

NOTICE OF ADMISSION / PUBLIC HEARING

PETITION FOR DETERMINATION OF GENERATION TARIFF FOR 18 MW PEHUR HYDRO POWER PROJECT BY SARHAD HYDEL DEVELOPMENT ORGANIZATION (SHYDO) AT SWABI DISTRICT, NWFP

All stakeholders, interested / affected persons and the general public are hereby notified that the Authority (NEPRA) has admitted the tariff petition filed by Sarhad Hydel Development Organization (SHYDO) for consideration. The applicant has requested for determination of generation tariff for 18 MW Hydropower project located on the right bank of Indus river, downstream of Tarbela reservoir at Swabi district, NWFP.

SALIENT FEATURES OF THE PETITION

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

- The project having 18 MW capacity is expected to generate 57.7 GWh net at 41% Plant Factor which will be sold to Peshawar Electric Supply Company (PESCO). The project has already been constructed / commissioned in August 2009.
- The petitioner has proposed a total project cost of US\$22.699 million with the proposed debt equity structure of 70:30.
- 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).
- The proposed tariff is based on 17% return on equity (IRR based).
- The petitioner has assumed loan tenure of 10 years at interest rate of KIBOR + 3%.
- The summary of the proposed tariff is as under:

	Total Tariff	
	PKR/kWh	Cents/kWh
Levelized Tariff (1-25 years)	6.447	8.696

- The breakup of project cost provided by the petitioner is given hereunder:

Description	(Rs. in million)
Design	56.294
Civil Works	370.990
Mechanism & Electrical Equipment	351.364
Transmission Line	4.421
Complete Tests	4.143
Other Preliminary Costs	8.608
Contractor Escalation & Claims	500.000
Engineering, Procurement, Construction works	1,295.819
Feasibility, Project Management, Supervision, Engineering, Studies	44.760
Land Acquisition, Access Bridge, Road & Other Preliminary works	93.194
Security Charges	23.000
Project Establishment Cost	13.649
Financial Advisory / Arrangement Fees	34,541
SHYDO Overheads	15.049
Total Project Cost (Exclusive of IDC)	1,520.013
Interest During Construction (IDC)	162.778
Total Project Cost (inclusive of IDC)	1,684.791

* PKR/USD = 74.13

- The Authority has decided to hold public hearing of the petition on the date, time and venue mentioned below:

Date February 23, 2010 (Tuesday)
Time 10:30 a.m.
Venue NEPRA Main Office, 2nd Floor, OPF Building, Sector G-5/2, Islamabad

- 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.

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

Copy of Petition	Rs. 70/- 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 and to download the tariff petition please our website: www.nepra.org.pk