



Registrar

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/SAT-I/TRF-100/ 848-71

May 31, 2018

Subject: NOTICE OF HEARING IN THE MATTER OF FEASIBILITY STAGE TARIFF PROPOSAL OF 640 MW MAHL HYDRO POWER PROJECT SUBMITTED BY CENTRAL POWER PURCHASING AGENCY GUARANTEE LIMITED (CPPA-G)

1. The Authority has admitted the Feasibility stage tariff proposal of 640 MW Mahl hydro power project filed by central power purchasing agency guarantee limited (CPPA-G) for consideration. Notice of admission along with salient features was advertised to the general public on May 30, 2018 (Copy enclosed) inviting comments along with evidence (if any) from interested persons.
2. Based on the information given, the Authority has decided to hold a hearing as per the following schedule:

Date : June 07, 2018 (Thursday)

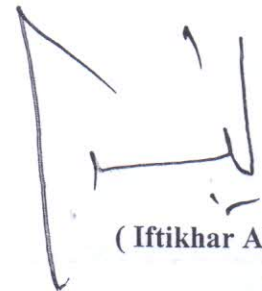
Time : 11:00 am

Venue: NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad

3. In view of your interest, you may like to comment on the subject matter to assist the Authority in arriving at a just and informed decision. If you have any comments please forward the same within seven (7) days of publication of attached advertisement.
4. Please depute a senior officer to attend the hearing and also intimate the name of person(s) who is/are authorized to participate in hearing.
5. Copy of the petition and issue framed in the matter can be downloaded from www.nepra.org.pk

Attachment:

1. Advertisement
2. Contents of Affidavit
3. Sample format for Intervention Request

 31/5/18

(Iftikhar Ali Khan)
Director
Registrar Office

1. President The Federation of Pakistan Chamber of Commerce and Industry (FPCCI), Federation House, Main Clifton <u>Karachi</u> - 5675600	2. Chairman Public Sector Utility, Sub-Committee Karachi Chamber of Commerce & Industries (KCCI) Aiwan-e-Tijarat Road, Shahrah-e-Liaquat <u>Karachi-2</u>
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3.	President Islamabad Chamber of Commerce & Industry G-8/1, <u>Islamabad</u>	4.	President Hyderabad Chamber of Commerce & Industry 488, Chamber Road, Saddar, <u>Hyderabad</u>
5.	President Lahore Chamber of Commerce & Industry 11, Shahrah-e-Awan-e-Tijarat, <u>Lahore</u>	6.	President Senior Citizen Foundation of Pakistan 5-P, Markaz G-7, Sitara Market, <u>Isl</u>
7.	Chairman All Pakistan Textile Mills Association, APTMA House, 44-A, Lalazar P.O. Box 5446 Moulvi Tamizuddin Khan Road, <u>Karachi</u>	8.	Ch Sr Development, 6th Floor, LDA Plaza, Egerton Road, <u>Lahore</u>
9.	Chairman S.I.T.E. Association of Industry H-16, S.I.T.E., <u>Karachi</u>	10.	Executive Director, Transparency International-Pakistan, 5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII, D.H.A., <u>Karachi</u> .
11.	Chairman National Accountability Bureau, Attaturk Avenue G-5/2, <u>Islamabad</u>	12.	Director General Hydrocarbon Development Institute of Pakistan Plot No. 20, Sector H-9, <u>Islamabad</u>
13.	Chairman Board of Investment, PM Secretariat (Public), Ataturk Avenue, G-5/1, <u>Islamabad</u>	14.	General Manager, Karachi Shipyard and Engineering Works Ltd., West Wharf, Dockyard Road, <u>Karachi</u> - 74000
15.	Managing Director, Heavy Mechanical Complex (Pvt.) Ltd., <u>Taxila</u>	16.	Secretary, Indus River System Authority, 35-Mauve Area, G-10/4, <u>Islamabad</u>
17.	Director General, Pakistan Environmental Protection Agency, Plot No. 42, Street No. 6, H-8/2, Islamabad. Tele: 9250713	18.	Chairman Pakistan Engineering Council Attaturk Avenue (East), G-5/2, <u>Islamabad</u>
19.	M/s SHEHRI 206-G, Block - 2, P.E.C.H.S, <u>Karachi</u> - 75400	20.	President Consumer Rights Commission of Pakistan H. No. 13, Street 1, G-6/3, <u>Islamabad</u>
21.	President Institute of Electrical & Electronics Engineers of Pakistan (IEEEP), 4 - Lawrence Road, <u>Lahore</u>	22.	President The Institute of Engineers Pakistan, IEP Roundabout, Engineering Centre, Gulberg - III, <u>Lahore</u> - 54660
23.	Chairman The Pakistan Steel Melters Association, 45-S, Gulberg Centre, 84-D/1, Main Boulevard, Gulberg-III, <u>Lahore</u>	24.	Chief Executive Officer, Descon Headquarter, Building No. 04, 18 KM, Ferozepur Road, <u>Lahore</u> 54760



**National Electric Power
Regulatory Authority (NEPRA)**

NOTICE OF ADMISSION/HEARING

**APPROVAL OF RATES FOR IMPORT OF ELECTRIC POWER
OF 640 MW BY (CPPA-G) FROM MAHL HYDROPOWER
PROJECT SITUATED IN AJK UNDER NEPRA IMPORT OF
POWER REGULATIONS, 2017**

All interested/affected persons are notified that request for approval of tariff proposal filed by CPPA (G) for import of electric power from Mahl Power Company (Pvt.) Limited (MPCL) for its Mahl Hydro Power Project situated in Azad Jammu & Kashmir under NEPRA Import of Electric Power Regulations, 2017 has been admitted by NEPRA for consideration. Salient features of the tariff proposal are as under:

SALIENT FEATURES OF THE PETITION

1. The project is run of river hydropower scheme located on the Jhelum River, in the State of Azad Jammu & Kashmir (the "AJK").
2. The petitioner seeks reference levelized tariff of Rs.7.4404/kWh (US cents 7.1030/kWh) for a concession period of 30 years.
3. The project is a high head BOOT type project.
4. Installed capacity of the project is 640 MW and auxiliary consumption has been assumed as 1%. Capacity factor has been claimed as 52.53%.
5. Construction period has been assumed as 6 years (72 months) from the date of financial closing/notice to proceed.
6. Summary of project costs and operation cost provided by the MPCL is as under:

Project cost	US\$ in million
EPC cost	870.80
Engineering & Supervision	52.25
Project Development Cost	60.95
Land Acquisition & Resettlement & Env. Mitigation	25.70
Custom Duties & Taxes	10.64
Insurance During Construction	14.03
Law Services/Legal Fees & Charges	5.70
Sincure Overseas Investment Insurance	53.43
Financial Charges	24.99
Interest During Construction	161.97
Total Project Cost	1,281.47
Operations cost: (per annum)	
O&M Cost	20.35
Water Usage Charges	11.78
Insurance Cost	11.75
Total operation cost	43.88

- An exchange rate of PKR 104.75 /US\$ has been assumed
7. The petitioner has proposed to install 3 Vertical Francis turbines.
 8. Return on equity has been claimed as 17% IRR based.
 9. The proposed debt-equity ratio is 80:20 based on foreign loan, however financing plan will be finalized at a later stage and may include local loan as well. The interest rate (6 month LIBOR + 4.5%) is assumed.
 10. Debt repayment period has been assumed as 18 years including 6 year grace period (semiannually).
 11. The Authority has decided to conduct a hearing in the matter at 11:00 am, on June 07, 2018 at NEPRA Tower, Islamabad.
 12. Issues framed for hearing have been uploaded on NEPRA website.
 13. Any interested/affected person may participate in the proceedings of the tariff setting process in the following manner:
 - In terms of rules 6 & 7 of NEPRA (Tariff Standards & Procedure) Rules, 1996, any interested person who desires to participate in the proceedings may file an intervention request within seven (7) days from the date of publication of this notice. Such intervention request shall state the name and address of the person filing the same, objections and the manner in which such person is or is likely to be substantially and specifically affected by any determination in the proceedings. The intervention request may also contain the contentions of the person making the same, the relief sought and the evidence, if any, in support of the case. In the intervention request, the intervener may specifically admit, deny or explain the facts stated in the petition and may also state additional facts which are relevant and necessary for reaching a just and informed decision in the proceedings. The intervention request shall be signed, verified and supported by means of an affidavit in the same manner as in the case of the petition. The intervener shall also serve a copy of the intervention request duly attested as true copy to the petitioner or his authorized representative and the petitioner may file a rejoinder to the intervention request which shall be filed before the commencement of the hearing.
 - Any person may also file the comments in the matter within seven (7) days of this publication and the Authority, if deemed fit, may permit participation of such person into the proceedings and may also consider those comments in the final determination.
 14. All communications should be addressed to:

Registrar, NEPRA
NEPRA Tower, Ataturk Avenue (East), G-6/1, Islamabad
Phone: 051-2206500 Fax: 051-260 0026
E-mail: office@nepra.org.pk

For further information and to download the petition & issues of hearing, please visit: www.nepra.org.pk
Note: Admission of this petition is not to be construed as approval of NEPRA

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

INTERVENTION REQUEST

Name/Address	
Manner in which the intervener is likely to be affected by any determination in the proceeding.	(*)
Contention / Grounds of making the formal request	(*)
Relief Sought (if any).	(*)
Brief of evidence (if any)	(*)
Comments.	(*)

(*) Add additional Supplements if required

Date: _____

Signature

To be accompanied with:

1. An affidavit on stamped paper (sample attached), sworn before an authorized officer.
2. Intervention Request fee amounting to Rs. /-.

