

**TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN**  
**EXTRA ORDINARY, PART-I**

**National Electric Power Regulatory Authority**

**NOTIFICATION**



Islamabad, the 27<sup>th</sup> day of May, 2022

S.R.O. 717 (I)/2022.- In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the Decision of the Authority in the matter of Motion for Recalculation filed by WAPDA Hydroelectric against the Tariff Determination of the Authority for FY 2020-21 issued on April 5, 2021 in Case No. NEPRA/TRF-530/WAPDA-2020.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.

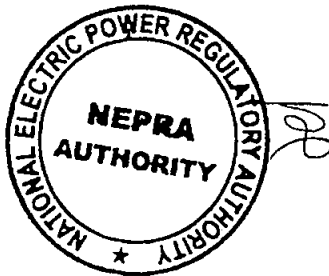
27 05 22

(Syed Safeer Hussain)

Registrar

**DECISION OF THE AUTHORITY IN THE MATTER OF MOTION FOR RECALCULATION FILED BY WAPDA  
HYDROELECTRIC AGAINST THE TARIFF DETERMINATION OF AUTHORITY FOR THE FY 2020-21 ISSUED  
ON APRIL 05, 2021**

1. WAPDA Hydroelectric ("the Petitioner") filed motion for recalculation on April 08, 2021 under rule 16(5) of NEPRA (Tariff Standards and Procedure) Rules, 1998 against the Tariff Determination of Authority issued on April 05, 2021 for the FY 2020-21.
2. WAPDA Hydroelectric vide subject motion for recalculation submitted that two hydropower projects namely Tarbela 4<sup>th</sup> extension and Golen Gol, included in the generation license of WAPDA Hydroelectric, were completed within the timeline as directed by NEPRA. However, the projects were transferred to operations in FY 2018-19. Accordingly, WAPDA requested half year ROI during FY 2018-19 in development phase upto COD, while remaining half year ROI has been claimed in operations as per normal practice. WAPDA Hydroelectric submitted that para 69 of the tariff determination shows that although NEPRA allowed transfer of T-4 and Golen Gol projects to operations in FY 2018-19, whereas inadvertently disallowed half year legitimate ROI on capital work in progress (CWIP) upto transfer of these projects. This according to the Petitioner, resulted into decrease in ROI of T-4 and Golen Gol amounting to Rs. 7,358 million in FY 2018-19. Keeping in view the above, WAPDA Hydroelectric requested that legitimate ROI on capital work in progress upto transfer of these projects into operations may be allowed.
3. The Authority considered the request of the Petitioner and noted that in the tariff determination for the FY 2017-18, the Authority directed it to ensure that the above mentioned projects are completed within the last quarter of FY 2018 i.e. in Apr-Jun 2018, beyond which the Petitioner was not be entitled to receive IDC and RoEDC on the cost of funds for these projects. The Petitioner in its tariff petition for the FY 2020-21 informed that the Hydel Power Stations of Tarbela 4th Extension and Golen Gol were timely completed during FY 2017-18 and after successful testing, it got transferred to operational assets during FY 2018-19. In view of the foregoing, the Authority allowed ROI of these projects in development phase till FY 2017-18 beyond which the ROI on these projects was allowed in operations as per the normal practice. It is however noted that the ROI of these two projects in operation for the FY 2018-19 was claimed by the petitioner for half year accordingly the same was allowed by the Authority.
4. The Authority is of the view that the submission of the petitioner that the ROI on these projects should be allowed for a whole year is correct however allowing half of it in capital work in progress is not justifiable since as per previous decision of the Authority, these projects are considered to have been transferred in fixed assets by the end of FY 2018. Therefore, the Authority has decided to allow ROI on these two projects for the whole FY 2018-19 during operation phase.
5. The ROI for the complete FY 2018-19 of these two project in operations works out to be Rs. 12,562 million as against earlier allowed Rs. 6,052 million as tabulated below:



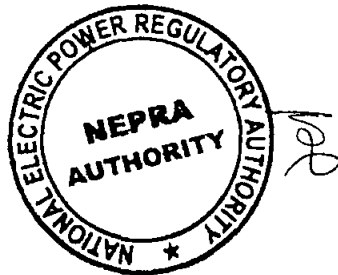


DECISION OF THE AUTHORITY IN THE MATTER OF  
MOTION FOR RECALCULATION FILED BY WAPDA HYDROELECTRIC

Description	T-4	Golen Gol	Total
	2018-19		
Fixed Assets in Operations (Opening) (A) (Mln. Rs.)	62,051	20,144	
Total Additions/Deletions (B) (Mln. Rs.)	(1,660)	(341)	
Net Fixed Assets in Operations (Closing) (C) (Mln. Rs.)	60,391	19,803	
Average RAB (C= (A+C)/2) (Mln. Rs.)	61,221	19,974	
Less: Average Grant	-	(1,791)	
RAB for Return Purpose	61,221	18,183	
Debt: Equity	70:30	70:30	
Cost of Debt	14.92%	16.64%	
Cost of Equity	17.00%	17.00%	
WACC	15.54%	16.75%	
Revised ROI (Mln. Rs.)	9,517	3,045	12,562

**ORDER**

6. In accordance with Rule 16(5) of NEPRA (Tariff Standards & Procedure) Rules, 1998, the Authority hereby revise its order approved vide determination dated April 05, 2021 in the matter of Tariff Petition filed by WAPDA Hydroelectric for FY 2020-21 (Case No. NEPRA/TRF-530/WAPDA-2020) and allow WAPDA Hydroelectric (Petitioner) to charge the Central Power Purchasing Agency Guarantee Limited (CPPA-G) the following tariff of each plant at the bus bar of its hydroelectric power stations connected directly or indirectly to the transmission system of NTDC:



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DECISION OF THE AUTHORITY IN THE MATTER OF  
MOTION FOR RECALCULATION FILED BY WAPDA HYDROELECTRIC

Sr.No.	Power Stations	Variable Rate	Fixed Charges			Hydel Levies		
			Fixed Rate	Revenue Gap	Interest on Loans for NHP	NHP Regular	NHP Arrears	IRSA
		Rs/kVh	Rs/kV/M	Rs/kV/M	Rs/kV/M	Rs/kVh	Rs/kV/M	Rs/kVh
1	Tarbela	0.043	421.940	(425.917)	63.837	1.1000	-	0.005
2	Warsak	0.107	748.198	64.332	63.837	1.1000	-	0.005
3	Duber Khawar	0.215	1,768.284	369.329	63.837	1.1000	-	0.005
4	Allai Khawar	0.215	1,508.871	523.789	63.837	1.1000	-	0.005
5	Khan Khawar	0.211	1,592.305	213.254	63.837	1.1000	-	0.005
6	Jabban	0.275	2,881.467	3,505.165	63.837	1.1000	-	0.005
7	Dargai	0.088	826.772	(587.876)	63.837	1.1000	-	0.005
8	Kuram Garhi	0.255	1,924.961	343.330	63.837	1.1000	-	0.005
9	Chitral	0.343	2,164.941	(4,020.787)	63.837	1.1000	-	0.005
10	Tarbela 4th Ext.	0.134	781.992	876.992	-	1.1000	-	0.005
11	Golen Gol	0.344	2,446.539	3,225.457	-	1.1000	-	0.005
12	Gomal Zam	0.634	3,092.300	(470.671)	-	1.1000	454.846	0.005
13	Ghazi Brotha	0.079	777.899	434.090	366.499	1.1000	-	0.005
14	Chashma	0.191	1,524.435	1,403.294	366.499	1.1000	-	0.005
15	Jinnah HPP	0.267	1,521.280	1,113.603	366.499	1.1000	-	0.005
16	Rasul	0.157	895.550	(34.025)	366.499	1.1000	-	0.005
17	Nandipur	0.132	833.858	(1,222.819)	366.499	1.1000	-	0.005
18	Shadiwal	0.178	833.830	(790.848)	366.499	1.1000	-	0.005
19	Chichoki	0.176	866.551	(870.862)	366.499	1.1000	-	0.005
20	Renala Khurd	0.342	1,831.918	(3,455.565)	366.499	1.1000	-	0.005
21	Mangla	0.067	715.090	41.611	-	-	-	0.005

7. The "Revenue Gap", "Interest on Loans for NHP" and "NHP Arrears" components of tariff as indicated above shall be applicable for a period of one year from the date of its notification by GoP, after which the tariff without these three tariff components shall be applicable.
8. The order is to be intimated to the Federal Government for notification in the official gazette under section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

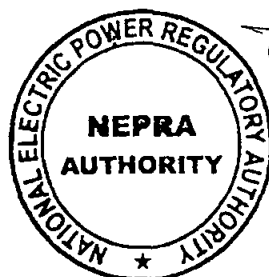
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No. NEPRA/TRF-530/WAPDA/ 8310


May 27, 2022

The Manager  
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In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997); enclosed please find herewith '*Decision of the Authority in the matter of Motion for Recalculation filed by WAPDA Hydroelectric against the Tariff Determination of the Authority for FY 2020-21 issued on April 5, 2021*' for immediate publication in the official Gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification (4 Pages) & CD

  
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(Syed Safeer Hussain)