



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/TRF-92/HUBCO-2008/12991-12993
October 21, 2014

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for The Hub Power Company Ltd. (HUBCO-Narowal) (Case No. NEPRA/TRF-92/HUBCO-2008)

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 October-December 2014 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 component attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

Secretary,
Ministry of Water & Power,
Government of Pakistan
Islamabad.

(Syed Safeer Hussain)

CC:

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



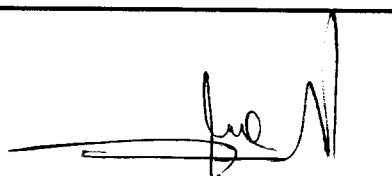
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT
OF TARIFF FOR THE HUB POWER COMPANY LIMITED (HUBCO-Narowal)**


Pursuant to the decision of the Authority dated 8th June 2012 in the matter of adjustment at Commercial Operation Date (COD) and the decision of the Authority dated 21st December 2012 regarding change of index in the case of Hub Power Company Limited (hereinafter "HUBCO") for its Narowal project, the tariff of HUBCO, Narowal in respect of October to December 2014 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:

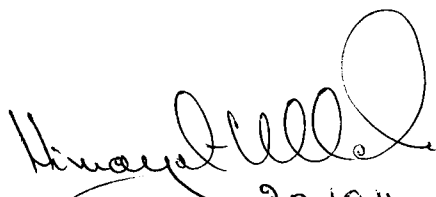
Tariff Components	Reference Decision 8th June 2012	Revised Oct- Dec 2014 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1446	0.1928
Fixed O&M - Local	0.0533	0.0685
Cost of Working Capital	0.2902	0.2468
ROE	0.5398	0.6584
ROEDC	0.1106	0.1349
Debt Servicing	1.5138	1.3795
Total Capacity Charge	2.6523	2.6809
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.3543	0.4723
Variable O&M - Local	0.2888	0.3709
Total Variable O&M	0.6431	0.8432

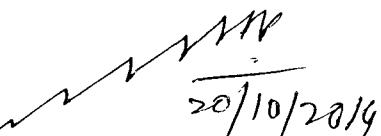
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

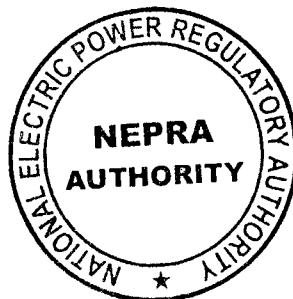
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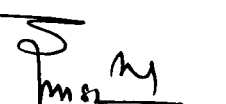

(Khawaja Muhammad Naeem)
Member


(Maj (R) Haroon Rashid)
Member


(Himayat Ullah Khan)
Member


(Habibullah Khilji)
Vice Chairman




21.10.14

The Hub Power Company Limited, Narowal
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Decision 8th June 2012	Revised Oct-Dec 2014 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1446	0.1928
Fixed O&M - Local	0.0533	0.0685
Cost of Working Capital	0.2902	0.2468
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Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.3543	0.4723
Variable O&M - Local	0.2888	0.3709
Total Variable O&M	0.6431	0.8432
Indexation values		
Exchange Rate (Rs./USD)	84.200	102.700
US CPI (All Urban Consumers)	217.631	237.852
CPI (General) - Local	154.720	198.700
3 Monthly KIBOR	12.34%	10.18%
Principal Outstanding (Rs. Mlns)	14,733	11,741
Hours in the quarter		2,208

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.

