



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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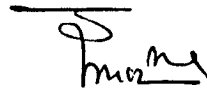
No. NEPRA/TRF-306/JPGL-2015/ 207-11
January 7, 2016

Chief Executive Officer
Japan Power Generation Ltd.
Jia Bagga, Raiwind Road,
Lahore
Tele: 042 – 3583 5864

Subject: Decision of the Authority in the matter of Tariff Petition filed by Japan Power Generation Ltd. for Modification of Generation Tariff

Enclosed Please find herewith the subject Decision of the Authority (02 pages) in the matter of Tariff Petition filed by Japan Power Generation Ltd. for Modification of Generation Tariff in Case No. NEPRA/TRF-306/JPGL-2015 for information and further necessary action.

Encl: i) Decision of the Authority (02 pages)
ii) Original Tariff Petition


07.01.16
(Syed Safeer Hussain)

CC:

1. Secretary, Cabinet Division, Government of Pakistan, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Water & Power, 'A' Block, Pak Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, 6th Floor, Shaheed-e-Millat Secretariat, Jinnah Avenue, Blue Area, Islamabad



**DECISION OF THE AUTHORITY IN THE MATTER OF TARIFF PETITION FILED BY JAPAN
POWER GENERATION LIMITED FOR MODIFICATION OF GENERATION TARIFF**

Japan Power Generation Limited (hereinafter "JPGL") filed a tariff petition on March 2, 2015 for modification of the generation tariff for its 120 MW (net dependable capacity) power plant. The Authority admitted the tariff petition on March 19, 2015. A hearing in the matter was held on June 4, 2015. During the course of the hearing, the Authority directed JPGL to submit a solid proposal to re-start the power plant and further directed Central Power Purchase Agency Guarantee (hereinafter "CPPA-G") to get Government's approval or otherwise on the same. Accordingly, JPGL submitted a proposal vide letter dated June 23, 2015 to CPPA-G and CPPA-G vide letter dated June 25, 2015 submitted the proposal with their comments to Ministry Water & Power (hereinafter "the Ministry") for approval.

Since no further information was received from the Ministry, a letter No. NEPRA/R/SAT-I/12853 dated August 31, 2015 was sent to the Ministry requesting an early decision on approval or otherwise to the proposal so that the case may be disposed off accordingly. A reminder was also sent vide letter No. NEPRA/R/SAT-I/13955 dated September 21, 2015 to the Ministry in the matter. The Ministry vide its letter No. F.IPPs-1(11)/2012 dated September 23, 2015 submitted that the case is being processed at the operational level with WAPDA Private Power Organization (hereinafter "WPPO") to determine the financial implications of acceptance of the proposal or otherwise and a decision in this regard shall be communicated to NEPRA as soon as the implications are finalized.

Consequently, WPPO was asked vide letter No. NEPRA/R/SAT-I/LAG-20/16181, dated November 6, 2015 to expedite the processing of the case and submit the requisite information to the Ministry of Water & Power at the earliest as the case was pending for a long time and could not be withheld indefinitely. The Ministry was also reminded vide letter No. NEPRA/R/SAT-I/LAG-20/16183, dated November 6, 2015 that the case was pending before NEPRA for want of Government's consent and that the Authority is required to decide the case within a maximum period of 8 months (4 months + 4 extensions of one month each), therefore, the consent or otherwise may be sent at the earliest.





No reply was received from WPPO, however, the Ministry, vide its letter No. IPPs-PII-7(71)/ 96 dated November 16, 2015 submitted that a meeting for discussion in terms of obligations between relevant stakeholders has been arranged and once the discussions are finalized, the Ministry will inform accordingly.

Since the statutory time of 8 months for determination of tariff by the Authority has lapsed on November 18, 2015 the Authority has, therefore, decided to return the Petition with the direction to resubmit the petition after obtaining the required approvals.

AUTHORITY

(Khawaja Muhammad Naeem)
Member

(Himayat Ullah Khan)
Member

(Syed Masood Al Hassan Naqvi)
Member

(Maj (R) Haroon Rashid)
Vice Chairman

(Brig. (R) Tariq Sadozai)
Chairman



07.01.16