


Wapda seeks 150pc hike in revenue requirement

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ISLAMABAD: The Water and Power Regulatory Authority (Wapda) has sought about 150 per cent increase in its revenue requirement for the current fiscal year by raising bulk power tariff by about 30pc.

In a tariff petition filed before the National Electric Power Regulatory Authority (Nepra), Wapda has demanded that its total annual revenue requirement for 2020-21 be increased to Rs177.5bn, up about Rs106bn from Rs71.35bn approved by the regulator in 2017-18.

The authority said its operation and maintenance cost had increased by 40pc to Rs19.7bn while its depreciation cost increased by 31pc to Rs7.7bn. The cost of return on sukuk bonds on the other hand dropped by about 35pc to Rs1.7bn.

It demanded an increase in return on investments on power stations like Tarbela and Mangla etc by 32pc to Rs37bn and sought 160pc hike in return on power projects like Golen Gol, Diamer-Bhasha dam and Dasu etc to Rs32bn.

Under the Wapda Act, the authority is required to sell power in bulk to the Central Power Purchasing Agency (CPPA) at rates approved by Nepra so as to meet operational cost, interest charges and depreciation of assets, return on investment and taxes etc.

Wapda has a licence for hydropower generation capacity of about 17,400-megawatts of which about 8,900MW capacity is currently under construction and about 8,400MW or almost one-fourth of the country's total power generation are under operation.

It has estimated net hydel profit (NHP) of Rs21bn to Khyber Pakhtunkhwa, Rs9.5bn to Punjab and about Rs5.75bn to AJK. The three expenses jointly increased from Rs32.7bn in 2017-18 to Rs36.5bn in the current fiscal year.

However, the NHP arrears are estimated to drastically come down from Rs86bn under 2017-18 determination to Rs6.5bn for current fiscal year.

In its petition, Wapda has claimed an estimated generation (Net GWH) of 30,140 GWh which is less than Nepra determined 33,598 GWh for 2017-18.

Similarly, Wapda has claimed that the total regular hydel levies for 2020-21 is Rs36.599 billion which is higher than the Nepra determined Rs32.894 billion.

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