



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/TRF-70/NCPL-2007/8519-8521
July 21, 2014

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Nishat Chunian Power Ltd. (Case No. NEPRA/TRF-70/NCPL-2007)

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 Nishat Chunian Power Ltd. for the quarter July-September 2014 on account of US CPI, CPI (General) Local, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-70/NCPL-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 revised tariff component attached as Annex-I is to be notified in the official Gazette.

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.

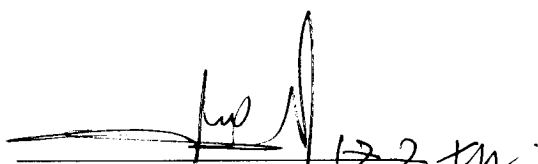
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR NISHAT CHUNIAN POWER LIMITED**

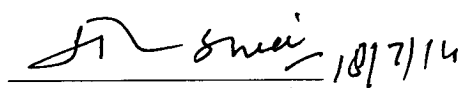
Pursuant to the decision of the Authority dated 31st December 2010 in the matter of adjustment at Commercial Operation Date (COD) and decision of the Authority dated 20th December 2012 regarding change of index in case of Nishat Chunian Power Limited (NCPL), the tariff of NCPL in respect of July-September 2014 quarter has been revised on account of US CPI, CPI (General) Local, exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanisms stipulated in the above referred decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

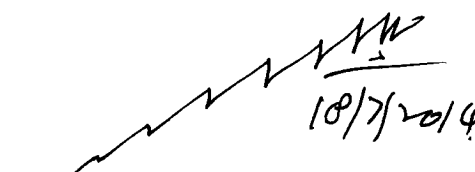
| Tariff Components | Reference Decision 31 Dec 2010 | Revised July-Sep 2014 Quarter |
|--------------------------------------|--------------------------------------|--|
| Capacity Charge (Rs./kW/Hour) | | |
| Fixed O&M - Foreign | 0.1019 | 0.1282 |
| Fixed O&M - Local | 0.1186 | 0.1484 |
| Cost of Working Capital | 0.1909 | 0.1628 |
| ROE | 0.3556 | 0.4102 |
| ROEDC | 0.0679 | 0.0783 |
| Debt Servicing | 1.7347 | 1.5931 |
| Total | 2.5696 | 2.5210 |
| Variable O&M (Rs./kWh) | | |
| Variable O&M - Foreign | 0.5182 | 0.6518 |
| Variable O&M - Local | 0.1630 | 0.2039 |
| Total | 0.6812 | 0.8557 |

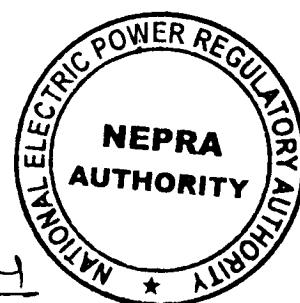
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

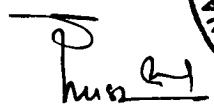
AUTHORITY


(Khawaja Muhammad Naeem)
Member


(Maj (R) Haroon Rashid)
Member


(Habibullah Khilji)
Vice Chairman




21.05.14

NISHAT CHUNIAN POWER LIMITED
Quarterly Indexation/Adjustment of Tariff

| Tariff Components | Reference Decision 31 Dec 2010 | Revised July-Sep 2014 Quarter |
|--|--------------------------------------|-------------------------------------|
| Capacity Charge (Rs./kW/Hour) | | |
| Fixed O&M - Foreign | 0.1019 | 0.1282 |
| Fixed O&M - Local | 0.1186 | 0.1484 |
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| Total | 2.5696 | 2.5210 |
| Variable O&M (Rs./kWh) | | |
| Variable O&M - Foreign | 0.5182 | 0.6518 |
| Variable O&M - Local | 0.1630 | 0.2039 |
| Total | 0.6812 | 0.8557 |
| Indexation Values | | |
| Exchange Rate (Rs./USD) | 85.600 | 98.750 |
| US CPI (All Urban Consumers) | 218.178 | 237.900 |
| CPI (General) - Local | 154.720 | 193.550 |
| 3 Monthly KIBOR | 12.29% | 10.17% |
| Outstanding Principal (Rs. in Million) | 15,114 | 11,546 |
| 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.

