



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-124 /OPCL-2009/4056-4058
April 27, 2012

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Orient Power Company (Pvt.) Ltd. (Case No. NEPRA/TRF-124/OPCL-2009(2)) - Intimation of Decision of Tariff pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)

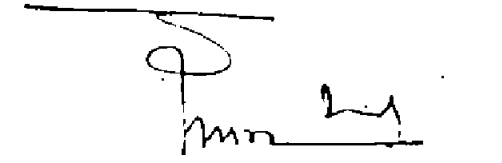
Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised schedule of tariff (Annex-I) (02 pages) regarding adjustment of tariff for the quarter (April-June 2012) on account of US CPI, WPI (Manufactures) Local, KIBOR and Exchange Rate variations in respect of Orient Power Company (Pvt.) Ltd. in Case No. NEPRA/TRF-124/OPCL-2009(2).

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 the schedule of revised Tariff to be notified in the official Gazette is attached as Annex-I.

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, Islamabad.





**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR ORIENT POWER COMPANY (PRIVATE) LIMITED**

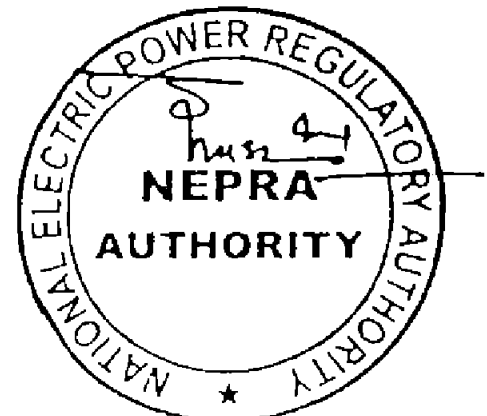
Pursuant to the decisions of the Authority dated 12th January 2012, 1st June 2011 and 13th April 2011 in the matter of adjustment at Commercial Operation Date (COD) regarding Orient Power Company (Private) Limited (hereinafter "OPCL"), the tariff of OPCL has been revised on account of US CPI, WPI (Manufactures) Local, KIBOR and Exchange Rate variations in accordance with the requisite indexation/adjustment mechanisms stipulated in the decisions of the Authority. The revised tariff indicated hereunder shall be immediately applicable for the quarter April-June 2012:

Tariff Components	Reference COD Decision Review 12 Jan 2012	Revised Apr-Jun 2012 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0885	0.1336
Fixed O&M - Foreign	0.1065	0.1284
Insurance	0.0400	0.0637
Cost of Working Capital-Gas	0.0473	0.0427
Cost of Working Capital-HSD	0.1013	0.0915
Return on Equity	0.3964	0.4466
Return on Equity During Construction	0.0795	0.0896
Debt Servicing	1.0298	0.9623
Total Capacity Charge (Gas)	1.7880	1.8669
Total Capacity Charge (HSD)	1.8420	1.9157
Variable O&M (Rs./kWh)		
Variable O&M (Gas)	0.1459	0.1759
Variable O&M – (HSD)	0.2392	0.2885

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

Shaukat Ali Kundi 25.04.2012
Member

26/4/2012
Habibullah Khilji
Member
23/4
Ghiasuddin Ahmed
Member/Acting Chairman

Orient Power Company (Pvt.) Limited
Adjustment on account of Quarterly Indexations

Tariff Components	Reference COD Decision Review 12 Jan 2012	Revised Apr-Jun 2012 Quarter
Capacity Charge(Rs./kW/Hour)		
Fixed O&M – Local	0.0885	0.1336
Fixed O&M - Foreign	0.1065	0.1284
Insurance	0.0400	0.0637
Cost of Working Capital-Gas	0.0473	0.0427
Cost of Working Capital-HSD	0.1013	0.0915
Return on Equity	0.3964	0.4466
Return on Equity During Construction	0.0795	0.0896
Debt Servicing	1.0298	0.9623
Total Capacity Charge (Gas)	1.7880	1.8669
Total Capacity Charge (HSD)	1.8420	1.9157
Variable O&M (Rs./kWh)		
Variable O&M – Gas	0.1459	0.1759
Variable O&M – HSD	0.2392	0.2885
Indexation Values		
WPI (Manufactures)	138.810	209.470
US CPI	212.709	227.663
Exchange Rate	80.500	90.700
KIBOR	13.39%	11.91%
Hours in the Quarter		2184

* For the purpose of indexation of local O&M for April-June 2012 quarter, WPI (Manufactures) for February 2011 was required to be used. However, with the revision of base values of WPI from 2000-01 to 2007-08 by Federal Bureau of Statistics, the commodity group of WPI (Manufactures) has now ceased to exist and the latest available WPI (Manufactures) pertaining to July 2011 has been used for the indexation. The local O&M component will be revised, if required, in terms of Para 12.3 of Part V of Schedule 1 of the PPA on determination of new index by the Authority.

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