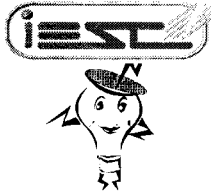


TRF 129



We light ur life...

No. FDI /IESCO/ 14912

Office of the Finance Director
IESCO, Islamabad
Ph. # 051-9260694, 2854383 Fax # 051-2281830

Dated 12/2009

→ The Registrar,
National Electric Power Regulatory Authority,
OPF Building, 2nd Floor, Sector G-5/2,
Islamabad

QUARTERLY TARIFF PETITION FOR DETERMINATION OF CONSUMER END TARIFF FOR THE PERIOD (OCTOBER 09 TO DECEMBER 09) IN RESPECT OF ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED (IESCO) (Distribution License No01/DL/2001 dated 2nd Nov. 01) CASE NO NEPRA/TRF-129/IESCO-2009 (4)

Dear Sir,

On behalf of Board of Directors and management of IESCO, I wish to attach herewith following documents for consideration of honorable National Electric Power Regulatory Authority (NEPRA):

- i) An affidavit as required under Rule 3 (8) of NEPRA Tariff Standards and Procedures Rule, 1998.
- ii) Copy of the resolution passed by the Board of Directors of IESCO on December 17, 2009.
- iii) Petition summary including annexes thereto.

The grounds for petitioner's interest and grounds and facts forming basis for the petition have been explained in detail in the Petition summary but some of the facts are being summarized here to give an overview of the petition:

- a) Authority has fixed the target of T & D Losses as 10% for fiscal year 09-10 in its Tariff Determination on December 9, 2009 for the 1st Quarter of fiscal year 09-10. IESCO in its Tariff Petitions for Annual Tariff Determination & Quarterly Tariff Determination requested authority to set the target at 12%. Management of IESCO is of the view that the Line losses target needs to be reconsidered by NEPRA & is requested to be fixed at 11.5%.
- b) Authority has fixed the deadline of June 30, 2010 for installation of TOU Meters for consumers having load of 5 KW & above. IESCO requested NEPRA in its Tariff Petition to set June 2012 as deadline for replacement of TOU Meters. In this tariff petition, Authority is again requested to set the deadline at year 2012.
- c) NEPRA has slashed the investment for the fiscal year 09-10. In second quarter Tariff petition for fiscal year 09-10, authority is requested to reconsider the target as per request of IESCO.

Summing up the points rose above; it is requested that there is an immediate need for adjustment in consumer end tariff.

With best regards,

Finance Director
IESCO, Islamabad

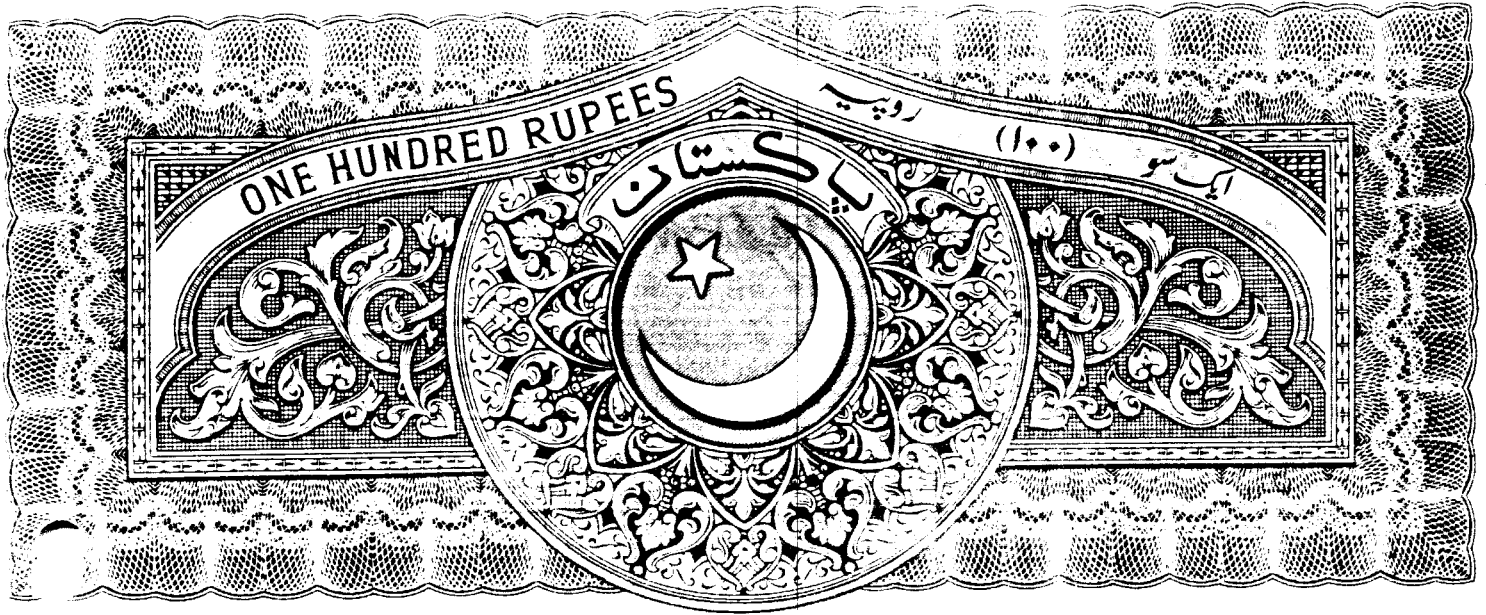
For n/a please.

AD (MR) / DIR(T)-I
to process

cc:

- chairman
- M(T)

Registrar
Dy. No. 6830
Dated 22-12-09



AFFIDAVIT

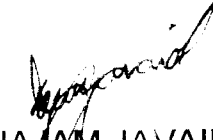
I, Najam Javaid S/o Javaid Zeeshan, Finance Director/Company Secretary Islamabad Electric Supply Company Limited holding CNIC No. 35202-2620633-7 being duly appointed Attorney of Islamabad Electric Supply Company Limited (IESCO), Head Office Street No.40 Sector G-7/4, Islamabad, Pakistan hereby solemnly affirm and declare that the contents of the Quarterly Tariff Petition for the period (Oct 09 to Dec 09) dated December 17, 2009, including all supporting documents are true and correct to the best of knowledge and belief and that nothing has been concealed.

Verified on this 17th day of December, 2009.

ATTESTED



DEPONENT


(NAJAM JAVAID)



Islamabad Electric Supply Company Limited

IESCO Head Office

Street No. 40 Sector G-7/4, Islamabad

Ph: No. 051-9252902 - Fax No.051-9252927

CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED ON DECEMBER 17, 2009

The Board of Directors resolved as follows:

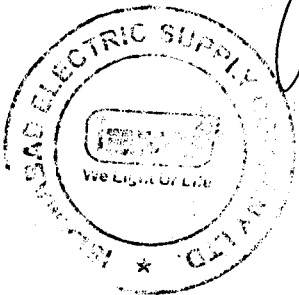
"To accord approval for the Quarterly petition for determination of consumer end tariff of the Company for the period October 09 to December 09 for various categories of consumers & also accord approval to file the Tariff Petition with (NEPRA).

Further resolved that Mr. Najam Javaid Finance Director/Company Secretary alongwith other Management Officers indicated in the summary of the petition be and are hereby authorized to sign individually or jointly the necessary documents, pay the necessary filing fees, appear before the Authority as needed, and do all acts necessary for completion and processing of the applications" on behalf of IESCO.

For & On behalf of Board of Directors

COMPANY SECRETARY

Company Secretary
Islamabad Electric Supply Co.
Islamabad



Islamabad Electric Supply Co Ltd



We light ur life...

Quarterly Tariff Petition

Of

Islamabad Electric Supply Company Limited

for

2nd Quarter (October 09 to December 09)
Financial Year **2009-2010**

Islamabad Electric Supply Company Limited (IESCO)

Tariff Petition 2009-10

INDEX

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PETITION SUMMARY

1. DETAILS OF THE PETITIONER

i. NAME AND ADDRESS

Islamabad Electric Supply Company Limited,
St # 40, G-7/4, Islamabad

ii. REPRESENTATIVES OF IESCO

Raja Abdul Ghafoor
Mr. Najam Javed
Mr. Riaz Qadeer Bukhari
Mr. Khalid Masood

Chief Executive Officer
Finance Director
Manager Customer Services
Manager MIS

Islamabad Electric Supply Company Limited is an Unlisted Public Limited Company (**Limited by Shares**) incorporated under Companies Ordinance, 1984 vide certificate of incorporation No. L-09499 OF 1997-98. Certificate of commencement of business under section 146 (2) of Companies Ordinance, 1984 was granted by SECP on 1st day of June, 1998. Company was incorporated as a result of restructuring of WAPDA into corporate entities. IESCO was granted the distribution licence No 01/DL/2001 by National Electric Power regulatory authority on November 02, 2001.

2. GROUND & FACTS FORMING BASIS OF TARIFF PETITION

Petitioner is a Power Distribution Company, a bona fide power distribution licensee. In order to perform its obligatory duties prescribed by NEPRA through its different rules, procedures, license, Codes, regulations & by whatever nomenclature called (Hereinafter referred to as "**regulations**") issued from time to time, the petitioner needs adequate funding not only for investment in its distribution & transmission system but also in keep on improving its customer services, financial management, human resources. In addition to number of other benefits, the investment will ensure:

- To cope with the increasing demand of electricity for perspective consumers.
- To maintain the existing system in order to avoid the technical faults & to provide the consumer with uninterrupted supply upto the satisfaction of our customer
- To keep on improving the customer service by introducing the advance technology & Modern techniques.
- Capacity building of our employees.

Major sources of funding are:

- (i) borrowings and
- (ii) adequate revenue through tariff that includes return on its investment.

While the petitioner is already a highly motivated utility towards internal efficiency improvements; yet such improvement measures require commensurate financial resources either through borrowings or tariff. In short, internal financial viability of a utility can only be ensured through adequate consumer end tariff.

IESCO, in its status as power distribution licensee, feels that the existing tariff determination made by Honorable Authority on 9th December, 09 for the first quarter of fiscal year 09-10 needs some revision to ensure adequate liquidity and financial viability in the upcoming quarters that include the 2nd quarter of current fiscal year.

This petition is, therefore, being filed in accordance with the NEPRA Tariff Standards and Procedure Rules 1998 Part II Section-3.

Under the 1997 NEPRA Act as amended from time to time, NEPRA is responsible for determining tariffs and other terms and conditions for the supply of electricity by the generations, transmission and distribution companies and to recommend these to the Federal Government, subject to the need to comply with guidelines, not inconsistent with the provisions of the NEPRA Act, laid down by the Federal Government. NEPRA is also responsible for determining the process and procedures for reviewing tariffs and recommending tariff adjustments.

Last Tariff Determination made by NEPRA on 9th December, 09 for the 1st quarter of fiscal year 09-10 has not only determine the Tariff for the fiscal year 09-10 but has also set the tariff methodology for whole of the fiscal year 09-10. In the light of said determination, IESCO Management is of the view that revision is required in Annual targets set by Authority.

1. **Target for losses**
2. **Time frame for Installation of TOU Meters.**
3. **Investment allowed**

Other Suggestion regarding Tariff Methodology

Introduction of Fixed Charges to Maintain Customer Discipline

Losses Target

Authority has allowed the losses target of 10% as against the claimed target of 12%. Management of IESCO is of the view that setting up the target that is well below the claimed limit at a very belated stage of financial year is not justified. Detailed reason were also explained at the time of filing of annual & first quarter tariff petition; however some more justifications are explained here for the kind review of Authority so as to facilitate the Authority in making decision.

At the time of filing of Annual Tariff Petition, sales target for fiscal year 09-10 was forecasted as 7,242 MKWH by considering an increase of 0.5% growth in the last years' actual sales. However, Authority has worked out IESCO share at 9,032 GWh as total receipt from CPPA out of total generation of 90,393 GWh during fiscal year 09-10. Based on authority's target of T & D Losses at 10%, total units sold worked out at 8,129 GWh. IESCO is of the view that if total units receipt from CPPA is assumed to be same as projected by authority, then total sales at the end of year 09-10 will be 7,993 GWh with T & D losses of 11.5 %. Revised Losses target has been worked at 11.5 % due to the reason that last year, the quantum of load shedding was considerably high as significant load was shed due to load shedding that kept the Technical & administrative losses on the lower side.

Authority has worked out 12% increase in units receipt during current year (9,032 GWh) as compared to last year (8,071 GWh) therefore; the losses will increase as the units sold will also increase. Further, load shedding has gradually reduced since May 09 that has resulted increase in receipt of units by 9.8 %. In this perspective, it is added that the transmission loss target set by

NEPRA is on the lower side as it will increase during this fiscal year 09-10 with the addition of load & more units from CPPA. More importantly, it remained at 3.08% in fiscal year 08-09, so it is not possible to reduce it with the addition of more load. Authority is therefore, requested to reconsider IESCO request to revise the target for Transmission losses.

It is further added that IESCO has achieved the NEPRA target of 11% for the year 08-09, and its actual line losses for FY 08-09 remained at 10.78%. Initially, it was reported at 10.5% due to the reason that during August 08, some billing dispute at CDP Burhan were arrived which was settled by CPPA during this fiscal year, resultantly, 24.89 Million units were charged to IESCO and credited to PESCO. With the addition of 24.89 Million units the losses comes out to 10.78% instead of 10.5%.

Target for T & D losses for FY 09-10 has been fixed by NEPRA as 10% whereas, according to the prescribed standards limits of WAPDA, the prescribed voltage drops & losses are as follows:

Maximum Permissible Voltage Drops & Losses

Distribution Component	Urban		Rural	
	Voltage Drop (%)	Line Losses (%)	Voltage Drop (%)	Line Losses (%)
HT Circuit	3.00	2.50	5.00	3.50
Distribution T/F	4.00	3.50	4.00	3.50
LT Circuit	3.00	2.50	3.00	2.50
Service	1.00	0.50	1.00	0.50
Total	11.00	9.00	13.00	10.00

Transmission Losses (NEPRA Target)	2.90	2.90
Total Losses	11.90	12.90

Source:

WAPDA Engineering Academy, Faisalabad (Prescribed Standards)

In its Tariff Petition, IESCO claimed a loss target of 12% that is fully justified & is with in the prescribed limits. **In view of the above, it is requested that it is not possible to reduce the Distribution loss target; therefore, IESCO may please be allowed to operate within the overall Transmission & Distribution Target at 11.5%.**

As far as the contention of Authority regarding Impact of Investment on reduction of losses is concerned, IESCO Management has different view. According to IESCO, the major objective of investment has been to maintain the system and to cope with the increasing demand of consumers. As during last three years, number of new connections has been sanctioned. Similarly, number of new villages has been electrified that requires significant investment & adds more losses to the system.

Time for installation of TOU Meters:

IESCO in its Tariff Petition requested to extend the time for installation of TOU meters in the prescribed categories by NEPRA by two years, i.e upto June 2012, but Authority has rejected IESCO request.

It is therefore, again requested that time limit may be reconsidered as under the existing resources, it may not be possible for IESCO to install the meters with in the next six months.

Investment Allowed:

IESCO in its Tariff Petition claimed Investment under different heads as detailed below:

(In Million Rupees)

Description	Note	Estimated 2009-10
6 TH STG	1	3,221
Energy Loss Reduction	2	679
DOP	3	300
Capacitors	4	150
Modernization	5	80
Rehabilitation	6	35
VE & Capital Contribution	3	1,688
Installation of TOU Meters	7	550
Automation of Metering & ERP Solution	8	150
Total		6,853 =====

NEPRA allowed an investment target of Rs.3,477 Million that includes Investment financed through Deposit & Capital contribution, leaving behind a target of just Rs. 1,789 Million.

Total capital expenditures incurred during the last two years is as given below:

Rs. (In Million)

Financial year

Capital Expenditures

2007-08
2008-09

4,822
4,770

Keeping in view the trend of last two years & following factors as given below, it is requested that the Investment as requested by IESCO in its previous & current tariff Petition may be allowed.

a. **Investment under World Bank & Asian Bank financing.**

The investment under the ADB & World Bank programs are time bound & Banks are strictly monitoring the progress of projects. Further, GOP has to incur the commitment charges if the pace of projects & withdrawal of available funds are slow.

b. **Installation of TOU meters (Phase I)**

IESCO requested Rs. 550 Million for installation of TOU Meters (Phase I) at the first stage for replacement of 50, 000 meters (Total meters to be replaced are 150, 000). This investment will be in addition to the expenditures that are covered under routine projects.

c. **ERP**

IESCO intends to implement the ERP system in future that requires approximately Rs. 100 Million. Requirement for additional posts as approved by Board of Directors for the restructuring is about Rs. 4 Million. Further, IESCO will require approximately Rs. 50 Million to automate the Grid Stations Metering system to start process to meet with the NEPRA performance standards.

Introduction of Fixed Charges to Maintain Customer Discipline:

Previously, the Billing demand was based on higher of:

- a. Current MDI recorded
- Or
- b. 50 % of the sanctioned load

NEPRA in its Tariff determination in February, 07 eliminated the second condition, i.e; 50% of the sanctioned load. Due to elimination of second clause, IESCO incurred a loss of Rs. 133 Million as given in working below.

**Working for Loss on Elimination of Clause for imposition of Fixed Charges
on the Basis of 50 % of Sanctioned Load**

Sr. No	Consumers	Tariff	Sanc. Load	50% Load	Load Charge	Less Charge	Per KW Rate	Amount (Rs.)
1	2,509	10	306,181	153,091	56,087	97,004	315	30,556,103
2	35	11	10,887	5,444	2,209	3,235	315	1,018,868
3	5,375	12	447,138	223,569	96,855	126,714	315	39,914,910
4	73	13	62,958	31,479	16,145	15,334	305	4,676,870
5	249	14	430,740	215,370	132,407	82,963	305	25,303,715
6	46	17	727,000	363,500	255,464	108,036	295	31,870,620
8,287			1,984,904	992,452	559,167	433,285		133,341,085

3. RELIEF / DETERMINATION SOUGHT

Approval of tariff structure proposed at **Annex-1** of petition.

4. COMPARATIVE TABLE OF TARIFF

Comparative table of existing and the proposed tariff design (**Annex - 2**)

5. SUMMARY OF EVIDENCE

In support of the petition in hand following financial calculations are submitted for consideration of the Authority:

- i. **Financial projections for FY 2009-10 (the tariff year) & the Q2 (the tariff period) with proposed Tariff at Annex 3**
 - a. Profit & Loss Account: FY 2008-9 (**Actual**), (FY 2009-10) & (Q2) (**Projected**) (The Tariff Period).
 - b. Balance Sheet for FY 2008-09 (**Actual**), (FY 2009-10) & (Q2) (**Projected**) (The Tariff Period).
 - c. Cash Flow Statement for FY 2008-9 (**Actual**), (FY 2009-10) & (Q 2) (**Projected**) (The Tariff Period).
 - d. Summary of Revenue Requirements. (**Annex "3a"**)
 - e. Assumptions to the Financial Projections. (**Annex "3b"**)
- ii. **Estimates of Tariff Revenue: (Annex-4)**
 - a. Revised/Proposed Category-wise tariff design and revenue to achieve Revenue Requirements for FY 2009-10.
- iii. **Estimates of Power Purchase Price has been taken as determined by NEPRA vide its determination Dated 9th December, 09**
- iv. **Investment Plan for the Year 09-10. (Annex-5)**

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

Estimated sales & Revenue for Oct, 09-Dec, 09 (Three Months) - Annex 1

Description	Sales GWh	Sales Mix	Determined Tariff		Revenue as per Proposed Tariff		
			Fixed Charges Rs./kW	Var. Charges Rs./KWH	Fixed Charges Rs. Mill	Variable Charges Rs. Mill	Total Charges Rs. Mill
Residential - A1							
Up to 50 Units per month	50	2.75		2.00	0	99	99
For Peak Load Requirement Upto 20 kW							
1-100 Units per month	79	4.40		7.00	0	556	556
101-300 Units per month	369	20.45		9.50	0	3,510	3,510
301-700 Units per month	166	9.20		11.65	0	1,937	1,937
Above 700 Units per month	77	4.24		13.00	0	997	997
For Peak Load Requirement Exceeding 20 kW							
Time of Day (TOU) - Peak	2	0.11		13.00	0	26	26
Time of Day (TOU) - Off-Peak	3	0.17		7.50	0	23	23
Temporary	0	0.00		11.80			
Total Domestic	747	41.33			0	7,149	7,149
Commercial - A2							
For Sanctioned load less than 5kW	99	5.48		13.00	0	1,288	1,288
For Sanctioned load 5 KW & above	0						
Regular	26	1.44	400.00	11.00	39	285	324
Time of Day (TOU) - Peak	13	0.70	400.00	13.00	0	164	164
Time of Day (TOU) - Off-Peak	61	3.39	400.00	7.00	92	428	520
Temporary	3	0.18		12.80			
Total Commercial	202	11.19			131	2,166	2,297
Industrial							
B1	22	1.21		9.00	0	196	196
B2	21	1.17	400.00	8.50	37	180	217
B2 - TOU (Peak)	4	0.20	400.00	13.00		48	48
B2 - TOU (Off-Peak)	48	2.64	400.00	7.00	89	334	423
B3 - TOU (Peak)	16	0.86	380.00	12.90		201	201
B3 - TOU (Off-Peak)	98	5.43	380.00	6.90	82	677	758
B4 - TOU (Peak)	26	1.45	360.00	12.80		335	335
B4 - TOU (Off-Peak)	209	11.59	360.00	6.80	215	1,424	1,640
Temporary				9.30			
Total Industrial	444	24.55			423	3,395	3,818
Single Point Supply for further distribution							
C1(a) Supply at 400 Volts - Peak Load upto 20KW	0	0.02		10.00		3	3
C1(b) Supply at 400 Volts - Peak Load above 20KW	15	0.83	400.00	9.25	15	139	154
Time of Day (TOU) - Peak	2	0.10	400.00	13.00		24	24
Time of Day (TOU) - Off-Peak	6	0.31	400.00	7.00	6	40	45
C2 Supply at 11 kV	63	3.50	380.00	9.15	89	579	668
Time of Day (TOU) - Peak	4	0.24	380.00	12.90		55	55
Time of Day (TOU) - Off-Peak	21	1.18	380.00	6.90	30	147	177
C3 Supply above 11 kV	25	1.41	360.00	9.05	26	230	256
Time of Day (TOU) - Peak		0.00	360.00	12.80		0	0
Time of Day (TOU) - Off-Peak		0.00	360.00	6.80	0	0	0
Total Single Point Supply for further distribution	137	7.59			165	1,217	1,382
Agricultural Tube-wells - Tariff D							
Scarp D-1	17	0.94		10.00	0	169	169
Agricultural Tube Well Tariff D-1Peak							
Agricultural Tube Well Tariff D-1Off-Peak							
Agricultural Tube-wells (Punjab & Sindh) D-2	3	0.17	200.00	6.00	6	19	24
Agricultural Tube-wells (NWFP & Balochistan)							
Time of Day (TOU) - Peak	1	0.05	200.00	13.00	0	11	11
Time of Day (TOU) - Off-Peak	4	0.23	200.00	5.00	4	21	24
Total Agricultural Tubewell Tariff-D	25	1.38			9	219	229
Public Lighting - Tariff G	24	1.32		13.00	0	311	311
Housing Colonies Attached to Industrial - H	1	0.06		13.00	0	14	14
Railway Traction - Tariff I							
AJK - Tariff K	227	12.58	0.00	7.75	0	1,762	1,762
Time of Day (TOU) - Peak			360.00	13.00			
Time of Day (TOU) - Off-Peak			360.00	7.00			
Rawat Laboratory	0	0.00		9.25	0	1	1
Gross Total	1807	100.00			729	16,234	16,962

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

(Annex 2)

Schedule of Comparative Charges

Description	Proposed Tariff		NEPRA Determined Tariff for the year 08-09	
	Fixed Charges Rs./kW	Var. Charges Rs./KWH	Fixed Charges Rs./kW	Var. Charges Rs./KWH
Residential -A1				
Up to 50 Units per month		2.00		1.60
For Peak Load Requirement Upto 20 kW				
1-100 Units per month		7.00		3.75
101-300 Units per month		9.5		6.00
301-700 Units per month		11.65		8.50
Above 700 Units per month		13.00		10.00
For Peak Load Requirement Exceeding 20 kW				
Time of Day (TOU) - Peak		13.00		12.00
Time of Day (TOU) - Off-Peak		7.50		7.00
Temporary		11.80		10.25
Total Domestic				
Commercial - A2				
For Sanctioned load requirement less than 5kW		13.00		10.50
For Sanctioned load requirement 5 kW & above.				
Regular	400.00	11.00	365.00	8.00
Time of Day (TOU) - Peak	400.00	13.00	315.00	12.00
Time of Day (TOU) - Off-Peak	400.00	7.00	315.00	6.00
Temporary		12.80		10.50
Total Commercial				
Industrial				
B1		9.00		7.50
B2	400.00	8.50	315.00	6.50
B2 - TOU (Peak)	400.00	13.00	315.00	12.00
B2 - TOU (Off-Peak)	400.00	7.00	315.00	6.00
B3 - TOU (Peak)	380.00	12.90	305.00	11.90
B3 - TOU (Off-Peak)	380.00	6.90	305.00	5.90

B4 - TOU (Peak)	360.00	12.80	295.00	11.80
B4 - TOU (Off-Peak)	360.00	6.80	295.00	5.80
Temporary		9.30		
Total Industrial				
Single Point Supply for further distribution				
C1(a) Supply at 400 Volts - Peak Load upto 20KW		10.00		8.00
C1(b) Supply at 400 Volts - Peak Load above 20KW	400.00	9.25	315.00	7.50
Time of Day (TOU) - Peak	400.00	13.00	315.00	12.00
Time of Day (TOU) - Off-Peak	400.00	7.00	315.00	6.00
C2 Supply at 11 kV	380.00	9.15	305.00	7.40
Time of Day (TOU) - Peak	380.00	12.90	305.00	11.90
Time of Day (TOU) - Off-Peak	380.00	6.90	305.00	5.90
C3 Supply above 11 kV	360.00	9.05	295.00	7.30
Time of Day (TOU) - Peak	360.00	12.80	295.00	11.80
Time of Day (TOU) - Off-Peak	360.00	6.80	295.00	5.80
Total Single Point Supply for further distribution				
Agricultural Tube-wells - Tariff D				
Scarp D-1		10.00		7.50
Agricultural Tube Well Tariff D-1Peak				6.00
Agricultural Tube Well Tariff D-1Off-Peak				2.75
Agricultural Tube-wells (Punjab & Sindh) D-2	200.00	6.00	90.00	4.00
Agricultural Tube-wells (NWFP & Balochistan)				
Time of Day (TOU) - Peak	200.00	13.00	305.00	12.00
Time of Day (TOU) - Off-Peak	200.00	5.00	305.00	3.75
Total Agricultural Tubewell Tariff-D				
Public Lighting - Tariff G		13.00		10.50
Housing Colonies Attached to Industrial - H		13.00		10.00
Railway Traction - Tariff I				
AJK - Tariff K	0.00	7.75	295.00	7.00
Time of Day (TOU) - Peak	360.00	13.00	295.00	11.80
Time of Day (TOU) - Off-Peak	360.00	7.00	295.00	5.80
Rawat Laboratory		9.25		7.50
Gross Total				

Islamabad Electric Supply Company Limited

Technical Data

Description	Units	ACTUAL (08-09)	PROJECTED 2009-10	PROJECTED (Oct-09 to Dec-09)
NO OF CUSTOMERS	Million	1.99	2.10	
UNITS SOLD	MKWH	7,201	7,993	1,807
GROWTH IN UNITS SOLD	% age	-0.43%	11.00%	
DISTRIBUTION & TRANSMISSION LOSSES	% age	10.78%	11.50%	11.50%
UNITS PURCHASED	MKWH	8,071	9,032	2,042
POWER PURCHASE PRICE	Rs. / KWH	5.43	6.53	6.56
ADJUSTED POWER PURCHASE PRICE	Rs. / KWH	6.09	7.38	7.42
AVERAGE RETAIL TARIFF	Rs. / KWH	6.90	8.88	9.39

Islamabad Electric Supply Company Limited

Profit and Loss Accounts

Description	ACTUAL (08-09)	PROJECTED 2009-10	PROJECTED (Oct-09 to Dec-09)
REVENUE:			
Electricity sales	49,687	65,513	16,962
Rental and Service Income	27	28	7
	49,714	65,541	16,969
Amortization of deferred credit	459	518	115
Net Revenue	50,173	66,059	17,083
OPERATING COST:			
Cost of Electricity	43,866	59,040	13,401
Other operating costs	3,674	4,151	1,042
Depreciation	930	1,171	293
	48,470	64,362	14,735
	1,703	1,697	2,348
OTHER INCOME	947	1,070	267
Profit/(Loss) before Interest and Taxes	2,650	2,767	2,615
FINANCIAL AND OTHER CHARGES			
Financial charges	484	659	165
Workers, Profit Participation Funds(WPPF)	108	105	123
PROFIT/(loss) before tax	2,057	2,002	2,328
Taxation:			
Previous Year			
Provision for Tax: Current	701	815	
: Deferred	980		
Net Profit/(Loss) for the year	1,077	1,302	1,513
PROFIT/(LOSS) BROUGHT FORWARD	(1,181)	(28)	(28)
Adjustment in Equity	76	5,477	
ACC. PROFIT/(LOSS) CARRIED FORWARD	(28)	6,751	1,486

Islamabad Electric Supply Company Limited

Balance Sheet

Description	ACTUAL (08-09)	PROJECTED 2009-10	PROJECTED (Oct-09 to Dec-09)
Assets:			
<u>Fixed Assets:</u>			
Gross Fixed Assets (At Revalued Amount)	42,083	50,830	46,457
LESS: Accumulated Depreciation	9,479	10,650	11,235
Net Fixed Assets	32,604	40,181	35,222
Capital Work in Progress	6,958	5,314	4,834
Long Term Advances & other deposits	11	11	11
<u>Current Assets:</u>			
Inventory / Stores & Spares	2,270	1,616	1,419
Account Receivable	8,337	7,897	9,837
Advances, Deposits, Prepay. & Other Rec.	8,770	4,026	14,919
Cash & Bank Balances	4,123	4,200	4,344
Total Current Assets	23,500	17,740	30,519
TOTAL ASSETS	63,073	63,245	70,586
<u>Equity & Liabilities</u>			
Issued Share Capital	5,798	5,798	5,798
Accumulated Profit/(Losses)	(28)	6,751	1,486
Net Equity	5,771	12,549	7,284
Surplus on revaluation of fixed assets	11,696	11,696	11,696
<u>Long Term / Deferred Liabilities</u>			
Long term Loans	10,060	4,311	9,879
Consumer's Security Deposits	1,779	1,869	1,780
Employees Retirement Benefits	4,017	4,567	4,292
Deferred Tax Liability	3,108	3,108	3,108
Deferred Credits (Consumer's Capital Cont. etc.)	9,400	10,570	9,755
Total Long Term / Deferred Liability	28,364	24,424	28,815
<u>Current Liabilities</u>			
Current Maturity of long term loan	4,615	864	4,614
Creditors, Accrued & Other Liabilities	12,629	13,711	18,178
Total Current Liability	17,243	14,575	22,792
TOTAL LIABILITIES & EQUITY	63,073	63,245	70,586

Islamabad Electric Supply Company Limited

Cash Flow Statement

Description	ACTUAL (08-09)	PROJECTED 2009-10	PROJECTED (Oct-09 to Dec-09)
Cash Flow From Operatin Activities			
Profit/(Loss) before Interest and Taxes	2,057	2,002	2,328
Adjustments:			
ADD: Depreciation	930	1,171	293
Interest Expense	484	659	165
Provision for Staff Retirement benefits	552	800	400
Prior period Adjustment	-	5,477	-
Changes in Equity for first quarter	-	-	1,707
LESS: Amortisation of Deferred Income	(459)	(518)	(115)
Cash Flow from Operations	3,565	9,592	4,778
Working Capital Changes			
(Increase)/Decrease in Debtors	(2,436)	440	(1,500)
(Increase)/Decrease in Inventories	(726)	654	851
(Inc.)/Dec: in Adv:, prepay: and other reciev	1,767	4,744	(6,149)
Inc./(Dec:) in Cred:,Accrued & other liabilities	(948)	1,083	5,549
Net Changes From Working Capital	1,222	16,511	3,529
Payments against Retirement Benefits	(256)	(250)	(125)
Payments of tax	(8)	(701)	(815)
Net Cash In/(Out) Flow from Operation	958	15,560	2,589
CASH FROM FINANCING ACTIVITIES:			
Long Term Loans	(272)	(364)	(182)
Transfer of PPTFC to PIIC	-	(11,502)	-
Consumers Secuity Deposits	402	90	(89)
Deferred Credit	3,125	1,688	241
Proceed from Long Term loan	2,762	2,365	-
Financial Charges paid	(589)	(659)	(165)
CASH FROM INVESTING ACTIVITIES:	5,428	(8,381)	(195)
Capital Expenditures	(4,770)	(7,103)	(2,250)
Long Term Advances	2	-	-
Cash In/(Out) flow from Investing Activities	(4,768)	(7,103)	(2,250)
Net Cashflow During the Year	1,618	77	144
Cash - Start of the Year	2,504	4,122	4,200
Cash - End of the Year	4,122	4,200	4,344

Islamabad Electric Supply Company Limited – Annex 3(a)
Summary of Revenue Requirements (FY 2009-10)

Description	Amount (Rs. In Million)	Rs. / Unit
Power Purchase Price	59,040	7.39
O&M Costs	4,151	0.52
Depreciation	1,171	0.15
Return on Rate Base	2,767	0.35
Prior Period Adjustments	5,477	0.69
Gross Revenue Requirements	72,606	9.08
Less: Other Revenues	(1,616)	(0.20)
Net Revenue Requirement	70,990	8.88

Projected No Of Units Sold (Million KWH)

7,993

Working for the Revenue Requirement of 1st Quarter

Rs (In Million)

Revenue Requirement:

Annual Requirement determined

70,990

Actual revenue (1st Quarter)

17,932

Net Revenue Requirement (From 1st October 09 to 30th June, 10)

53,058

Quantitative Data:

MKWH

Annual Projected Sales

7,993

Actual Sales (1st Quarter)

2,340

Net Projected Sales (From: 1st Oct, 09 to 30th June, 10)

5,653

Average per unit rate (From 1st October 09 to 30th June, 10)

9.39

Projected Units (1st October 09 to 31st December, 09)

1,807

Total Revenue Requirement (From 1st October 09 to 31st Dec, 09)

16,962

Islamabad Electric Supply Company Limited
Regulatory Rate Base (Annex 3a)
Second Quarterly (October 09 -December 09) Tariff Petition
Fiscal year 09-10

Description	2009-10
Gross Fixed Assets In Operation	
Opening Fixed Assets in Operation	27,163
Transferred in during the Year	8,747
Closing Fixed Assets in Operation	35,910
Cumulative Depreciation	(10,745)
Net Fixed Assets In Operation	25,165
Closing WIP	5,014
Total Assets	30,179
Less:	
Deferred Credit	(11,088)
Regulatory Rate Base	19,091
Avg Regulatry Rate Base	16,566
 Rate of Return on Rate Base	 16.70%
Return on Rate Base	2,767

Key Assumptions to the Financial Projection

Basic Information

The financial projections have been prepared on the basis of actual results for FY 2008-09. The figures for FY 2009-10 are based on the following assumptions.

Sales (In GWh), Energy Losses & Purchases of Power (GWh & MW) have been projected as given in Table-I below:

Description		Actual			Projected
		FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
Sales	GWh	7,065	7,232	7,201	7,993
Sales Growth	%age	12.69	2.32	(0.45)	11.00
& D Losses (Gross)	%age	12.17	10.28	10.78	11.5
Purchase of Power	GWh	8,044	8,061	8,071	9,032

Table-1

Revenue (in Millions rupees) for the Financial year 09-10 & for the first quarter of fiscal year 09-10 is determined on the requirements to cover the PPP, Operating & Maintenance expenses, debt servicing, depreciation & adequate return on assets etc;.

Other Operating Revenues have been assumed to be increased by 13%.

Power Purchase Price for the fiscal year 09-10 has been arrived at as per NEPRA determination dated 9th December, 09

Operating & Maintenance Expenses have been taken as per NEPRA determination dated 9th December, 09.

Depreciation has been taken on the rates as per company policy. Land (0%), buildings & civil works (2%). Plant and machinery (3.5%), office equipment (10%), mobile plant & equipment (10%) and other assets (10%).

Financial Charges:

Interest Charges have been accrued on Long term Relent Loans from World Bank as per subsidiary loan agreement between Government of Pakistan & IESCO & on Asian Development Bank @ 17 %. Along with routine Bank Charges as incurred from time to time.

Workers Profit Participation Fund Provision has been made as per applicable law.

Provision for Taxation has been made in the financial statements @ 35 %.

Revenue Requirement (for tariff as per revenue requirement scenario for FY 200-10) has been arrived at as under:

RR	=	RORB + Power Purchase Price + O&M (pay & allowance, other operating & admn expenses, insurance, maintenance expenses, provision for bad debts) + Depreciation for the period –(other operating income + other non operating income).
Where:		
RORB	=	Rate Base X WACC
Regulatory	=	Opening Fixed Assets in operations + Transferred in during the

Rate Base	year – accumulated Depreciation + Closing Work in Progress – Un amortized closing balance of deferred credits
-----------	--

Receivables have been assumed to be at 55 days of annual billing. The increase in receivables is usually a result of increase in sales volume and sale rates.

Stocks and Spares have been assumed to remain at 4.5% of average gross fixed assets.

Equity is the total paid up capital and (plus / minus) retained profits / (losses).

Deferred Credit is the amounts received from consumers as **capital contributions and grants received from Federal and Provincial Governments** against Rural Electrification and other deposit works. These are capitalized in the first instance and amortized in later years at 3.5% per annum being the depreciation rate applicable to the assets constructed through capital contributions and grants. The amortization of deferred credit is recognized as income for the relevant year.

Brief Description of Local Loans

Long Term Loan of Rs. 2, 000 Million at Sr. No "1" represents a term finance facility obtained from syndicate of banks with Allied Bank Limited as the lead arranger which is secured against first ranking pari passu hypothecation charge over all present and future fixed assets of the company (excluding land and building) and lien over the Collection and Debt Service Reserve Accounts maintained with Allied Bank Limited. This facility carries interest rate of 3 months' KIBOR plus 1.7% per annum payable on a quarterly basis. Principal amount is to be repaid on a quarterly basis after grace period of eighteen months with final installment due on 30 June 2013.

Foreign Relent loans:

- a. Power Distribution & Enhancement Investment Program (Multi-Tranche Financing Facility) – Tranche "1" from Asian Development Bank. (US\$ 31.86 Million)
- b. Electricity Distribution & Transmission Improvement Project (APL -1) from World Bank (US\$ 58.4 Million)

No Debt Servicing is to be made during the Financial Year 09-10 against both the Foreign Loan. Subsidiary Loan agreement between the GOP & IESCO has been finalized for the loan at Serial No (2) while for the loan at Serial No (1), the agreement is still to be finalized.

Consumer Security Deposits are long term liabilities. These amounts are received against security deposits by consumers at the time of new connection.

Employee's Retirement Benefits have been based on actuarial valuation conducted through qualified consultants.

Sundry Creditors (NTDC / CPPA) is estimated to be paid in accordance with the Invoices received from CPPA.

Other Creditors include payables against material procurement, retention from suppliers and contractors, capital receipts against works / connections to be executed and accounts with associated power sector companies (other than power purchase).

Dividend Payment has not been assumed

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

Estimated sales & Revenue for Oct, 09-Dec, 09 (Three Months) - Annex 4

Description	Sales GWh	Sales Mix	Determined Tariff		Revenue as per Proposed Tariff		
			Fixed Charges Rs./kW	Var. Charges Rs./KWH	Fixed Charges Rs. Mill	Variable Charges Rs. Mill	Total Charges Rs. Mill
Residential - A1							
Up to 50 Units per month	50	2.75		2.00	0	99	99
For Peak Load Requirement Upto 20 kW							
1-100 Units per month	79	4.40		7.00	0	556	556
101-300 Units per month	369	20.45		9.50	0	3,510	3,510
301-700 Units per month	166	9.20		11.65	0	1,937	1,937
Above 700 Units per month	77	4.24		13.00	0	997	997
For Peak Load Requirement Exceeding 20 kW							
Time of Day (TOU) - Peak	2	0.11		13.00	0	26	26
Time of Day (TOU) - Off-Peak	3	0.17		7.50	0	23	23
Temporary	0	0.00		11.80			
Total Domestic	747	41.33			0	7,149	7,149
Commercial - A2							
For Sanctioned load requirement less than 5kW	99	5.48		13.00	0	1,288	1,288
For Sanctioned load 5 KW & above	0						
Regular	26	1.44	400.00	11.00	39	285	324
Time of Day (TOU) - Peak	13	0.70	400.00	13.00	0	164	164
Time of Day (TOU) - Off-Peak	61	3.39	400.00	7.00	92	428	520
Temporary	3	0.18		12.80			
Total Commercial	202	11.19			131	2,166	2,297
Industrial							
B1	22	1.21		9.00	0	196	196
B2	21	1.17	400.00	8.50	37	180	217
B2 - TOU (Peak)	4	0.20	400.00	13.00		48	48
B2 - TOU (Off-Peak)	48	2.64	400.00	7.00	89	334	423
B3 - TOU (Peak)	16	0.86	380.00	12.90		201	201
B3 - TOU (Off-Peak)	98	5.43	380.00	6.90	82	677	758
B4 - TOU (Peak)	26	1.45	360.00	12.80		335	335
B4 - TOU (Off-Peak)	209	11.59	360.00	6.80	215	1,424	1,640
Temporary				9.30			
Total Industrial	444	24.55			423	3,395	3,818
Single Point Supply for further distribution							
C1(a) Supply at 400 Volts - Peak Load upto 20KW	0	0.02		10.00		3	3
C1(b) Supply at 400 Volts - Peak Load above 20KW	15	0.83	400.00	9.25	15	139	154
Time of Day (TOU) - Peak	2	0.10	400.00	13.00		24	24
Time of Day (TOU) - Off-Peak	6	0.31	400.00	7.00	6	40	45
C2 Supply at 11 kV	63	3.50	380.00	9.15	89	579	668
Time of Day (TOU) - Peak	4	0.24	380.00	12.90		55	55
Time of Day (TOU) - Off-Peak	21	1.18	380.00	6.90	30	147	177
C3 Supply above 11 kV	25	1.41	360.00	9.05	26	230	256
Time of Day (TOU) - Peak		0.00	360.00	12.80		0	0
Time of Day (TOU) - Off-Peak		0.00	360.00	6.80	0	0	0
Total Single Point Supply for further distribution	137	7.59			165	1,217	1,382
Agricultural Tube-wells - Tariff D							
Scarp D-1	17	0.94		10.00	0	169	169
Agricultural Tube Well Tariff D-1Peak							
Agricultural Tube Well Tariff D-1Off-Peak							
Agricultural Tube-wells (Punjab & Sindh) D-2	3	0.17	200.00	6.00	6	19	24
Agricultural Tube-wells (NWFP & Balochistan)							
Time of Day (TOU) - Peak	1	0.05	200.00	13.00	0	11	11
Time of Day (TOU) - Off-Peak	4	0.23	200.00	5.00	4	21	24
Total Agricultural Tubewell Tariff-D	25	1.38			9	219	229
Public Lighting - Tariff G	24	1.32		13.00	0	311	311
Housing Colonies Attached to Industrial - H	1	0.06		13.00	0	14	14
Railway Traction - Tariff I							
AJK - Tariff K	227	12.58	0.00	7.75	0	1,762	1,762
Time of Day (TOU) - Peak			360.00	13.00			
Time of Day (TOU) - Off-Peak			360.00	7.00			
Rawat Laboratory	0	0.00		9.25	0	1	1
Gross Total	1807	100.00			729	16,234	16,962

Investment Program

(Annex 5)
(In Million Rupees)

Description	Note	Estimated 2009-10
6 TH STG	1	3,221
Energy Loss Reduction	2	679
DOP	3	300
Capacitors	4	150
Modernization	5	80
Rehabilitation	6	35
VE & Capital Contribution	3	1,688
Installation of TOU Meters	7	550
Automation of Metering & ERP Solution	8	150

Note "1"

During the Financial Year 09-10 both the program as detailed below will be included in the Investment plan:

- a. Power Distribution & Enhancement Investment Program (Multi-Tranche Financing Facility) – Tranche "1" from Asian Development Bank. (**Gross Loan amount US\$ 31.86 Million**)

Expected Investment during the year 09-10 Rs. 940 Million

- b. Electricity Distribution & Transmission Improvement Project (APL -1) from World Bank (**Gross Loan amount US\$ 58.4 Million**)

Expected Investment during the year 09-10 Rs. 2,281 Million

Note "2"

During the F/Y 09-10 the Investment will be financed under the Electricity Distribution & Transmission Improvement Project (APL -1) from World Bank & through own sources.

Note "3"

Investment will be financed from own sources. Significant investment is made under DOP through sources financed by consumers & other sponsors. It also includes the investment under Village Electrification.

Note "4"

During the F/Y 09-10, the financing will be arranged under Power Distribution & Enhancement Investment Program (Multi-Tranche Financing Facility) – Tranche "1" from Asian Development Bank.

Note "5 & 6"

Investment will be financed through Power Distribution & Enhancement Investment Program (Multi-Tranche Financing Facility) – Tranche “1” from Asian Development Bank.

Note “7”

The Installation of TOU Meters is to be made as per authorities' directives. Detailed plan is given in Investment Program.

Note “8”

IESCO plans to spend Rs. 150 Million from own sources for the implementation of ERP project.

Objective of Investment Program & Benefits through financing from International Donors

Summary of Projects under World Bank Financing

STG PROJECTS

GRID STATION COMPONENT

- Construction of four new 132 /11 kv Grid Stations
- Augmentation of Power Transformers in two existing Grid Stations
- Conversion of four existing 66 kv Grid Stations to 132 kv system
- Conversion of three existing 33 kv Grid Stations to 132 kv systems
- Extension of line bays at six Grid Stations locations

STG PROJECTS

SECONDARY TRANSMISSION LINE COMPONENTS

- Construction of secondary transmission lines of 548 kms at various location
- Re-conductoring and/or replacement of two existing secondary transmission lines 944 kms)

ELR COMPONENT

- Implementation of 30 HV and 575 LV feeder proposals in the plan period
- Replacement of 200 existing D- fuse Links & Fittings
- Replacement of 60,000 defective and / or aged Energy Meters
- Replacement of 50,000 defective Customer Services including PG Connectors
- Replacement of Faulty Earthing Installed at 200 distribution transformers
- Replacement of 40,000 loose joints in 20 feeders
- Installation of 40 lines sectionalizers
- Installation of 9 MV Ar HT capacitors banks at 20 locations
- Inclusion of 500 LV capacitors of various ratings
- Procurement of T & P & vehicles

Summary of Projects under ADB Financing

STG subprojects

Description of Works

Location

- | | |
|-------------------------------|-----------------|
| • 13-40MVA augmentation | H-11, Islambad |
| • 26-40MVA augmentation | Chakwal |
| • 26-40MVA augmentation | KTM |
| • 13-26MVA augmentation | Rawalkot |
| • 13-40MVA augmentation | F-11 Islamabad |
| • 2 x 26-40MVA augmentation | Zero Point |
| • 2 x 26-40MVA augmentation | Rawal |
| • 2 x 26-40MVA augmentation | I-8 Islamabad |
| • 26-40MVA augmentation | Pir Wadhai |
| • 13-26MVA augmentation | Kahuta City |
| • 13-26MVA augmentation | Fariqabad |
| • 13-26MVA augmentation | Margalla |
| • 13-26MVA augmentation | Dina |
| • 13-26MVA augmentation | Jatli |
| • 13-26MVA augmentation | Chak Sawari |
| • 13-26MVA augmentation | Attock |
| • 26-40MVA augmentation | Kamalabad |
| • 26-40MVA augmentation | Cant Rawalpindi |
| • 13-26MVA augmentation | Mangla R Bank |
| • 13-26MVA augmentation | Mangla L Bank |
| • 26MVA transformer extension | F-6 T/Shahed |
| • 13MVA transformer extension | Khoi Ratta |
| • 26MVA transformer extension | Taxila |
| • 26MVA transformer extension | Gujar Khan |
| • 26MVA transformer extension | Mirpur |

Non-STG subprojects:

- Installation of Capacitors – 132kV & 11kV capacitors
- Modernization – Install reclosers & sectionalisers to improve
- system performance
- Rehabilitation – Replace time expired/technically inadequate substation equipment

Benefits

The above mentioned Investment program will yield following Benefits:

Benefits of Investment program under ADB Program

- 1) Improve power distribution infrastructure through system augmentation, rehabilitation & expansion; & relieve the power system from distribution bottlenecks & constraints.
- 2) Enable continued operation & maintenance in accordance with best international practices.
- 3) Commercialize IESCO operations, specifically (a) IESCO will adhere to the regulatory requirements & comply with the security standards; (b) additional energy will be supplied through the grids annually (c) the system will be capable of meeting peak demand, with electricity outages significantly reduced; and (d) thousands of other consumers will have access to the electricity.

Benefits of Investment program under WORLD BANK Program

- 1) Addition of 200 MVA capacity from the new grid stations & augmentation of transformers that is anticipated to benefit an additional 130,000 new consumers.
- 2) It will bring down the average length of 11 kv feeders from 28 km to 26 km
- 3) It will improve the voltage profile.
- 4) it will improve the quality of supply (approximately 14 MW/ 55 GWH is expected to be saved & will help bringing down the losses over the years.

Other Benefits:

The implementation of these projects will help improve quality of service and expand customer base through construction, augmentation and renovation of the system. The investment on DOP is substantially financed through capital contributions whereas Rural Electrification (where applicable) is undertaken through grants from GOP & it will help to provide electricity at far off areas.

REPLACEMENT OF METERS HAVING LOAD 5 KW & ABOVE

As per new tariff all consumers governed by the tariff A-1, A-2 & B-1, B-2 having load above 5 KW are required to be billed under TOD tariff. At present approximately 1,50,000 three phase meters having load more than 5 KW are existing in IESCO Network.

According to latest instructions / clarification issued by NEPRA that the cost for replacement of existing meters with TOU meter will be born by the DISCO's and cost may be claim through tariff determination for 2009-2010. TOU meters require LT CT's & MSB. The following are the barriers in implementation of this decision.

- i). The tentative cost for the replacement of TOU meters will be Rs.150,000x11000 = 1650 Million. It is just out of question to claim such huge amount in a single request being practically impossible for the field formations to get replaced all the requisite quantity in a single go, therefore, IESCO has formed a strategy that this assignment will be completed in three to four year to avoid the replacement effect on consumer's tariff and additional burden on IESCO staff.
- ii). It is pertinent to point out here that after installation of TOU meters the meter reading activities would require more skilled manpower because the existing meter readers are insufficient and not trained for this specific job to control the existing activities. The meter reading of TOU meters will take more time as compared to the plain meters with the possibility of delayed meter reading and billing.

Keeping in view the extra financial burden and technical / administrative reason, as mentioned above and other bottleneck / barriers, the following is suggested for consideration of Authority.

- a. In the first phase meters of the consumers may be replaced above 10KW and same will be replaced & accordingly their financial effect may be claimed in tariff petition for 2009-2010

The consumers having load upto 5 KW may be replaced in three phases due to their massive numbers.

- b) Under 2nd phase 50,000 meters of the consumers may be replaced between 5 KW & upto 10 KW and accordingly their financial effect may be claimed in the next tariff petition on quarterly basis.
- c) Under 3rd phase 50,000 meters of the consumers may be replaced having load of 5 KW and accordingly their financial effect may be claimed in the next following tariff petition on quarterly basis.

2) The following time schedule is hereby proposed for implementation of instructions:-

Under first phase 50,000 meters will be replaced before 30.06.2010.
 Under 2nd phase 50,000 meters will be replaced before 30.06.2011.
 Under 3rd phase 50,000 meters will be replaced before 30.06.2012.

FINANCIAL IMPACT FOR REPLACEMENT UNDER FIRST PHASE

No. of Meters	Cost of Meters (Rs.)	Total (Rs. In Million)
50,000	11,000	550

ERP

IESCO intends to implement the ERP system in future that requires approximately Rs. 100 Million. Requirement for additional posts as approved by Board of Directors for the restructuring is about Rs. 4 Million. Further, IESCO will require approximately Rs. 50 Million to automate the Grid Stations Metering system to start process to meet with the NEPRA performance standards.



We light up life...

No. FDI /IESCO/ 3296

Dated: 11/01/2010

The Registrar,
National Electric Power Regulatory Authority,
OPF Building, 2nd Floor, Sector G-5/2,
Islamabad

QUARTERLY TARIFF PETITION FOR DETERMINATION OF CONSUMER END TARIFF FOR THE PERIOD (OCTOBER 09 TO DECEMBER 09) IN RESPECT OF ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED (IESCO) (Distribution License No01/DL/2001 dated 2nd Nov. 01) CASE NO NEPRA/TRF-129/IESCO-2009 (4)

Dear Sir,

In continuation of this office letter No. FDI/IESCO/1492 dated 17/12/2009 and subsequent information required by NEPRA. Please find enclosed the following:-

1. Summary of Revenue Requirement for Quarterly Tariff of Financial Year 2009-10.
2. Statement Showing Monthly Cost of Power Purchase from CPPA/NTDC .
3. Statement Showing the Detail of Operation and Maintenance Budget.
4. Break up of Other Income.
5. Schedule of Comparative Charges.
6. Estimated Sales & Revenue for 2nd Quarter.
7. Projected Financial Statement including Actual Results for 2008-09 and 1st Quarter for 2009-10 also with projected result of 2nd Quarter of 2009-10 and complete Financial Year 2009-10.

It is therefore submitted that page No. 7,8,9,10,11,12,13,14 & 18 of the Tariff Petition may please be replaced as the financial statements has been updated with respect to actual results till December 2009 except provisional O&M expenditure for December 2009, to facilitate the Authority in making decision.

With best regards,

Finance Director
IESCO, Islamabad

Registrar
Dy. No. 0135
Date: 11-01-10

For information ^{encl.} hl.

D/8 (T) - I

cc: Chairman
Member (T)

Please take up quickly.
AD (MR)

Islamabad Electric Supply Company Limited

Summary of Revenue Requirements For Quarterly Tariff of FY 2009-10

Description	Annex Ref:	Rs. in Million			Rs./KWH SOLD		
		IESCO Revenue Requirement for 2009-10	NEPRA Determination 2009-10	2nd Quarter (2009-10) (Oct-Dec 09) (Projected)	IESCO Revenue Requirement for 2009-10	NEPRA Determination 2009-10	2nd Quarter (2009-10) (Oct-Dec 09) (Projected)
No. of Unit Sold (MKWA)		7,242	8,129	1,836			
No. of Unit Purchased (MKWA)		8,230	9,032	1,870			
DISTRIBUTION & TRANSMISSION LOSSES		12.00%	10.00%	11.50%			
POWER PURCHASE PRICE		46,132.00	59,040.00	12,145	5.61	6.54	6.50
O&M Cost							
Pay and Allowances		3,087.00	2,954.00	468	0.43	0.36	0.25
other Operating Cost		961.00	715.00	388	0.13	0.09	0.21
Repair and Maintenance		627.00	482.00	186	0.09	0.06	0.10
Total O&M Cost		4,675.00	4,151.00	1042	0.65	0.51	0.57
Provision for Bad Debts		-	-	-		-	-
Depreciation		1,180.00	1,171.00	293	0.16	0.14	0.16
Return on Rate Base		2,871.00	2,590.00	618	0.40	0.32	0.34
Taxation					-	-	-
Less Other Revenue		(1,616.00)	(1,616.00)	(389)	(0.22)	(0.20)	(0.21)
Distribution Margin		7,110.00	6,296.00	1,564	0.98	0.77	0.85
Prior Year Adjustments		5,477.00	5,477.00	3,494	0.76	0.67	1.90
						-	-
Net Revenue Requirement		58,719.00	70,813.00	17,202	8.11	8.71	9.37

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

STATEMENT SHOWING MONTHLY POWER PURCHASE PRICE FROM CPA/NTDC

MONTHS	UNITS (Kwh)	*EPP (Rs) i	*EPP (Rs) ii	CPP (Rs)	UOSC (Rs)	PPP (Rs/kwh)	PPP (Rs)	AVG PPP (Rs/kwh)
JULY	907,793,166	3,571,123,962	139,143,813	797,292,024	142,111,849	5.12	4,649,671,648	
AUGUST	903,246,773	3,158,488,671	459,822,157	869,844,603	151,252,239	5.14	4,639,407,670	
SEPTEMBER	853,229,777	3,214,468,954	486,067,939	939,041,606	166,983,801	5.63	4,806,562,300	
1st Qrt	2,664,269,716	9,944,081,587	1,085,033,909	2,606,178,233	460,347,888	5.29	14,095,641,617	
OCTOBER	677,589,749	2,978,394,528	248,412,533	915,238,400	145,674,685	6.33	4,287,720,146	
NOVEMBER	586,646,942	2,744,918,695	291,958,344	727,739,175	100,472,483	6.59	3,865,088,697	
DECEMBER	605,910,981	2,835,055,056	301,545,536	751,636,335	103,771,752	6.59	3,992,008,679	
2nd Qrt	1,870,147,672	8,558,368,279	841,916,413	2,394,613,910	349,918,919	6.49	12,144,817,522	
TOTAL	4,534,417,388	18,502,449,866	1,926,950,322	5,000,792,143	810,266,807	5.79	26,240,459,139	5.79

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED
STATEMENT SHOWING THE DETAIL OF OPERATION AND MAINTENANCE BUDGET

A/C CODE	DESCRIPTION	AUDITED 2008-09	ACTUAL (JUL-SEP, 2009)	ACTUAL / PROJ (OCT-DEC, 2009)
ESTABLISHMENT				
520100	Pay and Allowances	1,498.604	405.483	445.391
520200	Wages of Cont. Labour	87.820	20.220	20.933
520300	Daily Wages Labour	5.860	2.267	1.563
	Total Pay & Allowances	1,592.284	427.971	467.887
520400	Employees Benefits	597.734	109.076	140.039
520500	Provident Fund / Pension	378.678	105.633	75.413
560100	Rent,Rate & Taxes	22.137	3.959	3.983
570000	Power,Light & Water	15.637	3.227	5.310
580100	Communication & Postage	16.234	4.099	4.006
590000	Office Supplies & Other Exp:	37.450	2.747	3.138
610000	Advertising & Publicity	7.317	0.760	0.031
620000	Subscription & Periodical	0.849	0.286	4.366
640000	Entertainment	1.478	0.162	0.247
650000	Travelling Expenses	97.157	23.140	27.557
660000	Injuries & Damages	3.695	-	2.926
710000	Collection Expenses	156.912	44.235	43.882
730100	Professional Fees	17.077	2.357	3.832
740000	Out Side Service Employed	-	-	-
750000	Management Fee (A.O.H)	37.062	0.540	2.809
770000	Miscellaneous Expenses	17.866	4.039	2.535
780000	NEPRA Fees	16.466	9.897	-
	SUB TOTAL	3,016.033	742.125	787.962
MAINTENANCE				
5302 / 800	A & MR Civil Works	33.600	8.710	9.268
530600	R & M Distribution Plant	401.485	137.652	175.951
530700	R & M General Plant	3.439	1.003	1.939
670000	Insurance Premium	7.454	-	-
750000	Management Fee (A.O.H)	7.591	0.111	0.166
760000	Vehicle Expenses	204.189	37.699	66.714
	SUB TOTAL	657.758	185.175	254.038
	GRAND TOTAL	3,673.79	927.30	1,042.00

ISLAMABAD ELECTRIC SUPPLY COMPANY				Rs.in million	
BREAK-UP OF OTHER INCOME	Audited	Audited	Actuals	Projected	
	2007-08	2008-2009	1st QTR 09-10	2nd QTR 09-10	
METER RENTALS	23.25	23.92	6.42	6.37	
PUBLIC LIGHTING (OTHER THAN ENERGY CHARGES)	11.45	12.14	3.02	3.79	
SERVICE RENTALS	2.30	1.05	0.33	0.56	
CONNECTION FEES	0.05	0.00	0.00	0.00	
RECONNECTION FEES	2.27	2.00	0.21	0.00	
Total	39.33	39.11	9.97	10.72	
Interest Income	505.73	123.29	11.43	10.89	
sale of scrap	53.81	1.13	0.00	0.00	
LATE PAYMENT SURCHARGE	175.29	274.81	257.34	122.07	
MISCELLANEOUS SERVICE REVENUES	0.72	0.83	0.59	0.65	
RENTAL INCOME FROM ELEC. PROP. (MOBILE GENERATORS)	0.29	0.09	0.02	0.04	
OTHER ELECTRIC REVENUES	57.96	68.51	12.23	15.39	
NON-OPERATING REVENUE	339.39	279.95	56.52	77.33	
MISCELLANEOUS NON OPERATING REVENUES	136.50	186.02	26.63	37.18	
Amortization of deferred credits	384.51	458.74	97.78	115.05	
Total	1654.21	1393.36	462.54	378.60	
Grand Total	1693.53	1432.47	472.51	389.32	

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

(Annex 2)

Schedule of Comparative Charges

Description	Proposed Tariff		NEPRA Determined Tariff for the 1 st Quarter of Financial Year 09-10	
	Fixed Charges Rs./kW	Var. Charges Rs./KWH	Fixed Charges Rs./kW	Var. Charges Rs./KWH
Residential -A1				
Up to 50 Units per month		2.00		2.00
For Peak Load Requirement Upto 20 kW				
1-100 Units per month		7.50		7.00
101-300 Units per month		10.00		9.50
301-700 Units per month		12.30		12.00
Above 700 Units per month		13.50		13.00
For Peak Load Requirement Exceeding 20 kW				
Time of Day (TOU) - Peak		15.00		13.00
Time of Day (TOU) -Off-Peak		8.00		7.50
Temporary		13.50		13.00
Total Domestic				
Commercial - A2				
For Sanctioned load requirement less than 5kW		13.50		13.00
For Sanctioned load requirement 5 kW & above.				
Regular	400.00	11.50	400.00	11.00
Time of Day (TOU) - Peak	400.00	15.00	400.00	13.00
Time of Day (TOU) - Off-Peak	400.00	7.50	400.00	7.00
Temporary		13.50		13.00
Total Commercial				
Industrial				
B1		9.50		9.00
B2	400.00	9.00	400.00	8.50
B2 - TOU (Peak)	400.00	15.00	400.00	13.00
B2 - TOU (Off-Peak)	400.00	7.50	400.00	7.00
B3 - TOU (Peak)	380.00	14.90	380.00	12.90
B3 - TOU (Off-Peak)	380.00	7.40	380.00	6.90

B4 - TOU (Peak)	360.00	14.80	360.00	12.80
B4 - TOU (Off-Peak)	360.00	7.30	360.00	6.80
Temporary		9.50		9.00
Total Industrial				
Single Point Supply for further distribution				
C1(a) Supply at 400 Volts - Peak Load upto 20KW		10.50		10.00
C1(b) Supply at 400 Volts - Peak Load above 20KW	400.00	9.75	400.00	9.25
Time of Day (TOU) - Peak	400.00	15.00	400.00	13.00
Time of Day (TOU) - Off-Peak	400.00	7.50	400.00	7.00
C2 Supply at 11 kV	380.00	9.50	380.00	9.15
Time of Day (TOU) - Peak	380.00	14.90	380.00	12.90
Time of Day (TOU) - Off-Peak	380.00	7.40	380.00	6.90
C3 Supply above 11 kV	360.00	9.25	360.00	9.05
Time of Day (TOU) - Peak	360.00	14.80	360.00	12.80
Time of Day (TOU) - Off-Peak	360.00	7.30	360.00	6.80
Total Single Point Supply for further distribution				
Agricultural Tube-wells - Tariff D				
Scarp D-1		10.50		10.00
Agricultural Tube Well Tariff D-1Peak	200.00	15.00	200.00	13.00
Agricultural Tube Well Tariff D-1Off-Peak	200.00	5.00	200.00	5.00
Agricultural Tube-wells (Punjab & Sindh) D-2	200.00	6.00	200.00	6.00
Agricultural Tube-wells (NWFP & Balochistan)				
Total Agricultural Tubewell Tariff-D				
Public Lighting - Tariff G		13.50		13.00
Housing Colonies Attached to Industrial - H		13.50		13.00
Railway Traction - Tariff I				
AJK - Tariff K	360.00	6.20	360.00	7.75
Time of Day (TOU) - Peak	360.00	15.00	360.00	13.00
Time of Day (TOU) - Off-Peak	360.00	7.00	360.00	7.00
Rawat Laboratory		10.00		9.25
Gross Total				

ISLAMABAD ELECTRIC SUPPLY COMPANY LIMITED

Estimated sales & Revenue for Oct'09-Dec'09 (Three Months)

Description	Sales GWh	Sales Mix	Proposed Tariff		Revenue as per Proposed Tariff		
			Fixed Charges Rs./kW	Var. Charges Rs./KWH	Fixed Charges Rs. Mill	Variable Charges Rs. Mill	Total Charges Rs. Mill
Residential -A1							
Up to 50 Units per month	50	2.13		2.00	0	101	101
For Peak Load Requirement Upto 5 kW - A1(a)							
1-100 Units per month	302	16.70		7.50	0	2,263	2,263
101-300 Units per month	258	14.27		10.00	0	2,579	2,579
301-700 Units per month	70	3.90		12.30	0	867	867
Above 700 Units per month	90	4.09		13.50	0	1,214	1,214
For Peak Load Requirement Exceeding 5 kW - A1(b)							
Time of Day (TOU) - Peak	1	0.04		15.00	0	11	11
Time of Day (TOU) -Off-Peak	4	0.20		8.00	0	29	29
Temporary E-1(i)	0	0.00		13.50		1	1
Total Domestic	775	42.22			0	7,065	7,065
Commercial - A2							
For peak load requirement up to 5kW - A2(a)	99	5.40		13.50	0	1,338	1,338
For Peak load requirement exceeding 5 kW							
Regular - A2(b)	26	1.41	400.00	1.50	39	298	337
Time of Day (TOU) - A2(c)Peak	13	0.69	400.00	15.00	0	189	189
Time of Day (TOU) - A2(c)Off-Peak	61	3.33	400.00	7.50	92	459	551
Temporary E-1(ii)	3	0.18		13.50		45	45
Total Commercial	202	11.02			131	2,329	2,460
Industrial							
B1 Less than 5KW (400/230 volts)	22	1.19		9.50	0	207	207
B2(a) 5-500KW (400 volts)	21	1.15	400.00	9.00	37	190	228
B2(b) - TOU (Peak) (400 volts)	4	0.20	400.00	15.00		55	55
B2(b) - TOU (Off-Peak) (400 volts)	48	2.60	400.00	7.50	89	358	446
B3 - TOU (Peak) all loads upto 5000KW (11/33 Kv)	16	0.85	380.00	4.90		232	232
B3 - TOU (Off-Peak) all loads upto 5000KW (11/33 Kv)	98	5.34	380.00	7.40	82	726	807
B4 - TOU (Peak) all loads 66/132 kv and above	26	1.43	360.00	14.80		388	388
B4 - TOU (Off-Peak) all loads 66/132 kv and above	209	11.39	360.00	7.30	215	1,527	1,741
Temporary E-2	0	0.02		9.50		3	3
Total Industrial	444	24.17			423	3,686	4,108
Single Point Supply for further distribution							
C-1(a) 400/230 Volts - Load upto 5KW	0	0.02		10.50		3	3
C-1(b) 400/230 Volts - Load 5-500KW	15	0.82	400.00	9.75	15	146	161
Time of Day (TOU) - C-1(c)Peak 400/230 volts5-500KW	2	0.10	400.00	15.00		28	28
Time of Day (TOU) - C-1(c)Off-Peak 400/230 volts5-500KW	6	0.31	400.00	7.50	6	42	48
C-2(a) Supply at 11/ 33 kV upto & including 5000KW	63	3.45	380.00	9.50	89	601	690
Time of Day (TOU) - C-2(b) Peak upto & inc. 5000KW	4	0.23	380.00	14.90		64	64
Time of Day (TOU) - C-2(b) Off-Peak upto & inc. 5000KW	21	1.16	380.00	7.40	30	158	188
C-3(a) 66/above kV, Load above 5000KW	19	1.01	360.00	9.25	19	171	190
Time of Day (TOU) - C-3(b) Peak, above 5000KW 66/Above	1	0.07	360.00	14.80		18	18
Time of Day (TOU) - C-3(b) Off-Peak, above 5000KW 66/Above Kv	6	0.31	360.00	7.30	6	42	47
Total Single Point Supply for further distribution	137	7.47			164	1,273	1,437
Agricultural Tube-wells - Tariff D							
Scarp D-1(a)	17	0.92		10.50	0	178	178
Agricultural Tube Well Tariff D-1(b) Peak	1	0.04	200.00	15.00	0	12	12
Agricultural Tube Well Tariff D-1(b) Off-Peak	4	0.22	200.00	5.00	4	21	24
Agricultural Tube-wells (Punjab & Sindh) D-2	3	0.17	200.00	5.00	6	19	24
Total Agricultural Tubewell Tariff-D	25	1.36			9	229	239
Public Lighting - Tariff -G	24	1.30		13.50	0	323	323
Housing Colonies Attached to Industrial - H	1	0.06		13.50	0	14	14
Railway Traction - Tariff -I							
AJK - Tariff -K(a)	227	12.39	360.00	6.20	146	1,410	1,555
Time of Day (TOU) - K (b) Peak			360.00	15.00			
Time of Day (TOU) - K (b) Off-Peak			360.00	7.00			
Rawat Laboratory - K(c)	0	0.00		10.00	0	1	1
Gross Total	1835	100.00			873	16,330	17,202

Islamabad Electric Supply Company Limited

Technical Data

Description	Units	ACTUAL (08-09)	PROJECTED 2009-10	Provisional July-09 to Sept-09)	PROJECTED (Oct-09 to Dec-09)
NO OF CUSTOMERS	Million	1.99	2.10		
UNITS SOLD	MKWH	7,201	,993	2,340	1,836
GROWTH IN UNITS SOLD	% age	-0.43%	-0.00%		
DISTRIBUTION & TRANSMISSION LOSSES	% age	10.78%	11.50%	12.16%	1.81%
UNITS PURCHASED	MKWH	8,071	,032	2,664	1,870
POWER PURCHASE PRICE	Rs. / KWH	5.43	6.53	5.29	6.50
ADJUSTED POWER PURCHASE PRICE	Rs. / KWH	6.09	7.38	6.02	6.62
AVERAGE RETAIL TARIFF	Rs. / KWH	6.90	8.88	7.70	9.37

Islamabad Electric Supply Company Limited

Profit and Loss Accounts

Description	ACTUAL (08-09)	PROJECTED 2009-10	Provisional July-09 to Sept-09	PROJECTED (Oct-09 to Dec-09)
REVENUE:				
Electricity sales	49,687	65,413	18,026	13,708
Rental and Service Income	27	28	7	7
	49,714	65,441	18,033	13,715
Amortization of deferred credit	459	418	98	115
Net Revenue	50,173	66,059	18,131	13,829
OPERATING COST:				
Cost of Electricity	43,866	59,040	14,096	12,145
Other operating costs	3,674	3,751	927	1,042
Depreciation	930	1,171	231	293
	48,470	64,362	15,254	13,479
	1,703	1,697	2,877	350
OTHER INCOME:	917	1,970	368	267
Profit/(Loss) before Interest and Taxes	2,650	3,767	3,245	618
FINANCIAL AND OTHER CHARGES				
Financial charges	484	559	165	165
Workers, Profit Participation Funds(WPPF)	108	105	154	23
PROFIT/(loss) before tax	2,057	3,002	2,926	430
Taxation:				
Previous Year				
Provision for Tax: Current		701	1,024	151
: Deferred	980			
Net Profit/(Loss) for the year	1,077	1,302	1,902	280
PROFIT/(LOSS) BROUGHT FORWARD	(1,181)	(28)	(28)	1,874
Adjustment in Equity	76	477		1,493
ACC. PROFIT/(LOSS) CARRIED FORWARD	(28)	6,751	1,874	5,647

Islamabad Electric Supply Company Limited

Balance Sheet

Description	ACTUAL (08-09)	PROJECTED 2009-10	Provisional July-09 to Sept-09)	PROJECTED (Oct-09 to Dec-09)
Assets:				
<u>Fixed Assets:</u>				
Gross Fixed Assets (At Revalued Amount)	12,083	10,830	46,048	46,457
LESS: Accumulated Depreciation	9,429	6,750	9,710	10,003
Net Fixed Assets	32,604	40,181	36,338	36,454
Capital Work in Progress	6,958	8,414	3,957	4,834
Long Term Advances & other deposits	11	11	11	11
<u>Current Assets:</u>				
Inventory / Stores & Spares	2,270	1,616	2,659	1,419
Account Receivable	8,337	7,897	9,587	9,837
Advances, Deposits, Prepay. & Other Rec.	8,770	1,026	12,626	15,957
Cash & Bank Balances	4,123	4,200	3,707	4,344
Total Current Assets	23,500	13,740	28,580	31,557
TOTAL ASSETS	63,073	63,245	68,885	72,857
<u>Equity & Liabilities</u>				
Issued Share Capital	5,798	5,798	5,798	5,798
Accumulated Profit/(Losses)	(28)	1,751	1,874	5,647
Net Equity	5,771	7,549	7,672	11,445
Surplus on revaluation of fixed assets	11,696	696	11,696	11,696
<u>Long Term / Deferred Liabilities</u>				
Long term Loans	10,060	6,311	11,699	9,879
Consumer's Security Deposits	1,779	1,869	1,869	1,780
Employees Retirement Benefits	4,017	1,567	4,017	4,292
Deferred Tax Liability	3,108	3,108	3,108	3,108
Deferred Credits (Consumer's Capital Cont. etc.)	9,400	1,570	7,829	9,755
Total Long Term / Deferred Liability	28,364	24,424	28,521	28,815
<u>Current Liabilities</u>				
Current Maturity of long term loan	4,615	864	3,750	4,614
Creditors, Accrued & Other Liabilities	12,629	1,711	17,246	16,287
Total Current Liability	17,243	2,575	20,996	20,901
TOTAL LIABILITIES & EQUITY	63,073	63,245	68,885	72,857

Islamabad Electric Supply Company Limited

Cash Flow Statement

Description	ACTUAL (08-09)	PROJECTED 2009-10	Provisional July-09 to Sept-09	PROJECTED (Oct-09 to Dec-09)
Cash Flow From Operatin Activities				
Profit/(Loss) before Interest and Taxes	2,057	2,802	2,926	430
Adjustments:				
ADD: Depreciation	930	1,171	231	293
Interest Expense	484	559	165	165
Provision for Staff Retirement benefits	552	800	400	400
Prior period Adjustment	-	5,177	-	3,493
Changes in Equity for first quarter				
LESS: Amortisation of Deferred Income	(459)	(318)	(98)	(115)
Cash Flow from Operations	3,565	10,092	3,624	4,666
Working Capital Changes				
(Increase)/Decrease in Debtors	2,436	40	(1,250)	(250)
(Increase)/Decrease in Inventories	(726)	54	(389)	1,240
(Inc)/Dec: in Adv., prepay: and other reciev	1,767	4,744	(3,856)	(3,331)
Inc/(Dec): in Credit/Accrued & other liabilities	(948)	(2,083)	4,617	(959)
Net Changes From Working Capital	1,222	10,311	2,746	1,367
Payments against Retirement Benefits	256	250	(400)	(125)
Payments of tax	(8)	(301)	(1,024)	(151)
Net Cash In/(Out) Flow from Operation	958	10,060	1,322	1,091
CASH FROM FINANCING ACTIVITIES:				
Long Term Loans	(272)	364	774	(956)
Transfer of PPTEC to PHC	-	(3,602)	-	-
Consumers Security Deposits	102	90	90	(89)
Deferred Credit	3,125	588	(1,473)	2,041
Proceed from Long Term loan	2,762	365	-	-
Financial Charges paid	(589)	(559)	(165)	(165)
CASH FROM INVESTING ACTIVITIES:	5,428	8,381	(774)	832
Capital Expenditures	(4,770)	(103)	(964)	(1,286)
Long Term Advances	2	-	-	-
Cash In/(Out) flow from Investing Activities	(4,768)	(103)	(964)	(1,286)
Net Cashflow During the Year	1,618	77	(416)	637
Cash - Start of the Year	2,504	3,122	4,122	3,707
Cash - End of the Year	4,122	3,200	3,707	4,344

Islamabad Electric Supply Company Limited
Summary of Revenue Requirements (FY 2009-10)

Description	Amount (Rs. In Million)	Rs. / Unit
Power Purchase Price	59,040	7.39
O&M Costs	4,151	0.52
Depreciation	1,171	0.15
Return on Rate Base	2,767	0.35
Prior Period Adjustments	5,477	0.69
Gross Revenue Requirements	72,606	9.08
Less: Other Revenues	(1,616)	(0.20)
Net Revenue Requirement	70,990	8.88
Projected No Of Units Sold (Million KWH)	7,993	
<u>Working for the Revenue Requirement of 1st Quarter</u>		
	<u>Rs (In Million)</u>	
Revenue Requirement:		
Annual Requirement determined	70,990	
Actual revenue (1st Quarter)	18,026	
Net Revenue Requirement (From 1st October 09 to 30th June, 10)	52,964	
<u>Quantitative Data:</u>		
	<u>MKWH</u>	
Annual Projected Sales	7,993	
Actual Sales (1st Quarter)	2,340	
Net Projected Sales (From 1st Oct, 09 to 30th June, 10)	5,653	
Average per unit rate (From 1st October 09 to 30th June, 10)	9.37	
Projected Units (1st October 09 to 31st December, 09)	1,836	
Total Revenue Requirement	17,202	