



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/TRF-92/HUBCO-2008/8845-8847  
July 17, 2013

**Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff (for July-September 2013) for The Hub Power Company Ltd. (HUBCO) (Case No. NEPRA/TRF-92/HUBCO-2008) - 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 tariff (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of The Hub Power Company Ltd. for the quarter July-September 2013 on account US CPI, CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-92/HUBCO-2008.

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 tariff to be notified in the official Gazette is attached as Annex-I.

Enclosure: As above

**( Syed Safeer Hussain )**

Secretary,  
Ministry of Water & Power,  
Government of Pakistan  
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 QUARTERLY INDEXATION/ ADJUSTMENT  
OF TARIFF FOR THE HUB POWER COMPANY LIMITED**

Pursuant to the decision of the Authority dated 8<sup>th</sup> June 2012 in the matter of adjustment at Commercial Operation Date (COD) and the decision of the Authority dated 21<sup>st</sup> December 2012 regarding change of index in the case of Hub Power Company Limited (hereinafter "HUBCO") for its Narowal project, the tariff of HUBCO in respect of July-September 2013 quarter has been revised on account of US CPI, CPI (Local), exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference Decision 8th June 2012	Revised Jul-Sep 13 Quarter
<b>Capacity Charge (Rs./kW/Hour)</b>		
Fixed O&M - Foreign	0.1446	0.1816
Fixed O&M - Local	0.0533	0.0615
Cost of Working Capital	0.2902	0.2248
ROE	0.5398	0.6334
ROEDC	0.1106	0.1298
Debt Servicing	1.5138	1.2896
<b>Total Capacity Charge</b>	<b>2.6523</b>	<b>2.5207</b>
<b>Variable O&amp;M (Rs./kWh)</b>		
Variable O&M - Foreign	0.3543	0.4450
Variable O&M - Local	0.2888	0.3335
<b>Total Variable O&amp;M</b>	<b>0.6431</b>	<b>0.7785</b>

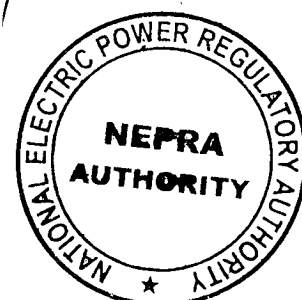
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

**AUTHORITY**

(Habibullah Khilji)  
Member

(Maj (R) Haroon Rashid)  
Member

(Khawaja Muhammad Naqem)  
Vice Chairman



17-7-13

**The Hub Power Company Limited**  
**Quarterly Indexation/Adjustment of Tariff**

Tariff Components	Reference Decision 8th June 2012	Previous Apr-Jun 13 Quarter	Revised Jul-Sep 13 Quarter
<b>Capacity Charge (Rs./kW/Hour)</b>			
Fixed O&M - Foreign	0.1446	0.1801	0.1816
Fixed O&M - Local	0.0533	0.0603	0.0615
Cost of Working Capital	0.2902	0.2332	0.2248
ROE	0.5398	0.6302	0.6334
ROEDC	0.1106	0.1291	0.1298
Debt Servicing	1.5138	1.3151	1.2896
<b>Total Capacity Charge</b>	<b>2.6523</b>	<b>2.5480</b>	<b>2.5207</b>
<b>Variable O&amp;M (Rs./kWh)</b>			
Variable O&M - Foreign	0.3543	0.4413	0.4450
Variable O&M - Local	0.2888	0.3269	0.3335
<b>Total Variable O&amp;M</b>	<b>0.6431</b>	<b>0.7682</b>	<b>0.7785</b>
<b>Indexation values</b>			
Exchange Rate (Rs./USD)	84.200	98.300	98.800
US CPI (All Urban Consumers)	217.631	232.166	232.945
CPI (General) - Local	154.720	175.110	178.650
3 Monthly KIBOR	12.34%	9.53%	9.08%
Principal Outstanding (Rs. Mlns)	14,733	13,210	12,986
Hours in the quarter	-	2,184	2208

**Note:-** Insurance component of capacity charge is not part of quarterly indexation. It is adjusted annually on actual basis as per mechanism stipulated in the decision of the Authority.

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