



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/TRF-71/NPL-2007/10166-10168
July 15, 2016

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Nishat Power Ltd. (Case No. NEPRA/TRF-71/NPL-2007)

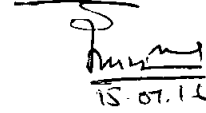
Dear Sir,

Please find enclosed herewith the decision of the Authority along with Revised Tariff Component (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of Nishat Power Ltd. for the quarter July – September 2016 on account of US CPI, CPI (Local), Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-71/NPL-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. The Revised Tariff Component attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above



15.07.16

(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 POWER LIMITED**

Pursuant to the Decision of the Authority dated March 22, 2011 in the matter of Motion for Leave for Review filed against the Decision of the Authority at Commercial Operation Date (COD) and decision of the Authority dated 20th December 2012 regarding change of index in the case of Nishat Power Limited (NPL), the relevant tariff components of NPL in respect of July-September 2016 quarter have been revised on account of US CPI, CPI (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 Review dated 22nd March 2011	Revised July-Sep 2016 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1018	0.1375
Fixed O&M - Local	0.1188	0.1582
Cost of Working Capital	0.1997	0.1126
ROE	0.3436	0.4213
ROEDC	0.0598	0.0733
Debt Servicing	1.5978	1.3039
Total	2.4215	2.2068
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.5178	0.6995
Variable O&M - Local	0.1634	0.2175
Total	0.6812	0.9170

The above referred revised tariff components attached as **Annex-I** are 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

Maj (R) Haroon Rashid
Member

Syed Masood-ul-Hassan
Member

Himayat Ullah Khan
Vice Chairman

Brig (R) Tariq Saddozai
Chairman

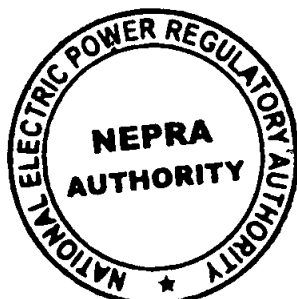


15.07.16

NISHAT POWER LIMITED
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Review dated 22nd March 2011	Revised July-Sep 2016 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.1018	0.1375
Fixed O&M - Local	0.1188	0.1582
Cost of Working Capital	0.1997	0.1126
ROE	0.3436	0.4213
ROEDC	0.0598	0.0733
Debt Servicing	1.5978	1.3039
Total	2.4215	2.2068
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.5178	0.6995
Variable O&M - Local	0.1634	0.2175
Total	0.6812	0.9170
Indexation Values		
Exchange Rate (Rs./USD)	85.400	104.700
US CPI (All Urban Consumers)	218.011	240.236
CPI (General) - Local	154.720	205.990
3 Monthly KIBOR	12.34%	6.05%
Principal Outstanding (Rs. Million)	13,864.71	8,060.84
Hours in the quarter	-	2,208

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



15.07.16