

LIST OF ISSUES FOR HEARING

EPC STAGE TARIFF PROPOSAL OF 700.7 MW AZAD PATTAN HYDROPOWER PROJECT SUBMITTED BY CENTRAL POWER PURCHASING AGENCY GUARANTEE LIMITED (CPPA-G)

1. Whether the change in the project design has been approved by the competent Authority/forum?
2. Whether the claimed plant Capacity factor of 53.1% as against the 54.84% allowed and net annual Energy of 3258 GWh as against the 3,064 GWh allowed, for negotiating power acquisition contract at the feasibility stage, is justified?
3. Whether EPC bidding process has been conducted in a transparent manner?
4. Whether the requested firm EPC cost of US\$ 1,013.281 million is justified?
5. Whether non EPC cost amounting to US\$ 284.883 million is justified?
6. Whether the Sinosure Fee amounting to US\$ 35.43 million claimed by the Petitioner on debt (both local and foreign) and equity is justified?
7. Whether the claimed per annum O&M cost of US\$ 31.22 million for Fixed and Variable O&M during operations is justified?
8. Whether the claimed Insurance cost per annum for the operation period based at 1% of the EPC cost justified?
9. Whether the claimed financing terms i.e. spread of 4.2% on LIBOR is justified?
10. Whether the claimed one-time adjustment in the price of tunnel due to the change in rock classification is justified?
11. Whether the claimed special return on equity invested during the 30 months prior to construction is justified?
12. Whether the claimed legal cost of US\$ 13.678 million is justified?
13. Whether the WHT on dividend is justified?
14. Any other issues the Authority deem appropriate.
15. Does the net estimated annual energy of 3258Gwh exclude the estimated annual energy lost in outages?
16. What is the justification for the large increase in EPC stage levelized tariff (US cents 8.1032/Kwh) from the feasibility Stage levelized tariff of US cent 6.1893/Kwh when the EPC cost has decreased from US \$ 1.54/MW to US \$ 1.45/MW?
17. 48.07% of the civil works cost has been shown as "Fixed Cost" in the material cost escalation table which excludes the costs of cement, steel, fuel and labour. The breakup of the fixed cost of civil works may be provided along with its justification.