied for in the tariff petition. The Authority after consideration of arguments of the petitioner, documentary evidence produced by the petitioner, comments of the stakeholders and evidence and information otherwise available with the Authority, determined the tariff of the petitioner through the determination.
- 3. The petitioner filed the review motion stating that the project development costs of US \$ 1.024 million, construction management cost of US \$ 2.530 million and return on equity of 19.50% IRR based as claimed in the tariff petition may be allowed, instead of project development costs of US \$ 0.175 million, construction management cost of US \$ 0.460 million and return on equity of 17% IRR based allowed by the Authority in the determination.
- 4. To consider contentions of the petitioner and to provide it an opportunity to explain its point of view, a hearing in the matter was held on June 11, 2014 at Islamabad which was attended by the representatives of the petitioner. During hearing, the petitioner reiterated its written submissions and requested to review the determination.
- 5. Arguments heard. Record perused.
- 6. The Regulation 3 (2) of the National Electric Power Regulatory Authority (Review Procedure) Regulations, 2009 (hereinafter referred to as the "Review Regulations") provide that any party aggrieved from any order of the Authority and who, from the discovery of new and important matter of evidence or on account of some mistake or error apparent on the face of record or from any other sufficient reasons, may file a motion seeking review of such order. Further Regulation 3 (7) of the Review Regulations read with Rule 16(9) of the Rules provides that the motion for leave for review may be refused by the Authority if it considers that the review would not result in the withdrawal or modification of the order. The petitioner has failed to bring any new and





important matter of evidence which was not considered by the Authority at the time of passing of the determination and has also failed to point out any mistake or error apparent on the face of the record. The fact of matter which is also evident from the perusal of the determination is that all material facts and documents were in the knowledge of the Authority and the record clearly shows that the Authority issued the determination after consideration of all material facts and documents. Therefore, the Authority is of view that the review motion is not maintainable in terms of Regulation 3 (2) of the Review Regulations read with Rule 16(9) of the Rules and the same is hereby dismissed.

AUTHORITY (Maj. (R) Haroon Rashid ) (Khawaja Muhammad Naeem Member Member 7/2014 (Habibullah Khilji) Vice Chairman NER