

List of Issues

1. Whether the procurement from 15 MW Gharo Newgen (Pvt) Ltd at the proposed negotiated levelized tariff of US Cents 4.1988 is justified and comparable with tariff arrived at through the latest rounds of competitive auctions by KEL?
2. What criteria has been used to select a party for tariff negotiation?
3. How is negotiated tariff more advantageous for electricity consumers compared to a competitive bidding tariff?
4. Has KE complied with requirement of Section 30 of NEPPR-2022 and direction of the Authority given in the determination dated May 17, 2024 about the approval of Power Acquisition Program (PAP) of KE?
5. Whether the negotiated tariff shall result in a decrease in the EPP of KE specially during the debt-retiring period as well as in the long run?
6. Are the proposed solar PV modules, inverters and Balance of Plant (BoP) to be deployed for the project are of the latest technology, meet international standards of quality and operations, and are consistent with the concurrence application that the company has submitted?
7. Whether the proposed project cost of USD 0.63 million per MW is justified and it reflects current market conditions of the solar business which is at its lowest and continue to decline?
8. Has the NEPRA (Selection of EPC Contractors by IPPs) Guideline 2017 in the matter been followed in later and spirit to arrive at EPC cost of the project or there are any exceptions to it and what are the justification for the same?
9. What are the basis of the proposed Capacity Utilization Factor of 22.85% mentioned in the tariff proposal and whether it is justified? Has any feasibility study been conducted in this regard?
10. Has the claimed O&M cost of the project is justified and is reflective of the current market conditions in the country? Is there any possibility to further reduce this cost considering the fact that most of the work force required for O&M is now available locally?
11. Will the project adhere to the NEPRA (Selection of O&M Contractor) Guidelines during operation of the generation facility or any exception is envisaged and basis of the same?
12. Whether the cost of debt i.e., SOFR + CAS +4.5% and claimed IRR of 13% (USD based) is justified?
13. Whether the claimed insurance cost i.e., 0.4% of the EPC during construction and 0.5% during operation is justified?
14. Will it be prudent to connect the generation facility at 11 kV voltage considering the system reliability aspects? Has any analysis been carried out to consider higher voltages for dispersal of power and if so what factors have led to drop the proposal? What will be mechanism to fund the cost of the interconnection?
15. Whether the pass-through claims are justified?
16. Whether the construction period of 8 months is justified considering the size of the project and availability of the solar panels in the market?

17. Whether the proposed indexation mechanism for one-time for COD adjustment and quarterly indexation for respective tariff components are justified?
18. Whether the tariff structure and indexation scheme should be the one as approved in the case of RFPs or conventional Cost plus?
19. Whether the proposed terms of the contract are justified or otherwise?
