



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/TRF-85/HPGCL-2007/5345-47
December 26, 2007

Subject: Decision of the Authority in the Matter of Motion for Leave for Review filed by Halmore Power Generation Company (Pvt.) Ltd. (HPGCL) under Rule 16(6) of NEPRA (Tariff Standards and Procedure) Rules, 1998 (Case No. NEPRA/TRF-85/HPGCL-2007) - Intimation of Determination of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)

Dear Sir,

In continuation of this office letter No. NEPRA/R/TRF-85/HPGCL-2007/4711-13 dated November 8, 2007 whereby determination of the Authority on Halmore Power Generation Company (Pvt.) Ltd. was sent. Please find enclosed herewith the decision of the Authority along with Annexes-I, II & III (16 pages) in the matter of Motion for Leave for Review filed by Halmore Power Generation Company (Pvt.) Ltd. against Case No. NEPRA/TRF-85/HPGCL-2007 on November 19, 2007.

2. Subsequent to the culmination of proceedings in the subject Motion for Leave for Review and the issuance/announcement of decision of the Authority along with Annexes-I, II & III (16 pages) is being intimated to the Federal Government for the purpose of notification of the approved tariff, in the official Gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) read with Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

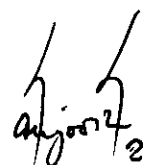
3. Please be informed that the Reference Tariff earlier intimated vide para 5 of the Authority's determination dated November 8, 2007, stands revised to the extent as detailed in para 4 (09 pages) of the decision of the Authority on the subject motion along with Annexes-I, II & III (03 pages) needs to be notified in the official Gazette. The Final Order is reproduced for the purpose of clarity and is attached herewith.

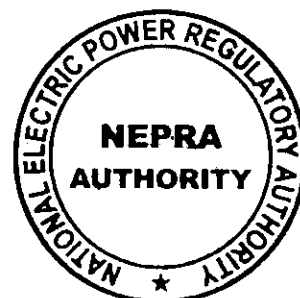
Enclosure: As above

Secretary
Cabinet Division,
Government of Pakistan
Cabinet Secretariat
Islamabad

CC:

1. Secretary, Ministry of Water & Power, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.


26.12.07.
(Mahjoob Ahmad Mirza)





FINAL ORDER OF THE AUTHORITY
IN CASE NO. NEPRA/TRF-85/HPGCL-2007
TO BE NOTIFIED IN THE OFFICIAL GAZETTE

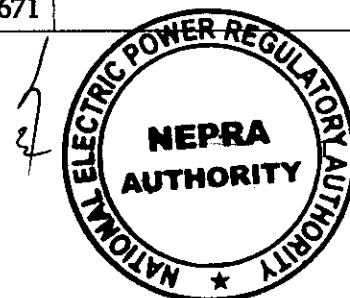
The Authority has assessed the project cost as per the breakup given hereunder;

i)	EPC – Equipment Supply	€ 110.00 million
	Construction	US\$ 20.00 million
ii)	Rupee/Euro parity	Pak Rs. 83
iii)	Rupee/Dollar parity	Pak Rs. 60
iv)	Non-EPC	US\$ 18.830 Million
v)	Financial Fee	US\$ 21.255 Million
vi)	Custom Duties	US\$ 7.608 Million
vii)	IDC	US\$ 11.517 Million

Based upon the above assessment of the Project Cost the Reference Tariff determined by the Authority is indicated in the following table;

REFERENCE TARIFF

Tariff Components	Year 1 to 10	Year 11 to 30	Indexation
Capacity Charge (PKR/kW/Hour)			
O&M Foreign	0.0651	0.0651	US CPI & \$ to Rupee
O&M Local	0.0434	0.0434	WPI
Cost of Working Capital *	0.0163	0.0163	KIBOR
Insurance	0.0762	0.0762	US\$ to Rupee
Debt Service - Local	0.1852	-	KIBOR
- Foreign	0.6025	-	€ to Rupee
Return on Equity	0.2843	0.2843	US\$ to Rupee
ROE during Construction	0.0616	0.0616	US\$ to Rupee
Total Capacity Charge	1.3346	0.5469	
* In case plant operation on HSD cost of working capital shall be paid on 15 days inventory level basis as Rs. 0.0349/kW/hour			
A) Energy Charge on Operation on Gas Rs./kWh			
Fuel Cost Component	1.7787	1.7787	Fuel Price
Variable O&M	0.1746	0.1746	US CPI & \$ to Rupee
Total Variable Charge A	1.9533	1.9533	
B) Energy Charge on Operation on HSD Rs./kWh			
Fuel Cost Component	6.7151	6.7151	Fuel Price
Variable O&M	0.2520	0.2520	US CPI & \$ to Rupee
Total Variable Charge B	6.9671	6.9671	





- Note: i) Capacity Charge Rs./kW/hour applicable to dependable capacity at the delivery point.
- ii) Dispatch criterion will be Energy Charge.
- iii) The above tariff is applicable for a period of 30 years commencing from the date of the Commercial Operation.
- iv) Component wise tariff for operation on Gas and HSD is indicated at Annex-I & II.
- v) Debt Servicing schedule is attached as Annex-III.

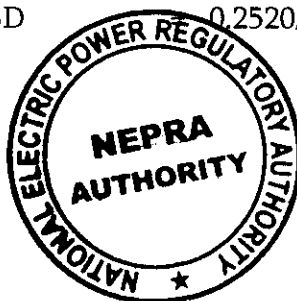
Pursuant to Rule 6 of the NEPRA Licensing (Generation) Rules 2000, HPGCL is allowed to charge, subject to adjustment of Capacity Purchase Price, on account of 'Net Dependable Capacity', as determined by test(s) jointly carried out by Power Purchaser and the Petitioner, the above mentioned tariff for the delivery of electricity to Power Purchaser. The following 'Indexations' shall be applicable to reference tariff;

I. One Time Adjustment

a) Adjustment due to variation in net capacity

The reference tariff has been determined on the basis of minimum net capacity of 209 MW at delivery point at mean site conditions. All the tariff components except fuel cost component shall be adjusted at the time of COD based upon the IDC tests to be carried out for determination of contracted capacity for operation on both fuels i.e. Gas & HSD. If the IDC is established higher than 209 MW, the adjustments shall be made according to the following formula;

- | | |
|---------------------------------|------------------------------|
| i) O&M Foreign | = 0.0651/tested IDC x 209MW |
| ii) O&M Local | = 0.0434/tested IDC x 209MW |
| iii) Insurance | = 0.0762/tested IDC x 209MW |
| iv) Cost of Working Capital-Gas | = 0.0163/tested IDC x 209MW |
| v) Cost of Working Capital-HSD | = 0.0349/tested IDC x 209MW |
| vi) Debt Service-Local | = 0.1852/tested IDC x 209MW |
| -Foreign | = 0.6025/tested IDC x 209 MW |
| vii) Return on Equity | = 0.2843/tested IDC x 209MW |
| viii) ROE during Construction | = 0.0616/tested IDC x 209MW |
| ix) Variable O&M - Gas | = 0.1746/tested IDC x 209MW |
| x) Variable O&M - HSD | = 0.2520/tested IDC x 209MW |





- b) Debt Service, ROE and ROEDC shall be adjusted at COD as per actual based upon the authentic documentary evidence to be provided by HPGCL on account of following variations;
- i) The Euro and Dollar component of EPC Cost for variation in relevant exchange rate variation against reference exchange rates;
 - ii) Financial Advisory Fee (subject to the maximum of 1.2% of the borrowing);
 - iii) Custom Duties & Taxes
 - iv) Interest During Construction;
 - v) Change in Financing Structure due to change in Foreign/ Local Borrowing Composition
 - vi) The Working Capital requirement for fuel inventory will be established at the time of COD on the basis of fuel prices at that time.
- c) Adjustment in Insurance as per actual

The actual insurance cost for the minimum cover required under contractual obligations with the Power Purchaser not exceeding 1.35% of the EPC Cost will be treated as pass-through. Insurance component of reference tariff shall be adjusted as per actual on yearly basis upon production of authentic documentary evidence by HPGCL according to the following formula;

$$\text{Insurance (Revised)} = \text{AIC} / \$ 2.324 \text{ million} \times \text{AP}$$

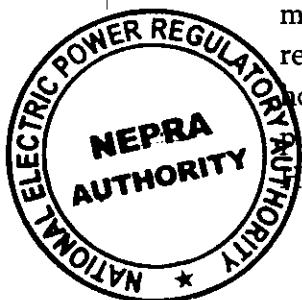
Where;

AIC = Adjusted Insurance Component as per IDC Test

AP = Actual Premium

II. Pass-Through Items

No provision for income tax has been accounted for in the tariff. If HPGCL is obligated to pay any tax on its ROE, the exact amount paid by the company may be reimbursed by Power Purchaser to HPGCL on production of original receipts. This payment may be considered as pass-through (as Rs./kW/hour) hourly payment spread over a 12 months period in addition to the capacity purchase price in the Reference Tariff. Furthermore, in such a scenario, HPGCL may also submit to Power Purchaser details of any tax shield savings





and Power Purchaser will deduct the amount of these savings from its payment to HPGCL on account of taxation.

Withholding tax is also a pass through item just like other taxes as indicated in the government guidelines for determination of tariff for new IPPs. Withholding tax shall be paid @ 15% of the reference equity. Power Purchaser (Central Power Purchasing Agency) shall make payment on account of withholding tax at the time of actual payment of dividend subject to maximum of 7.5% of 15% equity according to the following formula:

$$\text{Withholding Tax Payable} = [15\% * (E_{(REF)} - E_{(Red)}) + ROEDC_{(Ref)}] * 7.5\%$$

Where:

$E_{(REF)}$ = Reference Equity (US\$ 57.844 million x 60)

$E_{(Red)}$ = Equity Redeemed

$ROEDC_{(REF)}$ = Reference Return on Equity During Construction

Note: In case of foreign equity withholding tax calculated according to the above formula shall be adjusted for variation in currency (US\$ to Rupee).

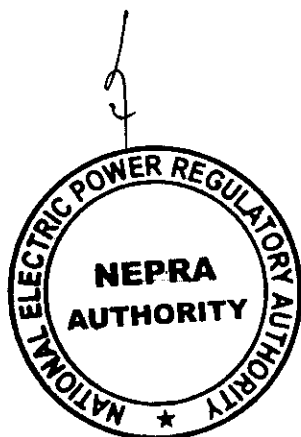
In case Company does not declare a dividend in a particular year or only declares a partial dividend, then the difference in the withholding tax amount (between what is paid in that year and the total entitlement as per the Net Return on Equity) would be carried forward and accumulated so that the Company is able to recover the same as a pass through from the Power Purchaser in future on the basis of the total dividend pay out.

III. Indexations:

The following indexation shall be applicable to the reference tariff as follows;

a) Indexation applicable to O&M

In future the 40% of Fixed O&M part of Capacity Charge will be adjusted on account of average quarterly local Inflation (WPI) and 60% on account of variation in average quarterly US CPI and dollar/Rupee exchange rate. Quarterly adjustment for local inflation, foreign inflation and exchange rate variation will be made on 15th July, 15th October, 15th January and 15th April based on the average of the available information with respect to average WPI notified by the Federal Bureau of Statistics (FBS), average US CPI issued by US Bureau of Labor Statistics and revised TT & OD selling rate of US Dollar





notified by the National Bank of Pakistan. The mode of indexation will be as under:

(i) Fixed O&M

$$F \text{ O\&M-Local}_{(REV)} = \text{Rs. } 0.0434/\text{kW/Hour} * WPI_{(REV)} / 117.80$$

$$F \text{ O\&M-Foreign}_{(REV)} = \text{Rs. } 0.0651/\text{kW/Hr} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

Where:

$F \text{ O\&M-Local}_{(REV)}$ = The revised applicable Fixed O&M Local Component of the Capacity Charge indexed with WPI

$F \text{ O\&M-Foreign}_{(REV)}$ = The revised applicable Fixed O&M Foreign Component of the Capacity Charge indexed with US CPI and Exchange rate variations.

$WPI_{(REV)}$ = The revised wholesale Price Index (manufacturers)

$WPI_{(REF)}$ = 117.80 average quarterly wholesale price index (manufacturers) for the quarter ending April 2006 notified by Federal Bureau of Statistics

$US \text{ CPI}_{(REV)}$ = The revised average quarterly US CPI

$US \text{ CPI}_{(REF)}$ = 199.8 average quarterly US CPI for the quarter ending April 2006 as notified by the US Bureau of Labor Statistics

$ER_{(REV)}$ = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan

Note: The reference numbers indicated above shall be replaced by the revised numbers after incorporating the required adjustments at COD.

(ii) Variable O&M

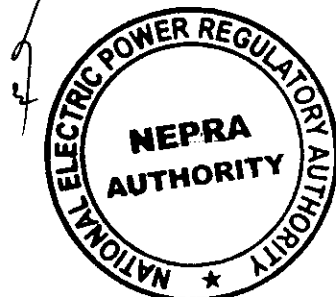
The formula of indexation for variable O & M component will be as under:

$$V \text{ O\&M-Gas}_{(REV)} = \text{Rs. } 0.1746 \text{ per kWh} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

$$V \text{ O\&M-HSD}_{(REV)} = \text{Rs. } 0.2520 \text{ per kWh} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

Where:

$V \text{ O\&M-Gas}_{(REV)}$ = The revised applicable Variable O&M Component of the Energy Charge indexed with US CPI and Exchange rate variations





$V_{O\&M-HSD (REV)}$ = The revised applicable Variable O&M Component of the Energy Charge indexed with US CPI and Exchange rate variations

$US\ CPI_{(REV)}$ = The revised average quarterly US CPI

$US\ CPI_{(REF)}$ = 199.8 average quarterly US CPI for the quarter ending April 2006 as notified by the US Bureau of Labor Statistics

$ER_{(REV)}$ = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan.

Note: The reference VO&M indicated above shall be replaced with the revised number at COD after incorporating the required adjustment based upon the IDC Test.

b) Adjustment for KIBOR variation

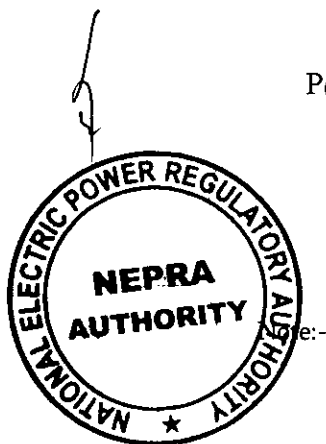
The interest part of fixed charge local component will remain unchanged throughout the term except for the adjustment due to variations in interest rate as a result of variation in quarterly KIBOR according to the following formula;

$$\Delta I = P_{(REV)} * (KIBOR_{(REV)} - 9\%) / 4$$

Where:

ΔI = the variation in interest charges applicable corresponding to variation in quarterly KIBOR. ΔI can be positive or negative depending upon whether $KIBOR_{(Rev)} >$ or $<$ 9.0%. The interest payment obligation will be enhanced or reduced to the extent of ΔI for each quarter under adjustment applicable on quarterly

$P_{(Rev)}$ = is the outstanding principal (as indicated in the attached debt service schedule to this order) on a quarterly basis on the relevant quarterly calculations date. Period 1 shall commence on the date on which the 1st installment is due after availing the grace period.



Since CIRR (Reference date of CIRR is 15th September 2007 to 14th October 2007) is fixed with respect to Foreign Loan component for the entire repayment term, there will be no adjustment on account of CIRR variation.



However, if the fixed interest rate is agreed lower than the rate used for tariff calculation, the entire benefit will be passed on to the power purchaser.

c) Fuel Price Variation

The Variable Charge part of the tariff relating to fuel cost shall be adjusted on account of the fuel price variations as and when notified by the relevant authority, which in the instant case is the Oil & Gas Regulatory Authority (OGRA). In this regard, the variation in HPGCL's allowed rate relating to fuel cost shall be revised according to the following formula:

$$FCg(Rev) = Rs. 1.7787 \text{ per kWh} * FP(Rev)/Rs. 266.83 \text{ per MMBTU}$$

Where:

$FCg(Rev)$ = Revised fuel cost component of Variable Charge on gas

$FPg(Rev)$ = The new price of gas as notified by the relevant Authority per MMBTU of fuel adjusted for LHV-HHV factor.

$FCd(Rev)$ = $Rs. 6.7151 \text{ per kWh} * [FPD(Rev) \text{ Rs. per MMBTUs}] / Rs. 954.27 \text{ per MMBTU (Excl-GST)}$

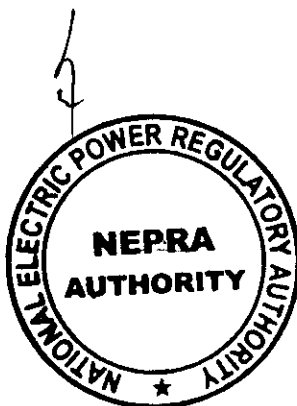
Where:

$FCd(Rev)$ = Revised fuel cost component of Variable Charge on Diesel

$FPd(Rev)$ = The new price of diesel as notified by the relevant Authority per Litre of fuel adjusted for NCV-GCV factor, Specific gravity and Calorific value (Gross)

Reference values used in the calculations;

HSD Fuel price with GST (GCV)	Rs. 37.29 per litre
GST	15%
HSD fuel Price without GST (GCV)	Rs. 32.43 per liter
HHV-LHV Adjustment Factor	1.06
HSD Fuel Price without GST (NCV)	Rs. 34.37 per litre
HSD Fuel Price without GST	Rs. 954.27 per MMBTU*
* Calculated by using the following reference values	
Reference Specific Gravity @ 15 °C or 15.6 °C	0.84
Reference Calorific Value (Gross)	42,880.7 BTUs/Kg



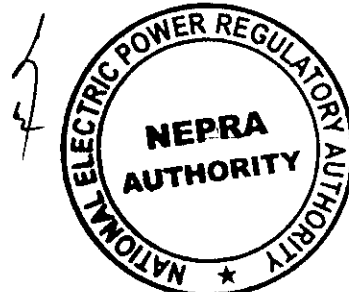


- iii) In case of adjustment in HSD fuel component, HPGCL shall submit request for adjustment duly supported with the supplier's certificate indicating flash point, specific gravity and calorific value duly verified by the Power Purchaser. The Power Purchaser shall make all necessary arrangements to satisfy it regarding the Authenticity and validity of the information provided by HPGCL. In case of any dispute or discrepancy the Power Purchaser shall seek third party verification which for technical issues shall be HDIP and for price issues shall be OGRA. HPGCL shall be allowed immediate adjustment by the Authority within 7 days of such request with requisite certificates and verifications.
- iv) Adjustment on account of inflation, foreign exchange variation, KIBOR variation and fuel price variation will be approved and announced by the Authority within seven working days after receipt of HPGCL's request for adjustment in accordance with the requisite indexation mechanism stipulated herein.
- v) Any change or modification regarding application of US CPI on foreign component of O&M cost and application of local CPI instead of WPI on local component of O&M cost made through GoP Policy shall also be applicable to HPGCL. However the change or modification shall be applicable from the date of issue of such Policy and shall not be applicable retrospectively.

Terms and Conditions of Tariff:

- i) Use of Gas only will be considered as primary fuel.
- ii) All new equipment will be installed and the plant will be of standard configuration.
- iii) Dispatch criterion will be based on the Energy Charge.
- iv) Diesel oil will be used only for startups and other contingent requirements. Use of Diesel oil shall be allowed in accordance with the GOP's fuel policy announced from time to time.
- v) General assumptions of HPGCL which are not covered in this determination may be dealt with in the PPA according to its standard terms.

The above tariff and terms and conditions be incorporated as the specified tariff approved by the Authority pursuant to Rule 6 of the Licencing (Generation) Rules, in a PPA between HPGCL and Power Purchaser.

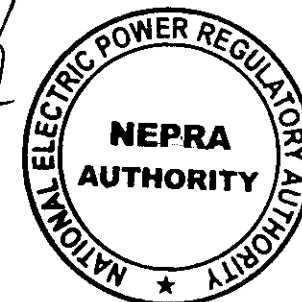


HALMORE POWER GENERATION COMPANY (HPGCL)
SPECIFIED TARIFF- PLANT OPERATION ON GAS

Annexure I

Year	Energy Charge (Rs/kWh)			Capacity Charge Rs/kW per Hour											Total Capacity charge		Total Tariff
	Fuel	Variable O&M	Total	Fixed O&M Foreign	Fixed O&M Local	Insurance	W.C	ROE DC	ROE	Withholding tax on div	Sub Total	Debt Servicing Foreign	Debt Servicing Local	Total Debt Servicing	Total Capacity charge		Rs/kWh
															Rs/kW/hr	Rs/kWh at 60% PF	
1	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
2	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
3	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
4	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
5	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
6	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
7	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
8	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
9	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
10	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
11	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211
12	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
13	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
14	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
15	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
16	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
17	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
18	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
19	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
20	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
21	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
22	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
23	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
24	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
25	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
26	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
27	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
28	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
29	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
30	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083
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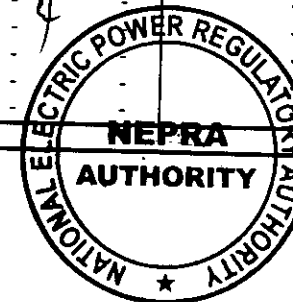
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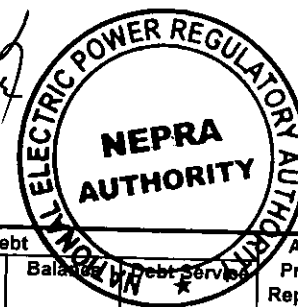
**HALMORE POWER GENERATION COMPANY (HPGCL)
SPECIFIED TARIFF- PLANT OPERATION ON HSD**

Annexure II

Year	Energy Charge (Rs/kWh)			Capacity Charge Rs/kW per Hour													Total Capacity charge			Total Tariff
	Fuel	Variable O&M	Total	Fixed O&M Foreign	Fixed O&M Local	Insurance	W.C	ROE DC	ROE	Withholding tax on div	Sub Total	Debt Servicing Foreign	Debt Servicing Local	Total Debt Servicing	Total Capacity charge					
															Rs/kW/Hr	Rs/kWh at 60% PF				
1	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
2	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
3	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
4	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
5	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
6	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
7	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
8	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
9	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
10	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
11	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659			
12	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
13	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
14	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
15	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
16	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
17	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
18	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
19	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
20	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
21	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
22	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
23	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
24	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
25	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
26	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
27	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
28	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
29	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
30	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531			
Levelised			6.9671												1.1050	1.8417	8.8088			
																	Cents	14.6814		



HalmorePower Generation Company Limited Debt Servicing Schedule



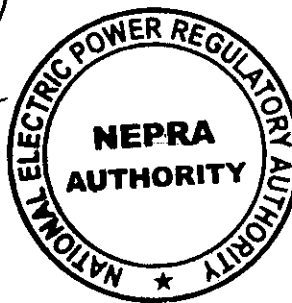
Period	Local Debt					Annual Principal Repayment Rs./Kw/Hr.	Annual Interest Rs./Kw/Hr.	Annual Debt Servicing Rs./Kw/Hr.	Period	Foreign Debt					Annual Principal Repayment Rs./Kw/Hr.	Annual Interest Rs./Kw/Hr.	Annual Debt Servicing Rs./Kw/Hr.
	Principal Million \$	Repayment Million \$	Mark-Up Million \$	Balance Million \$	Debt Service Millin \$					Principal Million \$	Repayment Million \$	Mark-Up Million \$	Balance Million \$	Debt Service Millin \$			
1st Q	32.6589	0.4331	0.9798	32.2257	1.4129	0.0142	0.0321	0.0463	1st Q	140.8740	2.6694	1.9265	138.2045	4.5959	0.0875	0.0631	0.1506
2nd Q	32.2257	0.4461	0.9668	31.7796	1.4129	0.0146	0.0317	0.0463	2nd Q	138.2045	2.7059	1.8899	135.4986	4.5959	0.0887	0.0619	0.1506
3rd Q	31.7796	0.4595	0.9534	31.3201	1.4129	0.0151	0.0312	0.0463	3rd Q	135.4986	2.7430	1.8529	132.7556	4.5959	0.0899	0.0607	0.1506
4th Q	31.3201	0.4733	0.9396	30.8468	1.4129	0.0155	0.0308	0.0463	4th Q	132.7556	2.7805	1.8154	129.9752	4.5959	0.0911	0.0595	0.1506
1	32.6589	1.8121	3.8395	30.8468	5.6516	0.0594	0.1258	0.1852	1	140.8740	10.8988	7.4848	129.9752	18.3836	0.3572	0.2453	0.6025
1st Q	30.8468	0.4875	0.9254	30.3593	1.4129	0.0160	0.0303	0.0463	1st Q	129.9752	2.8185	1.7774	127.1567	4.5959	0.0924	0.0582	0.1506
2nd Q	30.3593	0.5021	0.9108	29.8572	1.4129	0.0165	0.0298	0.0463	2nd Q	127.1567	2.8570	1.7389	124.2997	4.5959	0.0936	0.0570	0.1506
3rd Q	29.8572	0.5172	0.8957	29.3400	1.4129	0.0169	0.0294	0.0463	3rd Q	124.2997	2.8961	1.6998	121.4036	4.5959	0.0949	0.0557	0.1506
4th Q	29.3400	0.5327	0.8802	28.8073	1.4129	0.0175	0.0288	0.0463	4th Q	121.4036	2.9357	1.6602	118.4679	4.5959	0.0962	0.0544	0.1506
2	30.8468	2.0395	3.6121	28.8073	5.6516	0.0668	0.1184	0.1852	2	129.9752	11.5073	6.8763	118.4679	18.3836	0.3771	0.2253	0.6025
1st Q	28.8073	0.5487	0.8642	28.2586	1.4129	0.0180	0.0283	0.0463	1st Q	118.4679	2.9758	1.6200	115.4920	4.5959	0.0975	0.0531	0.1506
2nd Q	28.2586	0.5651	0.8478	27.6935	1.4129	0.0185	0.0278	0.0463	2nd Q	115.4920	3.0165	1.5794	112.4755	4.5959	0.0989	0.0518	0.1506
3rd Q	27.6935	0.5821	0.8308	27.1114	1.4129	0.0191	0.0272	0.0463	3rd Q	112.4755	3.0578	1.5381	109.4177	4.5959	0.1002	0.0504	0.1506
4th Q	27.1114	0.5996	0.8133	26.5118	1.4129	0.0196	0.0267	0.0463	4th Q	109.4177	3.0996	1.4963	106.3181	4.5959	0.1016	0.0490	0.1506
3	28.8073	2.2955	3.3561	26.5118	5.6516	0.0762	0.1100	0.1852	3	118.4679	12.1498	6.2338	106.3181	18.3836	0.3982	0.2043	0.6025
1st Q	26.5118	0.6175	0.7954	25.8943	1.4129	0.0202	0.0261	0.0463	1st Q	106.3181	3.1420	1.4539	103.1761	4.5959	0.1030	0.0476	0.1506
2nd Q	25.8943	0.6361	0.7768	25.2582	1.4129	0.0208	0.0255	0.0463	2nd Q	103.1761	3.1850	1.4109	99.9911	4.5959	0.1044	0.0462	0.1506
3rd Q	25.2582	0.6552	0.7577	24.6031	1.4129	0.0215	0.0248	0.0463	3rd Q	99.9911	3.2285	1.3674	96.7626	4.5959	0.1058	0.0448	0.1506
4th Q	24.6031	0.6748	0.7381	23.9282	1.4129	0.0221	0.0242	0.0463	4th Q	96.7626	3.2727	1.3232	93.4899	4.5959	0.1073	0.0434	0.1506
4	26.5118	2.5836	3.0680	23.9282	5.6516	0.0847	0.1005	0.1852	4	106.3181	12.8281	5.5554	93.4899	18.3836	0.4204	0.1821	0.6025
1st Q	23.9282	0.6951	0.7178	23.2332	1.4129	0.0228	0.0235	0.0463	1st Q	93.4899	3.3174	1.2785	90.1725	4.5959	0.1087	0.0419	0.1506
2nd Q	23.2332	0.7159	0.6970	22.5173	1.4129	0.0235	0.0228	0.0463	2nd Q	90.1725	3.3628	1.2331	86.8097	4.5959	0.1102	0.0404	0.1506
3rd Q	22.5173	0.7374	0.6755	21.7799	1.4129	0.0242	0.0221	0.0463	3rd Q	86.8097	3.4088	1.1871	83.4010	4.5959	0.1117	0.0389	0.1506
4th Q	21.7799	0.7595	0.6534	21.0204	1.4129	0.0249	0.0214	0.0463	4th Q	83.4010	3.4554	1.1405	79.9456	4.5959	0.1132	0.0374	0.1506
5	23.9282	2.9078	2.7438	21.0204	5.6516	0.0953	0.0899	0.1852	5	93.4899	13.5444	4.8392	79.9456	18.3836	0.4439	0.1686	0.6025
1st Q	21.0204	0.7823	0.6306	20.2381	1.4129	0.0258	0.0207	0.0463	1st Q	79.9456	3.5026	1.0933	76.4429	4.5959	0.1148	0.0358	0.1506
2nd Q	20.2381	0.8058	0.6071	19.4324	1.4129	0.0264	0.0199	0.0463	2nd Q	76.4429	3.5505	1.0454	72.8924	4.5959	0.1164	0.0343	0.1506
3rd Q	19.4324	0.8299	0.5830	18.6024	1.4129	0.0272	0.0191	0.0463	3rd Q	72.8924	3.5991	0.9968	69.2933	4.5959	0.1179	0.0327	0.1506
4th Q	18.6024	0.8548	0.5581	17.7476	1.4129	0.0280	0.0183	0.0463	4th Q	69.2933	3.6483	0.9476	65.6450	4.5959	0.1196	0.0311	0.1506
6	21.0204	3.2728	2.3788	17.7476	5.6516	0.1073	0.0780	0.1852	6	79.9456	14.3006	4.0830	65.6450	18.3836	0.4687	0.1338	0.6025
1st Q	17.7476	0.8805	0.5324	16.8671	1.4129	0.0289	0.0174	0.0463	1st Q	65.6450	3.6982	0.8977	61.9468	4.5959	0.1212	0.0294	0.1506
2nd Q	16.8671	0.9069	0.5060	15.9602	1.4129	0.0297	0.0166	0.0463	2nd Q	61.9468	3.7488	0.8471	58.1980	4.5959	0.1229	0.0278	0.1506
3rd Q	15.9602	0.9341	0.4788	15.0261	1.4129	0.0306	0.0157	0.0463	3rd Q	58.1980	3.8000	0.7959	54.3980	4.5959	0.1245	0.0261	0.1506
4th Q	15.0261	0.9621	0.4508	14.0640	1.4129	0.0315	0.0148	0.0463	4th Q	54.3980	3.8520	0.7439	50.5460	4.5959	0.1262	0.0244	0.1506
7	17.7476	3.6836	1.9680	14.0640	5.6516	0.1207	0.0645	0.1852	7	65.6450	15.0990	3.2846	50.5460	18.3836	0.4948	0.1076	0.6025
1st Q	14.0640	0.9910	0.4219	13.0730	1.4129	0.0325	0.0138	0.0463	1st Q	50.5460	3.9047	0.6912	46.6413	4.5959	0.1280	0.0227	0.1506
2nd Q	13.0730	1.0207	0.3922	12.0523	1.4129	0.0335	0.0129	0.0463	2nd Q	46.6413	3.9581	0.6378	42.6832	4.5959	0.1297	0.0209	0.1506
3rd Q	12.0523	1.0513	0.3616	11.0010	1.4129	0.0345	0.0118	0.0463	3rd Q	42.6832	4.0122	0.5837	38.6710	4.5959	0.1315	0.0191	0.1506
4th Q	11.0010	1.0829	0.3300	9.9181	1.4129	0.0355	0.0108	0.0463	4th Q	38.6710	4.0671	0.5288	34.6040	4.5959	0.1333	0.0173	0.1506
8	14.0640	4.1459	1.5057	9.9181	5.6516	0.1359	0.0493	0.1852	8	50.5460	15.9420	2.4416	34.6040	18.3836	0.5224	0.0800	0.6025
1st Q	9.9181	1.1154	0.2975	8.8028	1.4129	0.0366	0.0098	0.0463	1st Q	34.6040	4.1227	0.4732	30.4813	4.5959	0.1351	0.0155	0.1506
2nd Q	8.8028	1.1488	0.2641	7.6540	1.4129	0.0376	0.0087	0.0463	2nd Q	30.4813	4.1791	0.4168	26.3022	4.5959	0.1370	0.0137	0.1506
3rd Q	7.6540	1.1833	0.2296	6.4707	1.4129	0.0388	0.0075	0.0463	3rd Q	26.3022	4.2362	0.3597	22.0660	4.5959	0.1388	0.0118	0.1506
4th Q	6.4707	1.2188	0.1941	5.2519	1.4129	0.0399	0.0064	0.0463	4th Q	22.0660	4.2941	0.3018	17.7719	4.5959	0.1407	0.0099	0.1506
9	9.9181	4.6662	0.9854	5.2519	5.6516	0.1529	0.0323	0.1852	9	34.6040	16.8321	1.5515	17.7719	18.3836	0.5516	0.0508	0.6025
1st Q	5.2519	1.2553	0.1576	3.9965	1.4129	0.0411	0.0052	0.0463	1st Q	17.7719	4.3529	0.2430	13.4190	4.5959	0.1427	0.0080	0.1506
2nd Q	3.9965	1.2930	0.1199	2.7035	1.4129	0.0424	0.0039	0.0463	2nd Q	13.4190	4.4124	0.1835	9.0066	4.5959	0.1446	0.0060	0.1506
3rd Q	2.7035	1.3318	0.0811	1.3717	1.4129	0.0436	0.0027	0.0463	3rd Q	9.0066	4.4727	0.1232	4.5339	4.5959	0.1466	0.0040	0.1506
4th Q	1.3717	1.3717	0.0412	(0.0000)	1.4129	0.0450	0.0013	0.0463	4th Q	4.5339	4.5339	0.0620	0.0000	4.5959	0.1486	0.0020	0.1506
10	5.2519	5.2519	0.3997	(0.0000)	5.6516	0.1721	0.0131	0.1852	10	17.7719	17.7719	0.6117	0.0000	18.3836	0.5824	0.0200	0.6025



Decision of the Authority in the Matter of Motion for Leave for Review filed by Halmore Power Generation Company (Pvt.) Ltd. under Rule 16(6) of Tariff Standards and Procedure Rules – 1998

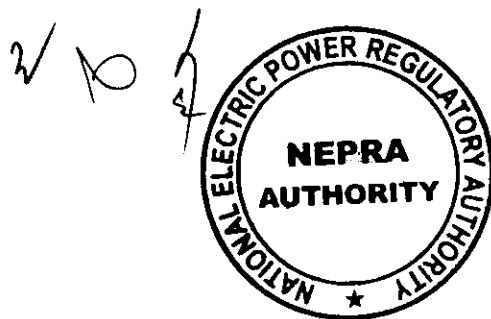
BACKGROUND

- 1.1 On 19th November 2007, Halmore Power Generation Company (Private) Ltd. (hereinafter **"HPGCL"**), pursuant to Rule 16(6) of the National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 (hereinafter the **"Tariff Rules"**), filed its Motion for Leave for Review (hereinafter the **"Review Petition"**) against the Authority's determination on its generation tariff dated 8th November 2007 (hereinafter the **"Determination"**). Leave was granted by the Authority on 29th November 2007 and pursuant to notice, hearing was held on 12th December 2007 in NEPRA Main Office in presence of stakeholders.
- 1.2 Summarized, the Review Petition alleges that:
- i) The Determination violates Section 7(6) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997) (hereinafter the **NEPRA Act**) and Rule 17(3)(i) and (iii) of the Tariff Rules.
 - ii) The Determination fails to reflect due consideration of all the facts and evidence provided to the learned Authority with the tariff petition, during public hearing and thereafter to arrive at a just and informed decision.
 - iii) The Project is being implemented by HPGCL pursuant to the Federal Government's Policy for Power Generation Projects, 2002 (hereinafter the **"2002 Power Policy"**). The Determination is against the 2002 Power Policy.
 - iv) The Determination exposes HPGCL to a number of significant operational and financial risks which will prevent or seriously impair the achievement of Financial Closing due to an arbitrary deduction of Euros 8.909 million from the firm Supply Contract Price of Euros 110 Million by NEPRA.





- v) Decisions regarding the HPGCL's tariff will have far reaching effects on a number of other projects in the pipeline, particularly the projects being funded through foreign investments and loans including those expected to be offered for competitive bidding. In case of the failure to attract much needed foreign investments in the power generation sector, Pakistan would face severe power shortages that will result in direct loss and sufferings to the people of Pakistan.
 - vi) The ground realities prevailing worldwide, pertaining to the price and availability of power generation plants and equipments have been ignored.
- 1.3 HPGCL alleged that the prices agreed in the month of April 2007 could not be firmed-up/locked on account of the following:
- i) Non-achievement of Financial Close is dependent on a positive report from the Lenders' financial and legal advisors, after the due diligence of the executed agreements by the company with the stakeholders.
 - ii) Lot of extra time in executing the agreements acceptable to the Lenders because HPGCL is the first power project to be funded through Foreign Lending.
 - iii) One of the basic documents giving comfort to the Lenders, the Implementation Agreement ("IA"), could not be agreed with Private Power & Infrastructure Board (hereinafter "PPIB") till 23rd October 2007. Resultantly, HPGCL could not get the required assurance from its foreign Lenders till 3rd November 2007.
 - iv) Government of Pakistan/PPIB have failed to honor their commitment in getting the approval from Economic Coordination Committee of the Cabinet (hereinafter the "ECC") changing the governing law from Pakistan Law to English Law in the Lenders' Direct Agreement, without which HPGCL could not achieve the Financial Closing.
- 1.4 In light of afore-mentioned grounds HPGCL sought review of its Determination on:
- i) The finally negotiated and agreed price of € 110 Million as signed and executed in the Supply Contract; and
 - ii) Completion of the Project within 32.5 months as signed in Supply and Construction Contracts.





1.5 Based upon the aforesaid, the Authority found that the following issues would require consideration:

- i) Engineering Procurement and Construction Price (hereinafter the "EPC Price")
- ii) Project's Construction Period

2. EPC PRICE

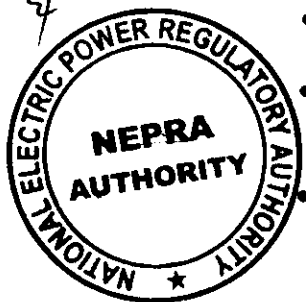
2.1 Having examined the pertinent documentary evidence and arguments of the petitioner, the Authority observed that although HPGCL indicated its revised EPC price in Euros but its working was based on the formula for EPC price adjustment (in US dollars) provided in Appendix-1 appended with its EPC Contract of April 2007 which, at the time of Determination was considered by the Authority. The Authority hereby decides, in the interest of stakeholders, to accept additional documentary evidence supplied with this Review Petition.

2.2 In the hearing, HPGCL argued that its Financial Close was subject to fulfillment of certain conditions. The Authority, in order to ascertain the status of the preconditions sought from HPGCL the following clarifications/confirmations:

- The validity date of HPGCL's EPC price which originally was claimed to be 5th November 2007.
- The Appendix No. 1 (of the Amendment-1) referred in the petition is the same which was appended with HPGCL's EPC contract signed in the month of April 2007.
- The EPC Price is based on firm figures and is not subject to reopening on account of any reasons, including but not limited to, clearance of political tensions in Pakistan, delay in achieving financial close or delay on account of obtaining ECC's approval for having English Law in Lender's Direct Agreement etc.

2.3 HPGCL in response confirmed the following:

- The EPC Price of € 110 million is valid till December 31, 2007.
- The Appendix No. 1 (of the Amendment No 1) to the EPC Contract signed in April 2007 would not be applicable for any price escalation.
- The EPC Price is not subject to reopening on account of any reasons, including but not limited to clearance of political tensions in





Pakistan, delay in achieving financial close or delay on account of obtaining ECC's approval for having English Law in Lender's Direct Agreement etc.

- 2.4 Based on the HPGCL's assurances, documentary evidence and giving due consideration to stakeholders viewpoint especially PPIB, the Authority accepts HPGCL EPC Price of € 110 million. This price, in all respects, is firm and more importantly, non-reopenable.

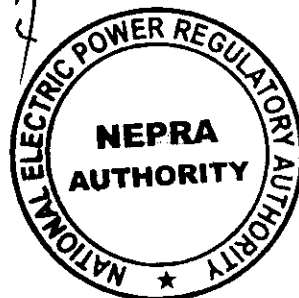
3. **Construction period**

- 3.1 HPGCL submitted that its construction period of 32.5 months as per the signed MOU/Agreement may be accepted as against 28 months allowed by the Authority in its Determination. The Authority based its decision on Power Purchase Agreement (hereinafter the "PPA") signed between HPGCL and CPPA of NTDC on behalf of X-WAPDA Distribution Companies (hereinafter the "Power Purchaser") in April 2007. The relevant paragraph of the Authority decision is reproduced here below;

"Issues including the construction period of 28 months have been conclusively agreed between the Power Purchaser and HPGCL in the PPA, which was signed in the month of April 2007. The HPGCL and Construction Contractor have agreed to extend the construction period which is in breach of PPA and would also correspondingly extend the COD. Where there is no fault of the party it should not be subjected to suffer."

"The Authority considers that 28 months would be a reasonable construction period as per the terms of PPA for determining IDC and ROEDC as proposed by Power Purchaser and allows as such."

- 3.2 The Authority determines that the issue of 32.5 months Construction Period pertains to the PPA, therefore, extension, if any, of the Construction Period should be negotiated among the parties themselves subject to a maximum of 32.5 months. The Interest During Construction (hereinafter the "IDC") and Return of Equity During Construction (hereinafter the "ROEDC") shall be adjusted at Commercial Operations Date (hereinafter the "COD") agreed with the Power Purchaser, according to the actual payments made to the EPC Contractor.





4. ORDER:

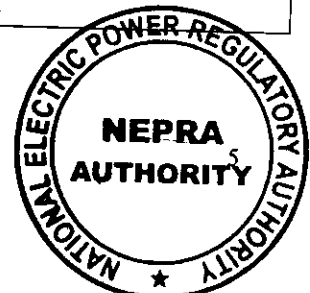
The Authority has assessed the project cost as per the breakup given hereunder;

i)	EPC – Equipment Supply	€ 110.00 million
	Construction	US\$ 20.00 million
ii)	Rupee/Euro parity	Pak Rs. 83
iii)	Rupee/Dollar parity	Pak Rs. 60
iv)	Non-EPC	US\$ 18.830 Million
v)	Financial Fee	US\$ 21.255 Million
vi)	Custom Duties	US\$ 7.608 Million
vii)	IDC	US\$ 11.517 Million

Based upon the above assessment of the Project Cost the Reference Tariff determined by the Authority is indicated in the following table;

REFERENCE TARIFF

Tariff Components	Year 1 to 10	Year 11 to 30	Indexation
Capacity Charge (PKR/kW/Hour)			
O&M Foreign	0.0651	0.0651	US CPI & \$ to Rupee
O&M Local	0.0434	0.0434	WPI
Cost of Working Capital *	0.0163	0.0163	KIBOR
Insurance	0.0762	0.0762	US\$ to Rupee
Debt Service - Local	0.1852	-	KIBOR
- Foreign	0.6025	-	€ to Rupee
Return on Equity	0.2843	0.2843	US\$ to Rupee
ROE during Construction	0.0616	0.0616	US\$ to Rupee
Total Capacity Charge	1.3346	0.5469	
* In case plant operation on HSD cost of working capital shall be paid on 15 days inventory level basis as Rs. 0.0349/kW/hour			
A) Energy Charge on Operation on Gas Rs./kWh			
Fuel Cost Component	1.7787	1.7787	Fuel Price
Variable O&M	0.1746	0.1746	US CPI & \$ to Rupee
Total Variable Charge A	1.9533	1.9533	
B) Energy Charge on Operation on HSD Rs./kWh			
Fuel Cost Component	6.7151	6.7151	Fuel Price
Variable O&M	0.2520	0.2520	US CPI & \$ to Rupee
Total Variable Charge B	6.9671	6.9671	





- Note: i) Capacity Charge Rs./kW/hour applicable to dependable capacity at the delivery point.
- ii) Dispatch criterion will be Energy Charge.
- iii) The above tariff is applicable for a period of 30 years commencing from the date of the Commercial Operation.
- iv) Component wise tariff for operation on Gas and HSD is indicated at Annex-I & II.
- v) Debt Servicing schedule is attached as Annex-III.

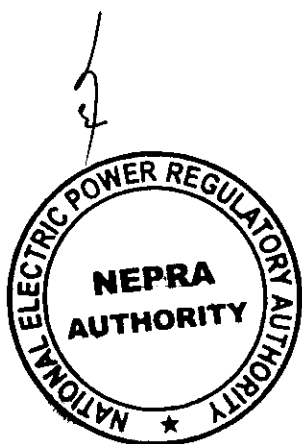
Pursuant to Rule 6 of the NEPRA Licensing (Generation) Rules 2000, HPGCL is allowed to charge, subject to adjustment of Capacity Purchase Price, on account of 'Net Dependable Capacity', as determined by test(s) jointly carried out by Power Purchaser and the Petitioner, the above mentioned tariff for the delivery of electricity to Power Purchaser. The following 'Indexations' shall be applicable to reference tariff;

I. One Time Adjustment

a) Adjustment due to variation in net capacity

The reference tariff has been determined on the basis of minimum net capacity of 209 MW at delivery point at mean site conditions. All the tariff components except fuel cost component shall be adjusted at the time of COD based upon the IDC tests to be carried out for determination of contracted capacity for operation on both fuels i.e. Gas & HSD. If the IDC is established higher than 209 MW, the adjustments shall be made according to the following formula;

- | | |
|---------------------------------|------------------------------|
| i) O&M Foreign | = 0.0651/tested IDC x 209MW |
| ii) O&M Local | = 0.0434/tested IDC x 209MW |
| iii) Insurance | = 0.0762/tested IDC x 209MW |
| iv) Cost of Working Capital-Gas | = 0.0163/tested IDC x 209MW |
| v) Cost of Working Capital-HSD | = 0.0349/tested IDC x 209MW |
| vi) Debt Service-Local | = 0.1852/tested IDC x 209MW |
| -Foreign | = 0.6025/tested IDC x 209 MW |
| vii) Return on Equity | = 0.2843/tested IDC x 209MW |
| viii) ROE during Construction | = 0.0616/tested IDC x 209MW |
| ix) Variable O&M - Gas | = 0.1746/tested IDC x 209MW |
| x) Variable O&M - HSD | = 0.2520/tested IDC x 209MW |





- b) Debt Service, ROE and ROEDC shall be adjusted at COD as per actual based upon the authentic documentary evidence to be provided by HPGCL on account of following variations;
- i) The Euro and Dollar component of EPC Cost for variation in relevant exchange rate variation against reference exchange rates;
 - ii) Financial Advisory Fee (subject to the maximum of 1.2% of the borrowing);
 - iii) Custom Duties & Taxes
 - iv) Interest During Construction;
 - v) Change in Financing Structure due to change in Foreign/ Local Borrowing Composition
 - vi) The Working Capital requirement for fuel inventory will be established at the time of COD on the basis of fuel prices at that time.

c) Adjustment in Insurance as per actual

The actual insurance cost for the minimum cover required under contractual obligations with the Power Purchaser not exceeding 1.35% of the EPC Cost will be treated as pass-through. Insurance component of reference tariff shall be adjusted as per actual on yearly basis upon production of authentic documentary evidence by HPGCL according to the following formula;

$$\text{Insurance (Revised)} = \text{AIC} / \$ 2.324 \text{ million} \times \text{AP}$$

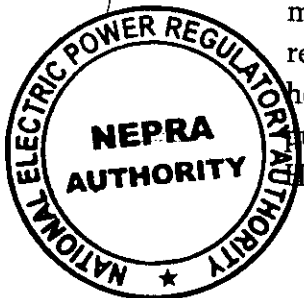
Where;

AIC = Adjusted Insurance Component as per IDC Test

AP = Actual Premium

II. Pass-Through Items

No provision for income tax has been accounted for in the tariff. If HPGCL is obligated to pay any tax on its ROE, the exact amount paid by the company may be reimbursed by Power Purchaser to HPGCL on production of original receipts. This payment may be considered as pass-through (as Rs./kW/hour) hourly payment spread over a 12 months period in addition to the capacity purchase price in the Reference Tariff. Furthermore, in such a scenario, HPGCL may also submit to Power Purchaser details of any tax shield savings





and Power Purchaser will deduct the amount of these savings from its payment to HPGCL on account of taxation.

Withholding tax is also a pass through item just like other taxes as indicated in the government guidelines for determination of tariff for new IPPs. Withholding tax shall be paid @ 15% of the reference equity. Power Purchaser (Central Power Purchasing Agency) shall make payment on account of withholding tax at the time of actual payment of dividend subject to maximum of 7.5% of 15% equity according to the following formula:

$$\text{Withholding Tax Payable} = \{[15\% * (E_{(\text{REF})} - E_{(\text{Red})}) + \text{ROEDC}_{(\text{Ref})}] * 7.5\%$$

Where:

$E_{(\text{REF})}$ = Reference Equity (US\$ 57.844 million x 60)

$E_{(\text{Red})}$ = Equity Redeemed

$\text{ROEDC}_{(\text{REF})}$ = Reference Return on Equity During Construction

Note: In case of foreign equity withholding tax calculated according to the above formula shall be adjusted for variation in currency (US\$ to Rupee).

In case Company does not declare a dividend in a particular year or only declares a partial dividend, then the difference in the withholding tax amount (between what is paid in that year and the total entitlement as per the Net Return on Equity) would be carried forward and accumulated so that the Company is able to recover the same as a pass through from the Power Purchaser in future on the basis of the total dividend pay out.

III. Indexations:

The following indexation shall be applicable to the reference tariff as follows;

a) Indexation applicable to O&M

In future the 40% of Fixed O&M part of Capacity Charge will be adjusted on account of average quarterly local Inflation (WPI) and 60% on account of variation in average quarterly US CPI and dollar/Rupee exchange rate. Quarterly adjustment for local inflation, foreign inflation and exchange rate variation will be made on 15th July, 15th October, 15th January and 15th April based on the average of the available information with respect to average WPI notified by the Federal Bureau of Statistics (FBS), average US CPI issued by US Bureau of Labor Statistics and revised TT & OD selling rate of US Dollar





notified by the National Bank of Pakistan. The mode of indexation will be as under:

(i) Fixed O&M

$$F \text{ O\&M-Local}_{(REV)} = \text{Rs. } 0.0434/\text{kW/Hour} * WPI_{(REV)} / 117.80$$

$$F \text{ O\&M-Foreign}_{(REV)} = \text{Rs. } 0.0651/\text{kW/Hr} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

Where:

$F \text{ O\&M-Local}_{(REV)}$ = The revised applicable Fixed O&M Local Component of the Capacity Charge indexed with WPI

$F \text{ O\&M-Foreign}_{(REV)}$ = The revised applicable Fixed O&M Foreign Component of the Capacity Charge indexed with US CPI and Exchange rate variations.

$WPI_{(REV)}$ = The revised wholesale Price Index (manufacturers)

$WPI_{(REF)}$ = 117.80 average quarterly wholesale price index (manufacturers) for the quarter ending April 2006 notified by Federal Bureau of Statistics

$US \text{ CPI}_{(REV)}$ = The revised average quarterly US CPI

$US \text{ CPI}_{(REF)}$ = 199.8 average quarterly US CPI for the quarter ending April 2006 as notified by the US Bureau of Labor Statistics

$ER_{(REV)}$ = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan

Note: The reference numbers indicated above shall be replaced by the revised numbers after incorporating the required adjustments at COD.

(ii) Variable O&M

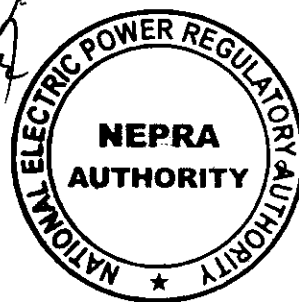
The formula of indexation for variable O & M component will be as under:

$$V \text{ O\&M-Gas}_{(REV)} = \text{Rs. } 0.1746 \text{ per kWh} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

$$V \text{ O\&M-HSD}_{(REV)} = \text{Rs. } 0.2520 \text{ per kWh} * US \text{ CPI}_{(REV)} / 199.8 * ER_{(REV)} / 60$$

Where:

$V \text{ O\&M-Gas}_{(REV)}$ = The revised applicable Variable O&M Component of the Energy Charge indexed with US CPI and Exchange rate variations





V O&M-HSD_(REV) = The revised applicable Variable O&M Component of the Energy Charge indexed with US CPI and Exchange rate variations

US CPI_(REV) = The revised average quarterly US CPI

US CPI_(REF) = 199.8 average quarterly US CPI for the quarter ending April 2006 as notified by the US Bureau of Labor Statistics

ER_(REV) = The revised TT & OD selling rate of US dollar as notified by the National Bank of Pakistan.

Note: The reference VO&M indicated above shall be replaced with the revised number at COD after incorporating the required adjustment based upon the IDC Test.

b) Adjustment for KIBOR variation

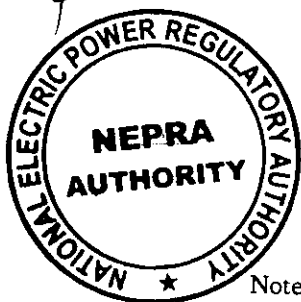
The interest part of fixed charge local component will remain unchanged throughout the term except for the adjustment due to variations in interest rate as a result of variation in quarterly KIBOR according to the following formula;

$$\Delta I = P_{(REV)} * (KIBOR_{(REV)} - 9\%) / 4$$

Where:

ΔI = the variation in interest charges applicable corresponding to variation in quarterly KIBOR. ΔI can be positive or negative depending upon whether KIBOR_(REV) > or < 9.0%. The interest payment obligation will be enhanced or reduced to the extent of ΔI for each quarter under adjustment applicable on quarterly

$P_{(REV)}$ = is the outstanding principal (as indicated in the attached debt service schedule to this order) on a quarterly basis on the relevant quarterly calculations date. Period 1 shall commence on the date on which the 1st installment is due after availing the grace period.



Note:-

Since CIRR (Reference date of CIRR is 15th September 2007 to 14th October 2007) is fixed with respect to Foreign Loan component for the entire repayment term, there will be no adjustment on account of CIRR variation.



However, if the fixed interest rate is agreed lower than the rate used for tariff calculation, the entire benefit will be passed on to the power purchaser.

c) Fuel Price Variation

The Variable Charge part of the tariff relating to fuel cost shall be adjusted on account of the fuel price variations as and when notified by the relevant authority, which in the instant case is the Oil & Gas Regulatory Authority (OGRA). In this regard, the variation in HPGCL's allowed rate relating to fuel cost shall be revised according to the following formula:

$$FCg_{(Rev)} = Rs. 1.7787 \text{ per kWh} * FP_{(Rev)} / Rs. 266.83 \text{ per MMBTU}$$

Where:

$FCg_{(Rev)}$ = Revised fuel cost component of Variable Charge on gas

$FPg_{(Rev)}$ = The new price of gas as notified by the relevant Authority per MMBTU of fuel adjusted for LHV-HHV factor.

$FCd_{(Rev)}$ = $Rs. 6.7151 \text{ per kWh} * [FPd_{(Rev)} \text{ Rs. per MMBTUs}] / Rs. 954.27 \text{ per MMBTU (Excl-GST)}$

Where:

$FCd_{(Rev)}$ = Revised fuel cost component of Variable Charge on Diesel

$FPd_{(Rev)}$ = The new price of diesel as notified by the relevant Authority per Litre of fuel adjusted for NCV-GCV factor, Specific gravity and Calorific value (Gross)

Reference values used in the calculations;

HSD Fuel price with GST (GCV)	Rs. 37.29 per litre
GST	15%
HSD fuel Price without GST (GCV)	Rs. 32.43 per liter
HHV-LHV Adjustment Factor	1.06
HSD Fuel Price without GST (NCV)	Rs. 34.37 per litre
HSD Fuel Price without GST	Rs. 954.27 per MMBTU*
* Calculated by using the following reference values	
Reference Specific Gravity @ 15 °C or 15.6 °C	0.84
Reference Calorific Value (Gross)	42,880.7 BTUs/Kg





- iii) In case of adjustment in HSD fuel component, HPGCL shall submit request for adjustment duly supported with the supplier's certificate indicating flash point, specific gravity and calorific value duly verified by the Power Purchaser. The Power Purchaser shall make all necessary arrangements to satisfy it regarding the Authenticity and validity of the information provided by HPGCL. In case of any dispute or discrepancy the Power Purchaser shall seek third party verification which for technical issues shall be HDIP and for price issues shall be OGRA. HPGCL shall be allowed immediate adjustment by the Authority within 7 days of such request with requisite certificates and verifications.
- iv) Adjustment on account of inflation, foreign exchange variation, KIBOR variation and fuel price variation will be approved and announced by the Authority within seven working days after receipt of HPGCL's request for adjustment in accordance with the requisite indexation mechanism stipulated herein.
- v) Any change or modification regarding application of US CPI on foreign component of O&M cost and application of local CPI instead of WPI on local component of O&M cost made through GoP Policy shall also be applicable to HPGCL. However the change or modification shall be applicable from the date of issue of such Policy and shall not be applicable retrospectively.

Terms and Conditions of Tariff:

- i) Use of Gas only will be considered as primary fuel.
- ii) All new equipment will be installed and the plant will be of standard configuration.
- iii) Dispatch criterion will be based on the Energy Charge.
- iv) Diesel oil will be used only for startups and other contingent requirements. Use of Diesel oil shall be allowed in accordance with the GOP's fuel policy announced from time to time.
- v) General assumptions of HPGCL which are not covered in this determination may be dealt with in the PPA according to its standard terms.

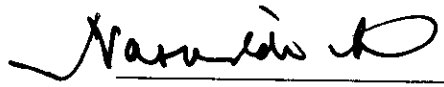




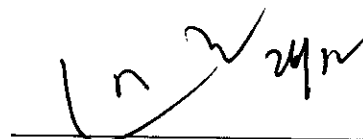
The above tariff and terms and conditions be incorporated as the specified tariff approved by the Authority pursuant to Rule 6 of the Licencing (Generation) Rules, in a PPA between HPGCL and Power Purchaser.

AUTHORITY


Nasiruddin Ahmed
Member


26/12/07

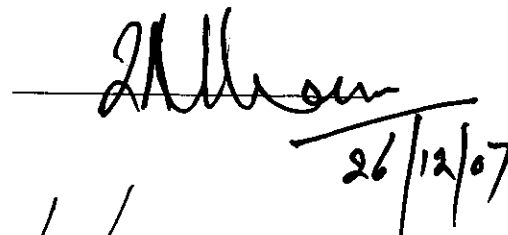
Maqbool Ahmad Khawaja
Member

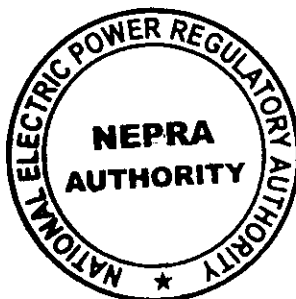

24/12

Abdul Rahim Khan
Member


akim
26/12/07

Zafar Ali Khan
Vice Chairman/Acting Chairman


26/12/07





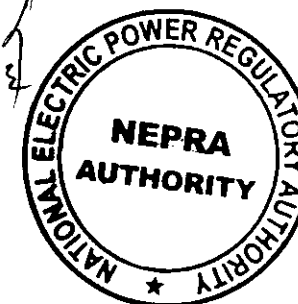
HALMORE POWER GENERATION COMPANY (HPGCL)
SPECIFIED TARIFF- PLANT OPERATION ON GAS

Year	Energy Charge (Rs/kWh)			Capacity Charge Rs/kW per Hour												Total Capacity charge		Total Tariff
	Fuel	Variable O&M	Total	Fixed O&M Foreign	Fixed O&M Local	Insurance	W.C	ROE DC	ROE	Withholding tax on div	Sub Total	Debt Servicing Foreign	Debt Servicing Local	Total Debt Servicing	Total Capacity charge			
															Rs/kW/hr	Rs/kWh at 60% PF		
1	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211	
2	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	0.6025	0.1852	0.7877	1.3607	2.2678	4.2211	
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11	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
12	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
13	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
14	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
15	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
16	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
17	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
18	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
19	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
20	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
21	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
22	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
23	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
24	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
25	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
26	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
27	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
28	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
29	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
30	1.7787	0.1746	1.9533	0.0651	0.0434	0.0762	0.0163	0.0616	0.2843	0.0259	0.5730	-	-	-	0.5730	0.9550	2.9083	
Levelised	1.7787	0.1746	1.9533												1.0864	1.8107	3.7640	

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Cents

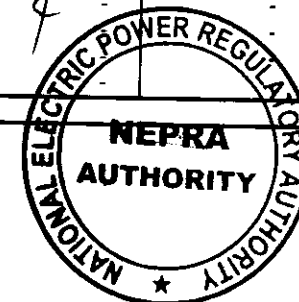
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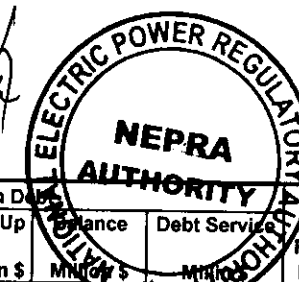
HALMORE POWER GENERATION COMPANY (HPGCL)
SPECIFIED TARIFF- PLANT OPERATION ON HSD

Annexure II

Year	Energy Charge (Rs/kWh)			Capacity Charge Rs/kW per Hour												Total Tariff		
	Fuel	Variable O&M	Total	Fixed O&M Foreign	Fixed O&M Local	Insurance	W.C	ROE DC	ROE	Withholding tax on div	Sub Total	Debt Servicing Foreign	Debt Servicing Local	Total Debt Servicing	Total Capacity charge			
															Rs/kW/Hr	Rs/kWh at 60% PF	Rs/kWh	
1	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
2	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
3	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
4	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
5	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
6	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
7	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
8	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
9	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
10	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	0.6025	0.1852	0.7877	1.3793	2.2988	9.2659	
11	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
12	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
13	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
14	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
15	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
16	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
17	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
18	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
19	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
20	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
21	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
22	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
23	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
24	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
25	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
26	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
27	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
28	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
29	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
30	6.7151	0.2520	6.9671	0.0651	0.0434	0.0762	0.0349	0.0616	0.2843	0.0259	0.5916	-	-	-	0.5916	0.9860	7.9531	
Levelised			6.9671													1.1050	1.8417	8.8088
																Cents	14.6814	



HalmorePower Generation Company Limited Debt Servicing Schedule



Period	Local Debt					Annual Principal Repayment Rs./Kw/Hr.	Annual Interest Rs./Kw/Hr.	Annual Debt Servicing Rs./Kw/Hr.	Period	Foreign Debt					Annual Principal Repayment Rs./Kw/Hr.	Annual Interest Rs./Kw/Hr.	Annual Debt Servicing Rs./Kw/Hr.
	Principal Million \$	Repayment Million \$	Mark-Up Million \$	Balance Million \$	Debt Service Millin \$					Principal Million \$	Repayment Million \$	Mark-Up Million \$	Balance Million \$	Debt Service Millin \$			
1st Q	32.6589	0.4331	0.9798	32.2257	1.4129	0.0142	0.0321	0.0463	1st Q	140.8740	2.6694	1.9285	138.2845	4.5959	0.0875	0.0631	0.1506
2nd Q	32.2257	0.4461	0.9668	31.7796	1.4129	0.0146	0.0317	0.0463	2nd Q	138.2045	2.7059	1.8899	135.4986	4.5959	0.0887	0.0619	0.1506
3rd Q	31.7796	0.4595	0.9534	31.3201	1.4129	0.0151	0.0312	0.0463	3rd Q	135.4986	2.7430	1.8529	132.7556	4.5959	0.0899	0.0607	0.1506
4th Q	31.3201	0.4733	0.9396	30.8468	1.4129	0.0155	0.0308	0.0463	4th Q	132.7556	2.7805	1.8154	129.9752	4.5959	0.0911	0.0595	0.1506
1	32.6589	1.8121	3.8395	30.8468	5.6516	0.0594	0.1258	0.1852	1	140.8740	10.8988	7.4848	129.9752	18.3836	0.3572	0.2453	0.6025
1st Q	30.8468	0.4875	0.9254	30.3593	1.4129	0.0160	0.0303	0.0463	1st Q	129.9752	2.8185	1.7774	127.1567	4.5959	0.0924	0.0582	0.1506
2nd Q	30.3593	0.5021	0.9108	29.8572	1.4129	0.0165	0.0298	0.0463	2nd Q	127.1567	2.8570	1.7389	124.2997	4.5959	0.0936	0.0570	0.1506
3rd Q	29.8572	0.5172	0.8957	29.3400	1.4129	0.0169	0.0294	0.0463	3rd Q	124.2997	2.8961	1.6998	121.4036	4.5959	0.0949	0.0557	0.1506
4th Q	29.3400	0.5327	0.8802	28.8073	1.4129	0.0175	0.0288	0.0463	4th Q	121.4036	2.9357	1.6602	118.4679	4.5959	0.0962	0.0544	0.1506
2	30.8468	2.0395	3.6121	28.8073	5.6516	0.0668	0.1184	0.1852	2	129.9752	11.5073	6.8763	118.4679	18.3836	0.3771	0.2253	0.6025
1st Q	28.8073	0.5487	0.8642	28.2586	1.4129	0.0180	0.0283	0.0463	1st Q	118.4679	2.9758	1.6200	115.4920	4.5959	0.0975	0.0531	0.1506
2nd Q	28.2586	0.5651	0.8478	27.6935	1.4129	0.0185	0.0278	0.0463	2nd Q	115.4920	3.0165	1.5794	112.4755	4.5959	0.0989	0.0518	0.1506
3rd Q	27.6935	0.5821	0.8308	27.1114	1.4129	0.0191	0.0272	0.0463	3rd Q	112.4755	3.0578	1.5381	109.4177	4.5959	0.1002	0.0504	0.1506
4th Q	27.1114	0.5996	0.8133	26.5118	1.4129	0.0196	0.0267	0.0463	4th Q	109.4177	3.0996	1.4963	106.3181	4.5959	0.1016	0.0490	0.1506
3	28.8073	2.2955	3.3561	26.5118	5.6516	0.0752	0.1100	0.1852	3	118.4679	12.1498	6.2338	106.3181	18.3836	0.3982	0.2043	0.6025
1st Q	26.5118	0.6175	0.7954	25.8943	1.4129	0.0202	0.0261	0.0463	1st Q	106.3181	3.1420	1.4539	103.1761	4.5959	0.1030	0.0476	0.1506
2nd Q	25.8943	0.6361	0.7768	25.2582	1.4129	0.0208	0.0255	0.0463	2nd Q	103.1761	3.1850	1.4109	99.9911	4.5959	0.1044	0.0462	0.1506
3rd Q	25.2582	0.6552	0.7577	24.6031	1.4129	0.0215	0.0248	0.0463	3rd Q	99.9911	3.2285	1.3674	96.7626	4.5959	0.1058	0.0448	0.1506
4th Q	24.6031	0.6748	0.7381	23.9282	1.4129	0.0221	0.0242	0.0463	4th Q	96.7626	3.2727	1.3232	93.4899	4.5959	0.1073	0.0434	0.1506
4	26.5118	2.5836	3.0680	23.9282	5.6516	0.0847	0.1005	0.1852	4	106.3181	12.8281	5.5554	93.4899	18.3836	0.4204	0.1821	0.6025
1st Q	23.9282	0.6951	0.7178	23.2332	1.4129	0.0228	0.0235	0.0463	1st Q	93.4899	3.3174	1.2785	90.1725	4.5959	0.1087	0.0419	0.1506
2nd Q	23.2332	0.7159	0.6970	22.5173	1.4129	0.0235	0.0228	0.0463	2nd Q	90.1725	3.3628	1.2331	86.8097	4.5959	0.1102	0.0404	0.1506
3rd Q	22.5173	0.7374	0.6755	21.7799	1.4129	0.0242	0.0221	0.0463	3rd Q	86.8097	3.4088	1.1871	83.4010	4.5959	0.1117	0.0389	0.1506
4th Q	21.7799	0.7595	0.6534	21.0204	1.4129	0.0249	0.0214	0.0463	4th Q	83.4010	3.4554	1.1405	79.9456	4.5959	0.1132	0.0374	0.1506
5	23.9282	2.9078	2.7438	21.0204	5.6516	0.0953	0.0899	0.1852	5	93.4899	13.5444	4.8392	79.9456	18.3836	0.4439	0.1586	0.6025
1st Q	21.0204	0.7823	0.6306	20.2381	1.4129	0.0256	0.0207	0.0463	1st Q	79.9456	3.5026	1.0933	76.4429	4.5959	0.1148	0.0358	0.1506
2nd Q	20.2381	0.8058	0.6071	19.4324	1.4129	0.0264	0.0199	0.0463	2nd Q	76.4429	3.5505	1.0454	72.8924	4.5959	0.1164	0.0343	0.1506
3rd Q	19.4324	0.8299	0.5830	18.6024	1.4129	0.0272	0.0191	0.0463	3rd Q	72.8924	3.5991	0.9968	69.2933	4.5959	0.1179	0.0327	0.1506
4th Q	18.6024	0.8548	0.5581	17.7476	1.4129	0.0280	0.0183	0.0463	4th Q	69.2933	3.6483	0.9476	65.6450	4.5959	0.1196	0.0311	0.1506
6	21.0204	3.2728	2.3788	17.7476	5.6516	0.1073	0.0780	0.1852	6	79.9456	14.3006	4.0830	65.6450	18.3836	0.4687	0.1338	0.6025
1st Q	17.7476	0.8805	0.5324	16.8671	1.4129	0.0289	0.0174	0.0463	1st Q	65.6450	3.6982	0.8977	61.9468	4.5959	0.1212	0.0294	0.1506
2nd Q	16.8671	0.9069	0.5060	15.9602	1.4129	0.0297	0.0166	0.0463	2nd Q	61.9468	3.7488	0.8471	58.1980	4.5959	0.1229	0.0278	0.1506
3rd Q	15.9602	0.9341	0.4788	15.0261	1.4129	0.0306	0.0157	0.0463	3rd Q	58.1980	3.8000	0.7959	54.3980	4.5959	0.1245	0.0261	0.1506
4th Q	15.0261	0.9621	0.4508	14.0640	1.4129	0.0315	0.0148	0.0463	4th Q	54.3980	3.8520	0.7439	50.5460	4.5959	0.1262	0.0244	0.1506
7	17.7476	3.6836	1.9680	14.0640	5.6516	0.1207	0.0645	0.1852	7	65.6450	15.0990	3.2846	50.5460	18.3836	0.4948	0.1076	0.6025
1st Q	14.0640	0.9910	0.4219	13.0730	1.4129	0.0325	0.0138	0.0463	1st Q	50.5460	3.9047	0.6912	46.6413	4.5959	0.1280	0.0227	0.1506
2nd Q	13.0730	1.0207	0.3922	12.0523	1.4129	0.0335	0.0129	0.0463	2nd Q	46.6413	3.9581	0.6378	42.6832	4.5959	0.1297	0.0209	0.1506
3rd Q	12.0523	1.0513	0.3616	11.0010	1.4129	0.0345	0.0118	0.0463	3rd Q	42.6832	4.0122	0.5837	38.6710	4.5959	0.1315	0.0191	0.1506
4th Q	11.0010	1.0829	0.3300	9.9181	1.4129	0.0355	0.0108	0.0463	4th Q	38.6710	4.0671	0.5288	34.6040	4.5959	0.1333	0.0173	0.1506
8	14.0640	4.1459	1.5057	9.9181	5.6516	0.1359	0.0493	0.1852	8	50.5460	15.9420	2.4416	34.6040	18.3836	0.5224	0.0800	0.6025
1st Q	9.9181	1.1154	0.2975	8.8028	1.4129	0.0366	0.0098	0.0463	1st Q	34.6040	4.1227	0.4732	30.4813	4.5959	0.1351	0.0155	0.1506
2nd Q	8.8028	1.1488	0.2641	7.6540	1.4129	0.0376	0.0087	0.0463	2nd Q	30.4813	4.1791	0.4168	26.3022	4.5959	0.1370	0.0137	0.1506
3rd Q	7.6540	1.1833	0.2296	6.4707	1.4129	0.0388	0.0075	0.0463	3rd Q	26.3022	4.2362	0.3597	22.0660	4.5959	0.1388	0.0118	0.1506
4th Q	6.4707	1.2188	0.1941	5.2519	1.4129	0.0399	0.0064	0.0463	4th Q	22.0660	4.2941	0.3018	17.7719	4.5959	0.1407	0.0099	0.1506
9	9.9181	4.6662	0.9854	5.2519	5.6516	0.1529	0.0323	0.1852	9	34.6040	16.8321	1.5515	17.7719	18.3836	0.5516	0.0508	0.6025
1st Q	5.2519	1.2553	0.1576	3.9965	1.4129	0.0411	0.0052	0.0463	1st Q	17.7719	4.3529	0.2430	13.4190	4.5959	0.1427	0.0080	0.1506
2nd Q	3.9965	1.2930	0.1199	2.7035	1.4129	0.0424	0.0039	0.0463	2nd Q	13.4190	4.4124	0.1835	9.0066	4.5959	0.1446	0.0060	0.1506
3rd Q	2.7035	1.3318	0.0811	1.3717	1.4129	0.0436	0.0027	0.0463	3rd Q	9.0066	4.4727	0.1232	4.5339	4.5959	0.1466	0.0040	0.1506
4th Q	1.3717	1.3717	0.0412	(0.0000)	1.4129	0.0450	0.0013	0.0463	4th Q	4.5339	4.5339	0.0620	0.0000	4.5959	0.1486	0.0020	0.1506
10	5.2519	5.2519	0.3997	(0.0000)	5.6516	0.1721	0.0131	0.1852	10	17.7719	17.7719	0.6117	0.0000	18.3836	0.5824	0.0200	0.6025