

NOTICE OF ADMISSION / PUBLIC HEARING

PETITION FOR DETERMINATION OF GENERATION TARIFF FOR 4.8 MW HYDROPOWER PROJECT AT LOWER BARI DUAB CANAL (LBRD), SAHIWAL, PUNJAB

All stakeholders, interested / affected persons and the general public are notified that the Authority (NEPRA) has admitted the tariff petition of CJ Sahiwal-Chenab Energy (Pvt.) Limited for consideration. The applicant has requested for determination of generation tariff for 4.8 MW Hydropower Project Lower Bari Duab Canal (LBRD), Sahiwal, Punjab.

SALIENT FEATURES OF THE PETITION

A summary indicating salient features of the petition as per information provided by the applicant is as follows:

1. Chenab Energy (Pvt.) Ltd. is the successful bidder for installation of 4.8 MW, in competitive bidding held under the small Hydel Projects Policy of Government of Punjab. The 4.8 MW Run-of-the-River, Hydropower Plant is located at Lower Bari Duab Canal (LBRD), Sahiwal in the Punjab Province of Pakistan. The annual net energy to be sold to CPPA/NTDC has been estimated as 29.29 GWh.
2. The proposed reference tariff is typical two part tariff comprising an Energy Purchase Price (EPP) for the energy generated and delivered to the Power Purchaser and a Capacity Purchase Price (CPP).
3. The petitioner has proposed a total project cost of US\$14.636 million with the proposed debt equity structure of 80:20.
4. The petitioner has proposed 17.01% return on equity (IRR based).
5. The summary of the proposed tariff is as under:

	Total Tariff	
	PKR/kWh	Cents/kWh
Levelized Tariff (1-25 years)	7.7554	10.01
Average Tariff (1-25 years)	8.3166	10.66

6. The above proposed reference tariff is based on the following assumptions:

a. Interest rate	17% (KIBOR 13.95 + Spread 3.05)	f. Average annual plant Capacity Factor	57.5%
b. Loan Tenure	10 year	g. Insurance	1.35% of EPC Cost
c. Construction period	24 months after financial closing	h. PPA Term:	25 years
d. Debt: Equity	80:20		
e. Reference Exchange Rate	USD 1.00 = PKR 80		

7. **The Authority has decided to hold public hearing of the petitions on the date, time and venue mentioned below:**

Date 9th February 2010 (Tuesday)
Time 10:30 a.m.
Venue NEPRA Main Office, 2nd Floor, OPF Building, Sector G-5/2, Islamabad

8. **You may participate in the proceedings of the tariff setting process in the following manner:**

Any person or party, who intends to participate in the proceedings, may deliver to the Registrar a statement of comments along with evidence (if any). Comments should reach the office of the Registrar NEPRA within 15 days of publication of this notice. In case any person intends to participate as a party to the proceedings he may file an Intervention Request, for leave to intervene describing the manner in which such person is likely to be affected by the determination in the proceedings and present his argument for or against the petition along with a summary of evidence if any to support his case.

9. **Copies of the following documents, if desired, can be obtained on payment from the office of Registrar NEPRA.**

Copy of Petition	Rs. 212/- per copy
Intervention Request Fee	Rs. 451/-
Photocopy of NEPRA Act,	Rs. 30/-
NEPRA Tariff Rules	Rs. 30/-
Any other information	Rs. 4.5/- per page

All communications should be addressed to:

Registrar NEPRA

2nd Floor, OPF Building, Shahrah-e-Jamhuriat, G-5/2, Islamabad
Ph: 051-9207200, Fax: 051-9210215, E-mail: office@nepra.org.pk
For further information you may visit our website: www.nepra.org.pk