

LIST OF ISSUES FOR HEARING

EPC STAGE TARIFF PROPOSAL OF 1124 MW KOHALA HYDRO COMPANY (PRIVATE) LIMITED (KHCL) SUBMITTED BY CENTRAL POWER PURCHASING AGENCY GUARANTEE LIMITED (CPPA-G)

1. Whether the change in the project design has been approved by the competent Authority/forum?
2. Whether the change in design caters for appropriate measures for environmental/ecological protection?
3. Whether the increase in the Project Construction Period from 6 years allowed, for negotiating power acquisition contract at feasibility stage, to 6.5 years claimed now is justified?
4. Whether the claimed plant Capacity factor of 52.82% as against the 53.39% allowed and net annual Energy of 5,148.78 GWh as against the 5,093 GWh allowed, for negotiating power acquisition contract at the feasibility stage, is justified?
5. Whether EPC bidding process has been conducted in a transparent manner?
6. Whether the requested firm EPC cost of US\$ 1,793.25 million is justified?
7. Whether non EPC cost amounting to US\$ 281.04 million is justified?
8. Whether the claimed duties and taxes of US\$ 28.51 million as against the US\$ 23.51 million is justified?
9. Whether the Sinosure Fee amounting to US\$ 191.91 million claimed by the Petitioner on debt (both local and foreign) and equity is justified?
10. Whether the claimed per annum O&M cost of US\$ 41.41 million for Fixed and Variable O&M during operations is justified?
11. Whether the claimed Insurance cost per annum for the operation period based at 1.35% of the EPC cost justified?
12. Whether the claimed financing terms i.e. spread of 3.5% on KIBOR and 4.6% on LIBOR is justified?
13. Whether the claimed one-adjustment in the price of tunnel due to the change in rock classification is justified?
14. Whether the claimed special return on equity invested during the 30 months prior to financial close is justified?
15. Whether the WHT on dividend is justified?
16. Does the estimated annual Net Energy production include the theoretical energy production during the outage periods?
17. What is the justification of such a large increase (32.09%) of the EPC stage levelized tariff over the feasibility stage levelized tariff (9.5585 cents/Kwh vs. 7.2365 cents/Kwh) when there is a nominal increase (3.85%) in the EPC cost (US \$ 1793.5 million vs. US \$ 1727million)?
18. 40% of the onshore contract Rs. 28.894 billion is shown as the cost of Labour, Cement, Steel and Fuel, What is the breakup of the rest of the onshore contract of Rs. 43.342 billion?