



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-72/EEL-2007/593-595
February 1, 2011

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Engro Powergen Qadirpur Ltd. (Case No. NEPRA/TRF-72/EEL-2007) - 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) (02 pages) regarding adjustment of tariff for July-September 2010 to January-March 2011 quarters on account of US CPI, WPI (Local), Exchange rate LIBOR and KIBOR variations in respect of Engro Powergen Qadirpur Ltd. (formerly Engro Energy Ltd.) in Case No. NEPRA/TRF-72/EEL-2007.

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 the schedule of revised Tariff to be notified in the official Gazette is attached as Annex-I.

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)



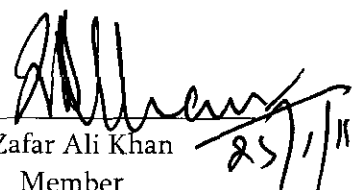
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR ENGRO POWERGEN QADIRPUR LIMITED**

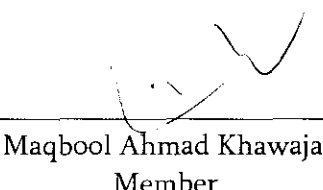
Pursuant to the decision of the Authority dated 3rd November 2010 in the matter of adjustment at commercial operation date in the case of Engro Powergen Qadirpur Limited (EPQL), formerly Engro Energy Limited, the tariff of EPQL in respect of July-September 2010 to January-March 2011 quarters has been revised on account of US CPI, WPI (Local), exchange rate LIBOR and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable to the units delivered during the quarters:

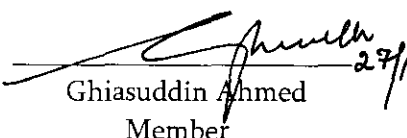
Tariff Components	Reference	Revised Jul-Sep 10 Quarter	Revised Oct-Dec 10 Quarter	Revised Jan-Mar 11 Quarter
Capacity Charge (Rs./kW/Hour)				
Fixed O&M - Foreign	0.0096	0.0098	0.0099	0.0099
Fixed O&M - Local	0.1366	0.1459	0.1485	0.1659
Insurance	0.0630	0.0630	0.0630	0.0630
Cost of Working Capital	0.0537	0.0534	0.0564	0.0579
ROE	0.3438	0.3495	0.3520	0.3507
ROEDC	0.1265	0.1286	0.1295	0.1291
Debt Servicing	0.7291	0.7988	0.7467	0.7471
Total Capacity Charge	1.4623	1.5490	1.5060	1.5236
Energy Charge (Rs./kWh)				
Variable O&M - Foreign	0.1917	0.1962	0.1977	0.1974
Variable O&M - Local	0.0381	0.0407	0.0414	0.0463
Total Variable O&M	0.2298	0.2369	0.2391	0.2437

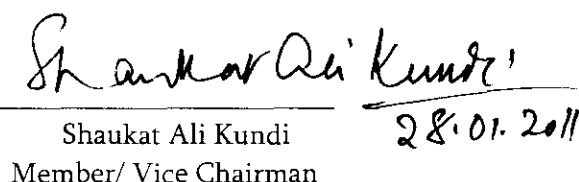
The revised tariff schedule to be notified in the official gazette is attached as Annex-I.

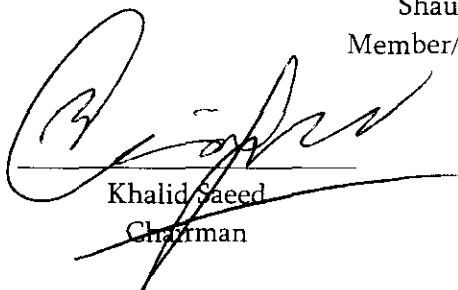
AUTHORITY

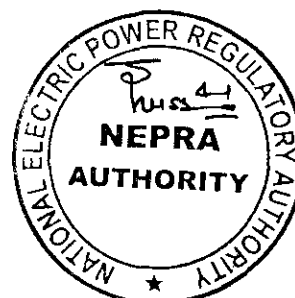

Zafar Ali Khan
Member


Maqbool Ahmad Khawaja
Member


Ghiasuddin Ahmed
Member


Shaukat Ali Kundi
Member/ Vice Chairman


Khalid Saeed
Chairman



ENGRO POWERGEN QADIRPUR LIMITED
(Formerly Engro Energy Limited)
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Indexation	Reference	Revised Jul-Sep 10 Quarter	Revised Oct-Dec 10 Quarter	Revised Jan-Mar 11 Quarter
Capacity Charge (Rs./kW/Hour)					
Fixed O&M - Foreign	US CPI & Exchange Rate	0.0000	0.0000	0.0000	0.0000
Fixed O&M - Local	WPI- Local	0.1366	0.1459	0.1485	0.1659
Insurance	Actual on yearly basis	0.0630	0.0630	0.0630	0.0630
Cost of Working Capital	Kibor Variation	0.0537	0.0534	0.0564	0.0579
ROE	Exchange Rate	0.3438	0.3495	0.3520	0.3507
ROEDC	Exchange Rate	0.1265	0.1286	0.1295	0.1291
Debt Servicing	Kibor Variation & Exchange Rate	0.7291	0.7988	0.7467	0.7471
Total Capacity Charge		1.4623	1.5490	1.5060	1.5236
Energy Charge (Rs./kWh)					
Variable O&M - Foreign	US\$/Rs. & US CPI	0.1917	0.1962	0.1977	0.1974
Variable O&M - Local	WPI- Local	0.0381	0.0407	0.0414	0.0463
Total Variable O&M		0.2298	0.2369	0.2391	0.2437

Following Values are used for adjustment/indexation of tariff:

	Reference	Revised Jul-Sep 10 Quarter	Revised Oct-Dec 10 Quarter	Revised Jan-Mar 11 Quarter
Exchange Rate (Rs./USD)	84.200	85.600	86.200	85.900
US CPI (All Urban Consumers)	216.741	218.178	218.312	218.803
WPI (Manufactures) - Local	159.310	170.150	173.160	193.440
3 Monthly LIBOR	0.29%	0.53%	0.29%	0.30%
3 Monthly KIBOR	12.36%	12.29%	13.09%	13.46%
Hours in the quarter	-	2208	2208	2160

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