



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-320/SGHPL-2015/10328-10330
July 19, 2016

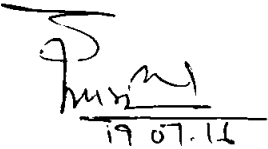
Subject: **Determination of the Authority in the matter of Tariff Petition filed by Sammar Gah Hydro (Private) Ltd. [Case # NEPRA/TRF-320/SGHPL-2015]**

Dear Sir,

Please find enclosed herewith the subject Determination of the Authority (02 pages) in the matter of Tariff Petition filed by Sammar Gah Hydro (Private) Ltd. in case No. NEPRA/TRF-320/SGHPL-2015.

2. The Determination is being intimated to the Federal Government pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

Enclosure: As above



19 07.16

(Syed Safer Hussain)

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

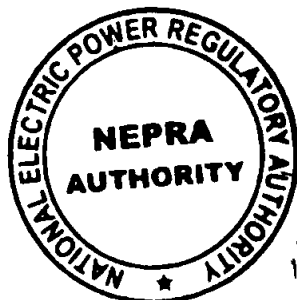
CC:

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



DETERMINATION OF THE AUTHORITY IN THE MATTER OF TARIFF PETITION
FILED BY SAMMAR GAH HYDRO (PRIVATE) LIMITED

1. Sammar Gah Hydro (Pvt.) Limited (hereinafter referred to as the "Petitioner") filed a Tariff Petition (hereinafter referred to as the "Petition") on September 28, 2015 pursuant to Rule 3 of the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 (hereinafter referred to as the "Tariff Rules") for the determination of feasibility stage generation tariff for its 28 MW Sammar Gah Hydropower Project (the "Project") located at Summar Gah Gosak, District Dasso, Kohistan, Province Khyber Pakhtunkhwa, Pakistan.
2. The Authority admitted the Petition on October 27, 2015 in accordance with sub-rule 3 of rule 4 of the Tariff Rules. Consequent to the admission, notice of admission/hearing was published in the national newspapers on January 19, 2016, inviting thereby all the stakeholders, interested/affected persons or parties to participate in the tariff setting process through filing of comments/intervention requests. Further, in accordance with sub-rule 5 of rule 4 of the Tariff Rules, written notices dated January 21, 2016 were sent to the key stakeholders and parties, which in the opinion of the Authority were likely to be interested or affected or may be of assistance to the Authority in arriving at a just and informed determination, requesting for their participation in the tariff setting process. In accordance with section 7 (5) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 the Authority also sought recommendations of the Government of Khyber Pakhtunkhwa on this Petition. In response to the Authority's notices of admission and hearing comments were filed by Indus River System Authority (IRSA) and Board of Investment (BOI). However, no intervention request was filed by any party.
3. During the hearing held on February 4, 2016, the Authority probed the Petitioner on various technical and financial issues. The Petitioner was questioned, *inter alia*, regarding the generation license, outdated and low quantum of hydrological data, validity of letter of interest (LOI), land leasing cost and proposed interconnection arrangement for the project, etc. The Authority noticed that outdated financial parameters such as PKR/US\$ exchange rate and KIBOR were used for calculation of tariff and project cost estimates. The Authority vide letter no.NEPRA/SAT-I/TRF-320/SGHPL-2015/2084 dated February 12, 2016 directed the Petitioner to submit detailed information required for determination of tariff such as approval of latest/updated feasibility study, valid LOI, the approved interconnection study of the project, no objection certificate (NOC) of IRSA (a commentator) and revised cost estimates on the basis of latest financial parameters/assumptions etc. Due to non-provision of the required information the Authority through a reminder no. NEPRA/TRF-320/3800 dated March 21, 2016 directed

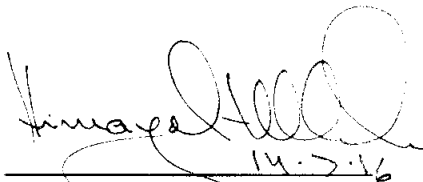


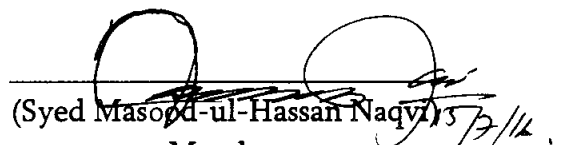


the Petitioner to submit the required information for further processing of the case. Upon non-compliance of the Authority's directions, the Authority through another letter no.NEPRA/SAT-I/TRF-320/6305 dated May 6, 2016 directed the Petitioner to submit all required information. The Petitioner responded to the Authority direction vide letter dated May 12, 2016 with limited/partial/incomplete information.


4. The Authority observed that the Petition is based on very limited hydrology and about 22 years old hydrological data. The Authority noted that the Petitioner has failed to completely comply with the directions of the Authority through various communications regarding submitting the required information/documents. The Petitioner through letter dated May 12, 2016 submitted the hydrology of years 2014 and 2015 without approval of the relevant agency which is insufficient and after gap of about 19½ years. The Petitioner did not submit other information required by the Authority despite consuming considerable time which tantamount to lack of interest of the Petitioner.
5. In view of the aforesaid, the Authority has concluded that the Petitioner has been non-responsive and there was lack of interest towards provision of requisite information required by the Authority. Further, the information submitted by the Petitioner was incomplete and insufficient to arrive at a just and fair tariff for the Petitioner. Moreover, the application of generation license of the Petitioner was also returned by the Authority on May 26, 2016 due to non-provision of required information.
6. In view of the above, the Authority has decided to dismiss the instant Tariff Petition, however, the Petitioner may apply through a fresh tariff petition for approval of tariff upon fulfillment of all required information.

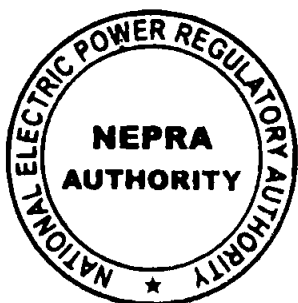
AUTHORITY

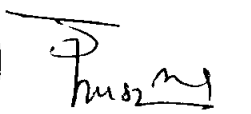

14.5.16
(Himayat Ullah Khan)
Vice Chairman


17/12
(Syed Masood-ul-Hassan Naqvi)
Member

(Maj. (R) Haroon Rashid)
Member


8-2-2016
(Tariq Saddozai)
Chairman 15/7/16




19.07.16