



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-92/HUBCO-2008/485-487

January 19, 2012

Subject: **Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for The Hub Power Company Ltd. (HUBCO) (Case No. NEPRA/TRF-92/HUBCO-2008) - 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 (Annex-I) (02 pages) regarding adjustment of tariff for January – March 2012 quarter on account of US CPI, WPI (Manufactures) Local and Exchange Rate variations in respect of The Hub Power Company Ltd. in Case No. NEPRA/TRF-92/HUBCO-2008.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through 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.

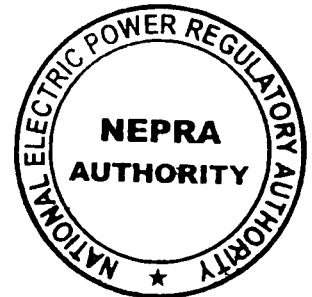
Enclosure: As above

Secretary,
Ministry of Water & Power,
Government of Pakistan
Islamabad.

CC:

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

(Syed Safer Hussain)





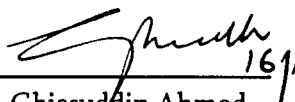
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ ADJUSTMENT
OF TARIFF FOR THE HUB POWER COMPANY LIMITED**

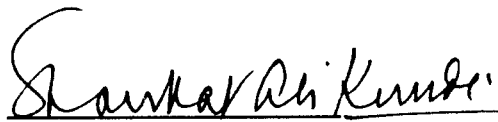
Pursuant to the Paragraph XI(a) of the order of the Authority dated May 23, 2008 in the case of The Hub Power Company Limited (hereinafter "HUBCO"), the tariff of HUBCO has been revised on account of US CPI, WPI (Manufactures) Local and Exchange Rate variations in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable to the units delivered, post Commercial Operation Date, during the quarter January-March 2012:

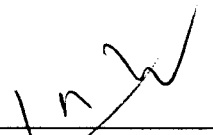
<u>Tariff Components</u>	<u>Reference</u>	<u>Revised Jan-Mar 2012 Quarter</u>
Fixed O&M - Foreign (Rs./kW/Hour)	0.1100	0.1605
Fixed O&M - Local (Rs./kW/Hour)	0.0325	0.0534
Variable O&M - Foreign (Rs./kWh)	0.2691	0.3927
Variable O&M - Local (Rs./kWh)	0.1758	0.2888

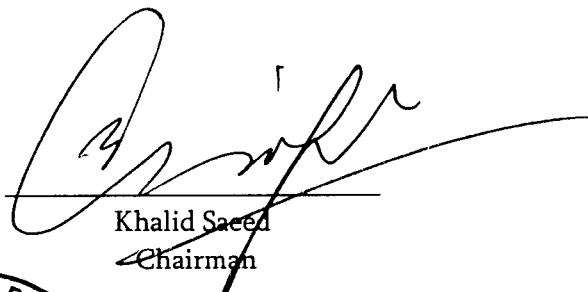
The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

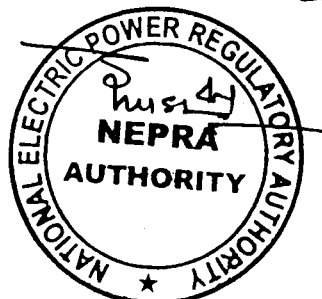
AUTHORITY


Ghiasuddin Ahmed
Member


Shaukat Ali Kundi 17.01.2012
Member


Maqbool Ahmad Khawaja
Member / Vice Chairman


Khalid Saeed
Chairman



The Hub Power Company Limited
Quarterly Indexation/Adjustment of Tariff

<u>Tariff Components</u>	Reference	Revised Jan-Mar 2012 Quarter
Fixed O&M - Foreign (Rs./kW/Hour)	0.1100	0.1605
Fixed O&M - Local (Rs./kW/Hour)	0.0325	0.0534
Variable O&M - Foreign (Rs./kWh)*	0.2691	0.3927
Variable O&M - Local (Rs./kWh)*	0.1758	0.2888
<u>Indexation Values</u>		
**WPI (Manufactures)	127.500	209.470
US CPI	211.080	226.230
Exchange Rate	65.950	89.800

*Reference tariff has been adjusted on the basis of net capacity of 213.82 MW established at the time of COD as a result of Initial Dependable Capacity (IDC) Test

** 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.

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