



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No.NEpra/R/TRF-68/APL-2007/837-839

January 31, 2012

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for Atlas Power Ltd. [Case # NEPRA/TRF-68/APL-2007]**

Intimation of Decision of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with revised schedule of tariff Annexure-1 (02 pages) regarding adjustment in tariff for the quarter (January – March, 2012) on account of US CPI, WPI (Local), exchange rate and KIBOR variation in respect of Atlas Power Ltd. in Case No. NEPRA/TRF-68/APL-2007.

2. The decision is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please note that revised schedule of tariff attached to the decision as Annex-I is required to be notified in the official Gazette.

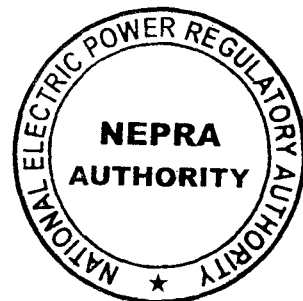
Enclosure: As above

Secretary
Ministry of Water & Power
'A' Block, Pak Secretariat
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, Islamabad.


(Syed Safer Hussain)






**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR ATLAS POWER LIMITED**


Pursuant to the decision of the Authority dated 19th May 2010 in the matter of adjustment at commercial operation date in the case of Atlas Power Limited (APL), the tariff of APL in respect of January-March 2012 quarter has been revised on account of US CPI, WPI (Local), exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference COD Decision 19 May 2010	Revised Jan-Mar 2012 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.0962	0.1071
Fixed O&M - Local	0.0796	0.1147
Insurance	0.1258	0.1258
Cost of Working Capital	0.1970	0.1912
ROE	0.4312	0.4591
ROEDC	0.0464	0.0494
Debt Servicing	1.4734	1.4451
Total Capacity Charge	2.4496	2.4924
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.5075	0.5650
Variable O&M - Local	0.1134	0.1634
Total Variable O&M	0.6209	0.7284

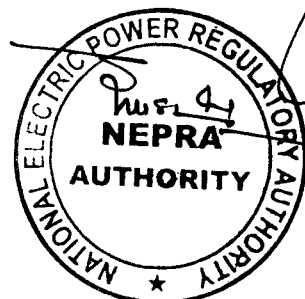
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.


AUTHORITY


Ghiasuddin Ahmed
Member


Shaikat Ali Kundi
Member

Maqbool Ahmad Khawaja
Member / Vice Chairman




Khalid Saeed
Chairman

ATLAS POWER LIMITED
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference COD Decision 19 May 2010	Revised Jan-Mar 2012 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.0962	0.1071
Fixed O&M - Local	0.0796	0.1147
Insurance	0.1258	0.1258
Cost of Working Capital	0.1970	0.1912
ROE	0.4312	0.4591
ROEDC	0.0464	0.0494
Debt Servicing	1.4734	1.4451
Total Capacity Charge	2.4496	2.4924
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	0.5075	0.5650
Variable O&M - Local	0.1134	0.1634
Total Variable O&M	0.6209	0.7284
Indexation Values		
Exchange Rate (Rs./USD)	84.350	89.800
US CPI (All Urban Consumers)	216.330	226.230
*WPI (Manufactures) - Local	145.360	209.470
3 Monthly KIBOR	12.40%	11.98%
Hours in the quarter	-	2184

* For the purpose of indexation of local O&M for January-March 2012 quarter, WPI (Manufactures) for November 2011 was required to be used. However, with the revision of base values of WPI from 2000-01 to 2007-08 by Federal Bureau of Statistics, the commodity group of WPI (Manufactures) has now ceased to exist and the latest available WPI (Manufactures) pertaining to July 2011 has been used for the indexation. The local O&M component will be revised, if required, in terms of Para 12.3 of Part V of Schedule 1 of the PPA on determination of new index by the Authority.

