



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad

Ph: 9206500, 9207200, Fax: 9210215

E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/TRF-80/SPL-2007/7649-7652

August 24, 2011

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Saif Power Ltd. (Case No. NEPRA/TRF-80/SPL-2007) - 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 schedule of tariff (Annex-I) (02 pages) regarding adjustment of tariff for the quarters of July–September 2010 to July–September 2011 on account of US CPI, WPI (Manufactures) Local, KIBOR and Exchange Rate variations in respect of Saif Power Ltd. in Case No. NEPRA/TRF-80/SPL-2007.

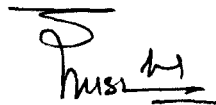
2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

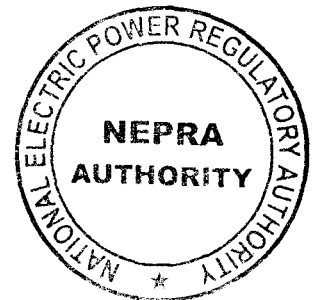
3. Please note that only revised schedule (Annex-I) of tariff is required to be notified in the official Gazette.

Enclosure: As above

Secretary
Ministry of Water & Power,
'A' Block, Pak Secretariat
Islamabad

CC: 1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.


(Syed Safeer Hussain)





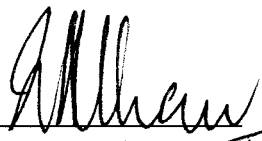
DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR SAIF POWER LIMITED

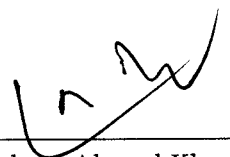
Pursuant to the Paragraph 23(III) of the Authority's decision dated June 20, 2011 in the case of Saif Power Limited (hereinafter "SPL"), the tariff of SPL has been revised on account of US CPI, WPI (Manufactures) Local, KIBOR and Exchange Rate variations in accordance with the requisite indexation/adjustment mechanisms stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable during the quarters July-September 2010 to July-September 2011:

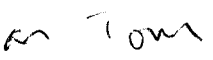
Tariff Components	Reference	Revised Jul.-Sep. 2010	Revised Oct.-Dec. 2010	Revised Jan.-Mar. 2011	Revised Apr.-Jun. 2011	Revised Jul.-Sep. 2011
<u>Capacity Charge(Rs./kW/Hour)</u>						
Fixed O&M – Local	0.0612	0.0644	0.0655	0.0732	0.0783	0.0820
Fixed O&M - Foreign	0.1016	0.1038	0.1046	0.1045	0.1049	0.1081
Insurance	0.0933	0.0933	0.0933	0.0933	0.0933	0.0933
Cost of Working Capital-Gas	0.0424	0.0423	0.0446	0.0458	0.0459	0.0459
Cost of Working Capital-HSD	0.0909	0.0906	0.0956	0.0981	0.0984	0.0984
Return on Equity	0.3824	0.3897	0.3924	0.3910	0.3881	0.3917
Return on Equity During Construction	0.1129	0.1151	0.1159	0.1155	0.1146	0.1157
Debt Servicing	1.3848	1.3814	1.4359	1.4618	1.4641	1.4628
Total Capacity Charge (Gas)	2.1786	2.1900	2.2522	2.2851	2.2892	2.2995
Total Capacity Charge (HSD)	2.2271	2.2383	2.3032	2.3374	2.3417	2.3520
<u>Energy Charge (Rs./kWh)</u>						
Variable O&M-Foreign - Gas	0.2650	0.2707	0.2728	0.2725	0.2735	0.2819
Variable O&M-Foreign - HSD	0.3825	0.3908	0.3937	0.3933	0.3948	0.4068

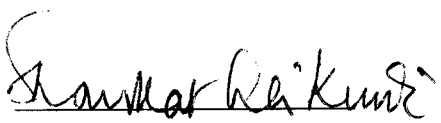
The above referred revised tariff components attached as **Annex-I** is recommended to the Federal Government for notification in the official gazette, in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

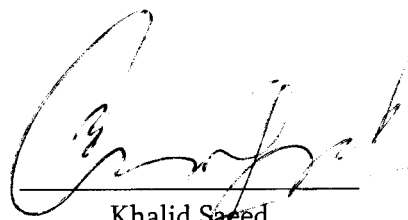
Authority

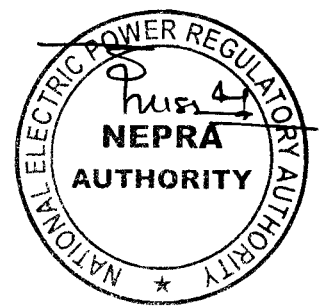

Zafar Ali Khan
Member
19/8/11


Maqbool Ahmad Khawaja
Member


Ghiasuddin Ahmed
Member


Shaukat Ali Kundi
Member/ Vice Chairman
23.08.2011


Khalid Saeed
Chairman



Saif Power Limited

Adjustment on account of Quarterly Indexations

Tariff Components	Reference	Revised Jul.-Sep. 2010	Revised Oct.-Dec. 2010	Revised Jan.-Mar. 2011	Revised Apr.-Jun. 2011	Revised Jul.-Sep. 2011
Capacity Charge(Rs./kW/Hour)						
Fixed O&M – Local	0.0612	0.0644	0.0655	0.0732	0.0783	0.0820
Fixed O&M - Foreign	0.1016	0.1038	0.1046	0.1045	0.1049	0.1081
Insurance	0.0933	0.0933	0.0933	0.0933	0.0933	0.0933
Cost of Working Capital-Gas	0.0424	0.0423	0.0446	0.0458	0.0459	0.0459
Cost of Working Capital-HSD	0.0909	0.0906	0.0956	0.0981	0.0984	0.0984
Return on Equity	0.3824	0.3897	0.3924	0.3910	0.3881	0.3917
Return on Equity During Construction	0.1129	0.1151	0.1159	0.1155	0.1146	0.1157
Debt Servicing	1.3848	1.3814	1.4359	1.4618	1.4641	1.4628
Total Capacity Charge (Gas)	2.1786	2.1900	2.2522	2.2851	2.2892	2.2995
Total Capacity Charge (HSD)	2.2271	2.2383	2.3032	2.3374	2.3417	2.3520
Energy Charge (Rs./kWh)						
Variable O&M – Foreign -Gas	0.2650	0.2707	0.2728	0.2725	0.2735	0.2819
Variable O&M – Foreign -HSD	0.3825	0.3908	0.3937	0.3933	0.3948	0.4068
Indexation Values						
WPI (Manufactures)	161.770	170.150	173.160	193.440	206.860	216.650
US CPI	217.631	218.178	218.312	218.803	221.309	225.964
Exchange Rate	84.000	85.600	86.200	85.900	85.250	86.050
KIBOR	12.34%	12.29%	13.09%	13.46%	13.52%	13.53%
Hours in the Quarter		2208	2208	2160	2184	2208



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