


Wapda seeks increase in hydel tariff

 epaper.brecorder.com/2020/08/21/1-page/848595-news.html

August 21, 2020

ISLAMABAD: Water and Power Development Authority (Wapda) has sought an increase in hydel tariff by Rs 1.65 per unit from July 1, 2020 to meet shortfall in its revenue requirements for the current fiscal year.

According to the tariff petition, Wapda, which is undertaking different hydropower projects, informed the regulator that its revenue requirements were determined at Rs 71.349 billion for 2017-18 which have now increased to Rs 177.518 billion in 2020-21, showing a hike of Rs 106.169 billion .

Of this, O&M cost has been estimated to be Rs 19.724 billion in 2020-21, depreciation- Rs 7.728 billion , Sukuk bonds repayment- Rs 1.690 billion, Return on Investment (RoI) power stations- Rs 37.163 billion, RoI on power projects -32.085 billion and other income - Rs 698 million and regulatory revenue gap- Rs 68.802 billion.

Wapda's estimated generation which was 33,598 GWh in 2017-18 has reduced to 30,140 GWh. However, its average rate of cost of generation has been increased to Rs 5.89 per unit in 2020-21 from Rs 2.12 per unit, showing an increase of Rs 3.77 per unit.

Wapda, in its tariff petition has further claimed that its total regular hydel levies have increased by Rs 3.705 billion to Rs 36.599 billion in 2020-21 from Rs 32.892 billion 2017-18.

The organization's arrears of Net Hydel Profit (regular + arrears) have decreased by Rs 76.098 billion to Rs 43.058 billion in 2020-21 from Rs 119.156 billion in 2017-18.

With reduction in NHP, the average rate of hydel levies of Rs 3.55 per unit, have been slashed to Rs 1.43 per unit.

Wapda has to pay Rs 21.156 billion to KP as NHP, followed by Punjab- Rs 9.539 billion,, AJ&K(WUC)- Rs 5.753 billion whereas Rs 151 million will be paid to IRSA.

Neptra has sought comments from stakeholders on the tariff petition filed by Wapda. As the comments are received the regulator will fix the petition for public hearing.

—MUSHTAQ GHUMMAN

