

The Hashemite Kingdom of Jordan
National Electric Power Company

NEPCO



Annual Report
2013



National Electric Power Co. **Annual Report 2013**

National Electric Power Co. Annual Report **2013**



His Majesty
King Abdullah II Bin Al Hussein

Chairman and Board Members of the National Electric Power Company are honoured to submit the 47th Annual Report of the Year 2013 to His Majesty King Abdullah The Second Bin Al-Hussein..



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H.R.H Crown Prince
Hussein Bin Abdullah II



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Eng. Malek Kabariti
Until: 30/3/2013



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Eng. Khaldoun Qutishat
Former Ministry of Energy
and Mineral Resources
From: 16/11/2013



Vice Chairman
Dr. Ghaleb Ma'abreh
Secretary General Ministry of Energy &
Mineral Resources
From: 25/6/2014



Vice Chairman
Eng. Farouq Al-Hiyari
Former Secretary General Ministry of
Energy & Mineral Resources
Until: 25/6/2014

Members



Eng. A. Al-Rawashdeh
Managing Director
Samra Electric Power
Generating Co.



Mr. Fawaz Ghanem
Private Sector
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Eng. Nedal Al-Saqarat
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Dr. Hamzah Jaradat
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"Ministry of Finance"
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From: 25/6/2014



Eng. Ali Al-Bakhit
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From: 25/6/2014

Managing Director



Eng. Abde Al-Fattah Al-Daradkeh
From: 30/4/2014



Dr. Ghaleb Ma'abreh
Until: 30/4/2014



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Abbreviations

NEPCO	National Electric Power Company
CEGCO	Central Electricity Generating Company
EDCO	Electricity Distribution Company
JEPCO	Jordan Electric Power Company
IDECO	Irbid District Electricity Company
SEPGCO	Samra Electric Power Generating Company
AES Jordan	Amman East Power Plant
QEPCO	Qatrana Electric Power Company
HTPS	Hussein Thermal Power Station
QAIA	Queen Alia International Airport
SS	Substation
G.D.P	Gross Domestic Product
P.S	Power Station
ATPS	Aqaba Thermal Power Station
T.T.O.E.	Thousand Ton of Oil Equivalent
G.T.	Gas Turbine
OHL	Overhead Line
p.a.	per annum
H.F.O	Heavy Fuel Oil
Kgoe	Kilogram of oil equivalent

Measures

JD	Jordan Dinar (10 ³ Fils)
kV	Kilovolt (10 ³ Volt)
kVA	Kilovolt Ampere (10 ³ Volt Ampere)
MVA	Mega volt Ampere (10 ³ kVA)
kW	Kilowatt (10 ³ Watt)
MW	Megawatt (10 ⁶ Watt)
kWh	Kilowatt-hour (10 ³ Watt-hour)
MWh	Megawatt-hour (10 ⁶ Watt-hour)
km	Kilometer (10 ³ Meter)
GWh	Gegawatt-hour (10 ⁹ Watt-hour)

A Message from Managing Director

The National Electric Power Company, in the year 2013, continued its significant performance in determining its duties and responsibilities overcoming all challenges and obstacles that may have stood in the way of its vision and mission.

Knowing that these duties and responsibilities of NEPCO play a very important and vital role, the company again exerted every possible effort to move forward on the path of success in maintaining its vision and achieving its mission that aim to meet the current and future needs of electrical energy for all consumers safely and reliably.

During that year, NEPCO set high goals and successfully completed several key achievements such as, the purchase agreement of electrical energy for the third and fourth independent private power production projects, in addition to interconnecting the seventh Gas Turbine at Al-Samra Power Station with the National grid which aims at securing an appropriate generating capacity within the acceptable technical standards to meet the increased electrical loads. In addition, the year 2013 also witnessed the implementation of a number of projects for constructing and expanding main substations 400/132 kV and 132/33 kV, in addition to the completion of a number of 400 kV and 132 kV transmission lines.

As for the important task of maintaining the equipment of the electric power system, NEPCO continued to carry out all the regular and annual maintenance programs for all the elements of the national transmission grid with the aim of supplying continuous electric power to the consumers in compliance with the best international technical specifications. The latter entailed determining electrical loss percentages, number of supply interruptions and averages of interruption duration, while maintaining the reliability and continuity of power supply to meet the current and future needs of electrical energy for all consumers in accordance with international standards and environmental requirements.

In this respect, the statistics of technical indicators showed, during the year 2013, that the growth rate of the power system peak load amounted to (7.4%) compared with (4.7%) for the previous year 2012, whereas the transmission electrical losses amounted to (2.09%) in the year 2013 compared with (2.11 %) in 2012.

As for the number of power supply interruptions, it reached (37) interruptions during the year 2013 same as the previous year. However, while the interruption duration amounted on average to (33) minutes per interruption in 2012; in 2013, this duration was reduced to (14) minutes per interruption. These results are considered to be good indicators to the existing efficiency of the power system equipment as well as to the efficient management and operation systems of the transmission grid.

With respect to enhancing staff capabilities, NEPCO was keen on developing and adopting training and development programs that aim to upgrade their performance capacities. In fact NEPCO is especially proud to be one of the best companies in the field of training services, both on local and regional levels. In addition, the Company continued to strive to apply common safety regulations and best health practices, as well as improve environmental aspects in the aim of preserving the overall standards for the staff in different company facilities.

During the year 2013, NEPCO's achievements were numerous; not only did the company conduct many technical, managerial, financial and computer consultancy services, but also implemented many specialized training programs on the internal and external levels as mentioned. This was achieved, Allah willing, by the Company's successful experiences and by the significant and efficient performance of the Company's staff; accordingly, NEPCO is recognized to be one of the best consultancy and training companies.

Before I conclude, I would like to express my sincere thanks and gratitude to His Excellency the former Chairman and former Members of the Board of Directors, and His Excellency the current Chairman and current Members of the Board of Directors for their great efforts, and their valuable roles in preserving and enhancing NEPCO's achievements. I also would like to thank all our colleagues, each in their respective positions, on their excellent work and continuous efforts to enhance the Company's reputation, raising its efficiency, and promoting it towards excellence in the Arab world and regionally.

We request from Allah Almighty to help us in accomplishing the Company's noble mission and ambitious vision in our effort to serve our country and its citizens under His Majesty King Abdullah the Second Bin Al-Hussein (May Allah protect him).



Dr. Ghaleb Ma'abreh



Managing Director



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National Electric Power Company(NEPCO)

Vision

To elevate the Company's status in all aspects to world standards at the same class of the best regional and international electric utilities.

Mission

Provision of secured electric energy; with high levels of reliability of the electric power system; and continuity of supply of electric energy demand at economical prices pursuant to international quality standards; meeting environmental requirements and good business practice in exchanging electric energy with neighboring countries; a consolidation of corporate governance at the company; achieving optimal investment in the infrastructure of the electric power transmission grid for the benefit of society; contribution in the technology transfer; attraction of national and international investments in electricity sector and creation of job opportunities for Jordanian professionals.

Energy and Electricity in 2013

Energy challenge in Jordan is one of the most serious challenges facing the Jordanian Economy since Jordan relies on importing more than (97%) of its energy needs from abroad. This case imposed on Jordan a financial burden represented by the high value of the primary energy (Fuel) bill caused by the high international fuel prices, accordingly, the fuel bill in Jordan was highly increased.

The growth rate of the value of the imported fuel bill during the period (2010-2013) was in average (19.2%) against (3.4%) during the period (2006-2009).

The increase in oil prices raised the production cost of the generated electrical energy due to the increased dependency on diesel and heavy fuel oil for operating the generating units in Jordan due to the shortage in the imported quantities of natural gas from Egypt.

To meet this situation, it is necessary to adopt the appropriate solutions and take the necessary procedures to overcome all challenges that negatively affect the Jordanian Economy concerned with the energy fields. This situation highlighted the necessity to utilize the local sources of energy such as oil shale and renewable energy, by encouraging the investment projects in these fields to aim at building the necessary capabilities to utilize and develop these sources. This is due to the importance of such projects in securing a safe energy supply in Jordan, in addition to reducing the oil bill and supporting the Jordanian Economy with high economical value added projects.

In this context, the overall national strategy for energy sector was settled in Jordan. It aims at raising the dependency on local and renewable energy resources from (4%) in 2013 to (13%) in 2016 and thus to (39%) in 2020. In this context, the most prominent achievements in the year 2013 were as follows:

Electricity Sector

- Al-Samra Electrical Power Company completed implementing the addition of a gas turbine of (145) MW capacity. The trial operation started in June 2013. The commercial operation started in July 2013 directly after completing all specified tests and procedures. This project was implemented by Al-Samra Generation Company in the light of the Cabinet of Ministers' decision to undertake the responsibility of adding a generating unit to face the 2013 summer loads.

Al-Samra Company has commenced the implementation of this project by preparing its technical specifications, tender issuing and receiving the concerned offers.

In October 2012, the tender was awarded to a Greece Company (METKA).

By operating this unit (Seventh unit), the whole capacity of this plant amounted to (1050) MW which represents about (40%) of the total generating capacity in the Kingdom. Thus, this generating plant is considered one of the most important plants in the Kingdom regarding capacity, efficiency, availability and reliability.

- Work continued in the implementation of the third Independent Power Producer Project (IPP3) which includes the construction of a generating plant in Amman East Area on the basis of Build, Own and Operate (B.O.O) with a capacity of (573) MW, and run by heavy fuel oil as a base fuel, and diesel oil as an alternative fuel in addition to natural gas when available.

This project was implemented by a Korean Company (KEPCO), Japanese Company (Mitsubishi) and Finish Company (Wartsilla).

The total cost of the project amounted to (775) million US dollar. This project will be implemented in three stages which will end in September in 2014.

- Work continued in the implementation of the fourth Independent Power producer Project (IPP4) which includes the construction of a generating plant in Amman – East area on the basis of Build, Own and Operate (B.O.O.), with a capacity of (241) MW, and run by burning heavy fuel as a base fuel, diesel oil as an alternative secondary fuel in addition to the natural gas when available.

This project was implemented by an American Consortium (AES) and a Japanese Company (Mitsue).

The cost of the project amounted to about (341) million dollar. It is expected to complete this project in July 2014.

Energy Sector

- In the framework of the Jordanian nuclear program, the Jordan Atomic Energy Commission continued, during the year 2013, to work on constructing the first nuclear power generation station in Jordan using the nuclear energy.

In the year 2013, the Jordan Atomic Energy Commission has chosen the Russian nuclear reactors technology offered by (Atom Stroy Export Company) to construct the first nuclear power station as a result of studying the technical offers submitted by the three international companies listed hereunder:

Areva – Mitsubishi: French – Japanes Company

Atom Stroy Export: Russian Company

Laflan: Canadian Company



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This study included comparisons between French, Canadian and Russian Technologies, based on technical, financial and commercial bases, in addition to Russian's commitment to invest in this plant, and thus a Russian Company (ROSATOM) was chosen as an investor and operator to this first nuclear power station.

This project will be implemented in two stages; the first stage will be extended to two years where detailed studies for the site will be carried out in addition to establishing the necessary facilities to the plant such as cooling water and transmission network.

As for the second stage, it includes signing agreements and commencing the construction of the project. This project includes establishing two nuclear reactors of (1000) MW capacity each. It is expected to operate the first reactor in 2023, while the other reactor in 2025.

- During the year 2013, many offers for implementing electric power generation projects using renewable energy resources were received. It is expected that the renewable energy projects will support the generating capacity in the Kingdom by about (527) MW in the year 2015. These projects include:
 - Wind energy project in Tafleeh with a capacity of (117) MW
 - Solar energy project in Al-Queira with a capacity of (65-75) MW
 - Solar energy projects in Ma'an and other solar energy projects with a total capacity of (200) MW
 - Wind energy project in Al-Fujaij area with a capacity of (80-90) MW
 - Wind energy project in Al-Hussein University with a capacity of (65-75) MW.

The government of Jordan takes care of utilizing the renewable energy resources in order to develop utilizing these alternatives and enhance its sharing in the generation mix in the Kingdom.

According to the national strategy for energy sector, the share of the renewable energy resources is expected to be (5.1%) in 2015 and (10%) in 2020.

- As for the oil shale, the national strategy for energy sector expressed the government policy which aims at enhancing the utilization of local energy resources such as oil shale as it is one of the available energy resources in Jordan which can share by (17%) of the total mix of generated energy in the year 2018, (24%) in 2020. The oil shale stock in Jordan is estimated to be about (70) billion ton according to the mining and exploratory studies in this field.
- The Astonian Company (ESTI ENERGIA) continued

to work on establishing an electric power generating station using the technology of direct burning of oil shale available at Atarat area in Jordan.

In 2013, Atarat Energy Company (APCO) issued a tender of establishing the first electric energy generating station burning oil shale in Jordan. Six international companies specialized in Construction Works purchased those tenders and submitted their offers, APCO completed the evaluation of these offers and submitted a financial and technical report to the Ministry of Energy and Mineral Resources. This report is under study by the technical committee that is formed from different corporations. This project consists of two steam units running by (FCB) technology, with a generating capacity of (229) MW each, i.e. (458) MW for the plant. It is expected to operate the project in the year 2017.

- The Chinese and Emirates consortium is currently conducting the technical and financial studies to establish an electric power generation plant fueled by direct burning of oil shale in the Lajoun area with a capacity of (600) MW with expansion capability in future.

The consortium will commence implementing the project early in 2014 if it is accepted by the client. The investment in this project is estimated to be (2.5 – 5) billion dollars. The project is expected to be in operation during the period (2018-2019).

NATIONAL ELECTRIC POWER COMPANY

- National Electric Power Company (NEPCO) continued during the year 2013 to work on the implementation of electric power projects in different areas in the Kingdom aiming at developing and enhancing the national transmission network. In this regard, National Electric Power Company has established and expanded new and existing main substations 400/132/33 kV, and 132/33 kV, in addition to establishing the required transmission lines of 400 kV and 132 kV to interconnect the main substations and the new generating stations with the electric power system.

NEPCO has also carried out all operation procedures, routine, annual and preventive maintenance for all the elements of the national transmission grid, in order to manage the power system effectively and efficiently for the sake of supplying electric energy to all consumers in compliance with the best international standards and with least cost, in addition to maintain security and safety of the power system. However, the capacity of the main substations in the Kingdom at the end of 2013 has reached (11484) MVA, while the lengths of the transmission lines 132 kV and 400 kV have reached (3522), (924) km.circuit respectively.

- During the year 2014, the company has also renewed the contract of power exchange with the Egyptian Electricity Transmission Company for the year

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2014, to help in covering the needs of the Kingdom of electrical energy within the limits available at the Egyptian side. The quantity of electrical energy imported from Egypt in the year 2014 is expected to be about (322) Gwh.

- With regards to the exchange of electric energy with the Syrian Public Establishment for Electricity Transmission, it has stopped between the two parties due to conditions that are currently taking place in Syria.
- As for the power system peak load in the year 2013, it has reached (2975) MW recorded in December, while the peak load in the year 2012 was (2770) MW recorded in July. The peak load of the power system during summer time is expected to be (2915) MW in the year 2014 and about (4198) MW in the year 2020.

It is worth mentioning that the available generating capacity in Jordan has reached about (3193) MW in the year 2013, and it is expected to be about (3500) MW in the year 2014 and about (5300) MW in the year 2020.

Jordan Economy

- The Gross Domestic Product in Jordan for the year 2013 is (23851.6) million JD, against (21965.5) million JD for the year 2012 with a growth rate (8.6%) in current prices and (2.8%) in fixed prices compared with (7.3%) in current prices and (2.5%) in fixed prices in the year 2012.

The inflation rate (measured by the relative change in the cost of living index) was (5.6%) in the year 2013 against (4.7%) in the year 2012.

Demand for Primary Energy

- Demand for primary energy in 2013 was about (8157) thousand tons of oil equivalent (T.T.O.E) with a negative growth rate of (0.6%) against a growth rate of (10%) in the year 2012.
- The average per capita consumption of primary energy in 2013 was about (1243) kg of oil equivalent (K.O.E) against (1280) kg of oil equivalent (K.O.E) in the year 2012.

Table (1) Gross Domestic Product and Energy Demand in Jordan

Year	GDP in Current Price (Million JD)	Cost of Living Index (%) (2008=100%)	GDP Growth in Real Terms (%)	Total Energy Demand (Fuel) (T.T.O.E)	Total Energy Demand Growth (%)
2008	15593.4	100	12.8	7335	(1.4)
2009	16912.2	99.3	9.2	7739	5.5
2010	18762.1	104.3	5.6	7357	(4.9)
2011	20476.4	108.9	4.5	7457	1.4
2012	21965.5*	114.0	2.5	8206**	10.0
2013	23851.6*	120.4	2.8	8157**	(0.6)

* Preliminary ** It includes quantities of coal consumed by some industries (MEMR)

Table (2) Cost of Energy Relative to The National Economy

Year	Cost of Consumed Crude Oil (Million JD)	Cost of Consumed Crude Oil Relative to		
		Exports (%)*	Imports (%)	GDP (%)
2008	2763	57.7	22.9	17.7
2009	1916	49.6	19.0	11.3
2010	2603	58.5	23.6	13.9
2011	4019	79.3	29.9	19.6
2012	4640	92.7	31.5	21.1
2013**	4074	80.7	26.2	17.1

* Exports + (30%) Re-Export ** Preliminary



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Statistics and Performance Indicators for Electricity sector in Jordan

Tables (3) and (4) highlight the statistics and performance indicators for the electricity sector in the Kingdom which show an annual growth in the electricity demand as identified in the peak demand and consumed electrical energy figures.

Table (3): Significant Figures for Electricity Sector in Jordan

		2012	2013	(%)
Peak load (MW)	Generated	2900	3120	7.6
	Sent-out	2790	2995	7.3
Available Capacity (MW)	Generated	3576	3453	(3.4)
	Sent-out	3452	3333	(3.4)
Generated Energy (GWh)		16596	17261	4.0
Consumed Energy (GWh)		14277	14564	2.0
Exported Energy (GWh)		104	59	(43.3)
Imported Energy (GWh)		784	381	(51.4)
Loss Percentage (%)		17.27	17.10	-
Average(KWh) Consumed Per Capita		2227	2220	(0.3)
Electricity Fuel Consumption (T.T.O.E)		3551	3716	4.6
No. of Consumers (Thousands)		1654	1744	5.4
No. Of Employees in Electricity Companies		7716	7878	2.1

* T.T.O.E

Table (4): Performance Indicators for Electricity Sector in Jordan

	2012	2013	(%)
1.Manpower Indicators			
Annual Productivity (MWh Generated/Employee)	2218	2201	(0.8)
Installed Capacity (MW/Employee)	0.43	0.40	(7.0)
No. of consumers Per Employee	214	221	3.3
2. Financial Indicators			
Cost of KWh Sold (Fils/KWh)			
Total	145.69	145.30	(0.3)
Fuel	123.59	128.81	4.2
Average price of Heavy Fuel Oil (JD/Ton)	500.2	478.5	(4.3)
Average price of Diesel Oil (JD/m ³)	550.3	653.5	18.8
3. Technical Indicators			
Thermal Efficiency of Generating plants (%)	40.2	41.3	--
Availability of Generation Units (%)	95.93	95.78	--
Total Energy Losses (%)	17.27	17.10	--

* The price is the average during the year

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Statistics and Performance Indicators for NEPCO

The statistical indicators of the National Electric Power Company showed an increase in the transmission capacity of the main substations and in the lengths of the national grid, whereas the company has implemented several projects to construct new substations and expand the existing ones, in addition to add new transmission lines in order to keep pace with the growing demand for electricity in Jordan.

The performance of the technical indicators of the company have also reflected positive results represented by a decrease in the electrical transmission losses, supply interruptions and unsupplied energy to consumers.

Table (5): NEPCO's Significant Figures

		2012	2013	(%)
Peak load for Interconnected System (MW)	Generated	2880	3100	7.6
	Sent-out	2770	2975	7.4
Available Capacity for Interconnected System (MW)	Generated	3437	3314	(3.6)
	Sent-out	3312	3193	(3.6)
Purchased Electrical energy (GWh)		16470	16719	1.5
Sold Electrical Energy (GWh)		16123	16372	1.5
Transmission Losses (%)		2.11	2.09	--
National Grid Transmission Lines 132 kV and above (Km-Circuit)		4202	4463	6.2
Substations Installed Capacities 132/33kV (MVA)		6909	7444	7.7
Substations Installed Capacities 400/132/33kV (MVA)		3760	3760	--
No. of Employees		1320	1373	4.0
NEPCO's Fixed Assets (Million JD)		536	533	(0.6)

Table (6): NEPCO's Performance Indicators

	2012	2013	(%)
1. Manpower Indicators			
Annual Productivity (GWh Sold/Employee)	12.2	11.9	(2.5)
Transforming Installed Capacity (MVA/Employee)	8.3	8.4	1.2
2. Financial Indicator			
Total Cost (Fils/kWh) sold	136.49	137.86	1.0
Cost of Energy Purchased (Fils/kWh) sold	127.91	127.40	(0.4)
Other Costs (Fils/kWh) sold	8.58	10.46	21.9
Revenues (Fils/kWh) sold	63.65	71.25	11.9
Current Ratio (Times)	0.20	0.12	(40.0)
Net Profit (Loss) Ratio (%)	(107.0)	(83.96)	--
Total Debt to Total Assets Ratio (%)	246.5	214.1	--
3. Technical Indicator			
Transmission Losses (%)	2.11	2.09	--
Availability of National Transmission Grid (%)	99.58	99.36	--
Number of Interruptions	37	37	--
Unsupplied Energy (MWh)	4690	696	(85.2)
Average Interruption Duration (Min/ Interruption)	33	14	(57.6)
Average Unsupplied Energy (MWh/ Interruption)	120	19	(84.2)
Interruption Duration (Min)	1300	480	(63.1)

Demand for Electricity

Electricity consumption in the Kingdom amounted to (14564.4) GWh in the year 2013 compared with (14276.7) GWh in the year 2012 with an annual increase of (2.0%).

The average electricity consumption per capita was (2220) KWh in the year 2013 compared with (2227) KWh in the year 2012 with a negative growth rate of (0.3%).

The sectorial distribution of electricity consumption in the year 2013 was as follows:

Sector	Consumption Weight (%)	Growth Rate (%)
Domestic *	43.02	2.3
Industrial	24.15	1.5
Commercial	16.58	(0.5)
Water Pumping	14.25	6.2
Street Lighting	2.00	(4.6)

* Includes: (6%) Governmental+ (1.5%) Others

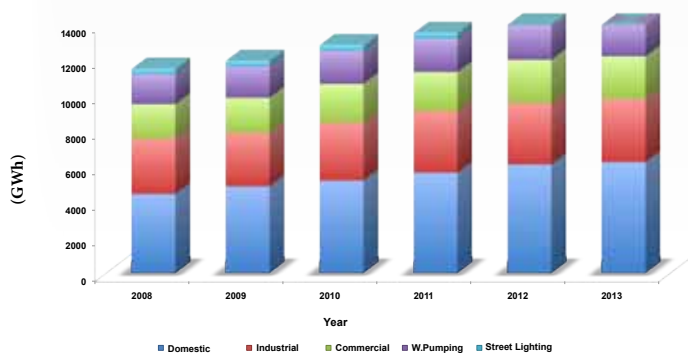
Table (7): Electrical Energy Consumption by Sector Type (GWh)

	Domestic	Industrial	Commercial	Water Pumping	Street Lighting	Total
EDCO	790.0	317.0	301.0	1138.0	66.0	2612.0
JEPCO	4206.5	1897.7	1797.6	476.1	132.8	8510.7
IDECO	1268.9	237.0	246.3	461.9	92.2	2306.3
Industrial Companies	--	1065.4	--	--	--	1065.4
Other Companies	--	--	70.0	--	--	70.0
Total 2013	6265.4	3517.1	2414.9	2076.0	291.0	14564.4
2012	6126	3461	2427	1955	305	14277
2011	5667	3486	2173	1899	310	13535
2010	5225	3262	2187	1868	315	12857
2009	4888	3006	1980	1772	310	11956
2008	4459	3128	1925	1713	284	11509
2007	4017	2918	1757	1592	269	10553

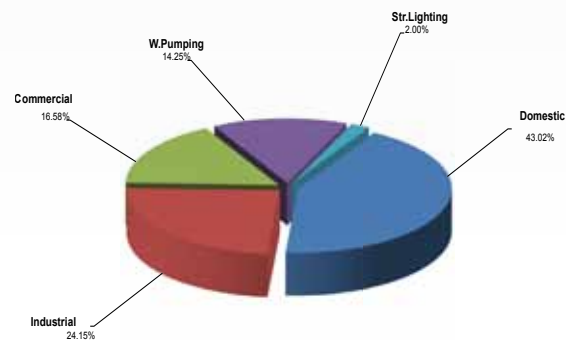
Fig(1) Electrical Energy Consumption in the Kingdom

Fig(2) Electrical Energy Consumption in the Kingdom

By sector for the period (2008-2013)



By type for the year 2013



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Table (8): Electrical Energy Consumption in Jordan (GWh)

	2010	2011	2012	2013	(%)
1. EDCO's Areas	2293.8	2362.5	2491.7	2612.0	4.8
2. JEPCO's Areas	7559.5	8008.4	8472.7	8510.7	0.4
3. IDECO's Areas	1983.8	2138.3	2181.1	2306.3	5.7
4. Industrial Companies	957.5	963.1	1054.4	1065.4	1.0
Refinery	81.7	102.8	106.9	98.5	(7.9)
Jordan Cement Co. /Al-Fuheis Plant	177.7	145.2	122.0	49.8	(59.2)
EL-Hasa Phosphate	47.8	50.6	42.4	43.2	1.9
Sheidiyah Phosphate	71.5	69.5	65.4	49.0	(25.1)
Potash Co.	338.0	390.7	337.1	326.5	(3.1)
Fertilizer Co.*	113.8	102.1	96.8	85.9	(11.3)
Jordan Cement Co. /Al-Rashadiyeh Plant	87.8	47.9	41.7	98.3	135.7
Al-Hadeetha Cement Co.	--	0.1	34.6	86.0	148.6
Al-Rajhi Cement Co.	--	17.8	169.2	122.4	(27.7)
Indo-Jordan Chemicals Co.	39.2	36.4	38.3	42.0	9.7
Qatrana Cement Co.	--	--	--	63.8	--
5. Queen Alia Airport	60.9	61.9	76.2	69.7	(8.5)
6. Haraneh B.Station	0.9	0.6	0.5	0.2	(60.0)
7. Others	1.0	0.1	0.1	0.1	--
Total	12857.4	13534.9	14276.7	14564.4	2.0

* EDCO's sales to Fertilizer are not included



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Table (9): Number of Consumers in Jordan (Thousands)

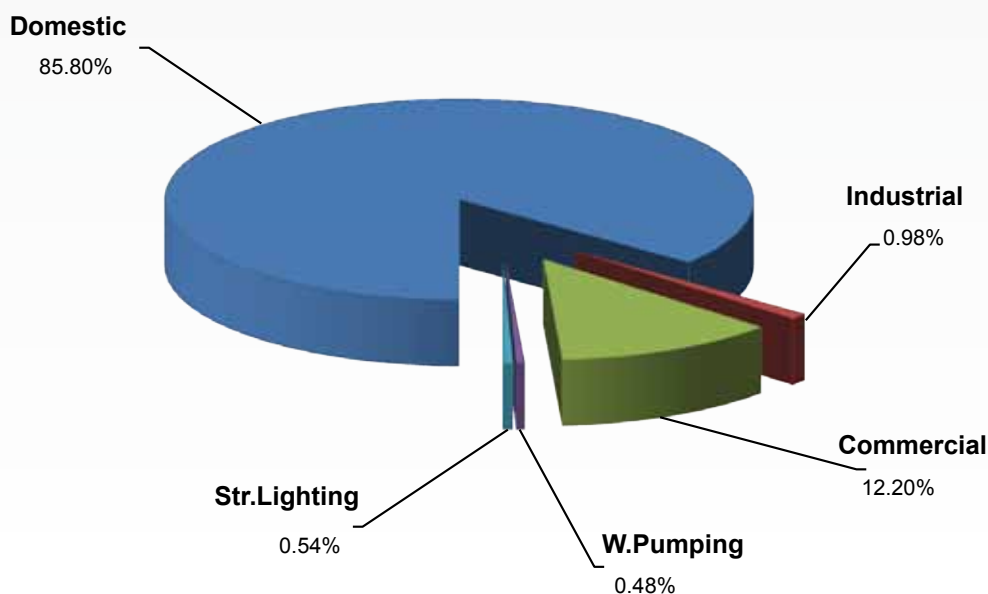
	2010	2011	2012	2013	(%)
NEPCO *	0.015	0.017	0.017	0.018	5.9
EDCO	180.8	190.0	199.3	209.6	5.2
JEPCO	973.8	1022.1	1071.6	1122.3	4.7
IDECO	343.1	362.0	383.4	412.5	7.6
Total	1497.7	1574.1	1654.3	1744.4	5.4

* This represents the distribution companies and other large consumers.

Table (10): Number of Consumers by Type of Consumption in Jordan for the Year 2013

	Domestic	Industrial	Commercial	Water Pumping	Street Lighting	Bulk Sales	Total
1. NEPCO's Areas	--	10	5	--	--	3	18
2. EDCO's Areas	175964	1731	25759	4688	1495	--	209637
3. JEPCO's Areas	956610	11368	147242	1637	5443	--	1122300
4. IDECO's Areas	364156	4012	39777	2054	2521	--	412520
Total	1496730	17121	212783	8379	9459	3	1744475

Fig(3) Sectorial Distribution of Consumers in Jordan in 2013



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Electrical Energy Generated in Jordan

The generated and imported electrical energy in the Kingdom amounted to (17643) Gwh in 2013 compared with (17380) Gwh in 2012 with an annual growth rate of (1.5%), of which (17261) Gwh was produced in the Kingdom with a growth rate of (4.0%), while the imported energy amounted to (381) Gwh, with a negative growth rate of (51.4%).

CEGCO contributed with (42.8%) of the total generated energy in the Kingdom, Al-Samra power station contributed with (26.1%), Amman East power station

(Al-Manakher) contributed with (15.3%), Qatrana power station contributed with (14.1%), and other corporations contributed with (1.7%) of the total generated energy.

The demand on electricity continued in increasing during the year 2013, the total peak load in the Kingdom reached to (2995) MW compared with (2790) MW in the year 2012 with an annual growth rate of (7.3%), while the peak load of the interconnected system reached (2975) MW in December 2013 compared with (2770) MW in July 2012 representing a growth rate of (7.4%).

Table (11): Available Capacity of Generating Plants (MW)*

Year	Steam	Gas Turbines		Combined Cycle	Hydro Units	Wind Energy	Biogas	Total
		Diesel	N.Gas					
2010	925	149	600	1317	12	1.4	3.5	3008
2011	925	134	499	1737	12	1.4	3.5	3312
2012	925	134	499	1737	12	1.4	3.5	3312
2013	791	27	621	1737	12	1.4	3.5	3193

* Sent out

Table (12): Fuel Consumption for Electricity Generation (T.T.O.E)

	2010	2011	2012	2013	(%)
1. Electricity Sector	3194	3092	3479	3599	3.4
CEGCO	1804	1856	1805	1732	(4.0)
SEPGCO	734	690	884	883	(0.1)
AES Jordan	640	436	324	501	54.6
QEPCO	16	110	466	483	3.6
2. Industrial Companies with Self Generation	76	73	72	117	62.5
Total	3270	3165	3551	3716	4.6
All Jordan Fuel Consumption*	7357	7457	8206	8157	(0.6)
Electricity Fuel Consumption to Total Fuel Consumption (%)	44.4	42.4	43.3	45.6	

* It includes coal quantities consumed by some Industries since 2012.



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Table (13): Electricity Fuel Consumption by Type of Fuel(T.T.O.E)

	2010	2011	2012	2013	(%)
1. Electricity Sector	3194.1	3092.7	3479.0	3598.8	3.4
Heavy Fuel	810.0	1284.2	1270.5	1287.1	1.3
Natural Gas	2282.5	848.5	676.1	905.4	33.9
Diesel	101.6	960.0	1532.4	1406.3	(8.2)
2. Industrial Sector	76.2	72.6	71.6	116.7	63.0
Heavy Fuel	71.4	70.6	69.9	112.7	61.2
Diesel	4.8	2.0	1.7	4.0	135.3
Total	3270.3	3165.3	3550.6	3715.5	4.6

Table (14): Electrical Energy Generated and Imported in Jordan (GWh)

	2010	2011	2012	2013	(%)
1. Electricity Sector	14486	14390	16355	16975	3.8
CEGCO	7655	8051	7789	7381	(5.2)
SEPGCO	3467	3597	4595	4499	(2.1)
AES Jordan	3287	2267	1596	2640	65.4
QEPCO	53	454	2353	2436	3.5
King Talal Dam	15	13	16	13	(18.8)
Jordan Biogas Company	9	8	6	6	--
2. Industrial Sector	291	257	241	286	18.7
Potash Co.	35	11	3	79	2533.3
Indo-Jordan Chemicals Co.	66	66	62	64	3.2
Refinery	68	70	72	51	(29.2)
Fertilizer Co.	122	110	104	92	(11.5)
3. Imported Energy	670	1738	784	381	(51.4)
Imported Energy from Egypt	446	1458	784	381	(51.4)
Imported Energy from Syria	224	280	--	--	--
Total	15447	16385	17380	17642	1.5

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Table (15): Electrical Energy Production by Type of Generation in Jordan (GWh)

	2010	2011	2012	2013	(%)
1. Electricity Sector	14486	14390	16355	16975	3.8
Steam Units	4824	5474	5256	5321	1.2
Gas Turbines / Diesel	407	314	631	490	(22.3)
Gas Turbines / Natural Gas	1620	574	551	474	(14.0)
Diesel Engines / HFO	1	1	1	1	--
Hydro Units	61	55	61	55	(9.8)
Wind Energy	3	3	3	3	--
Biogas	9	8	6	6	--
Combind Cycle	7561	7961	9846	10625	7.9
2. Industrial Sector	291	257	241	286	18.7
Steam Units	267	247	235	274	16.6
Diesel Engines / HFO	24	10	6	12	100
Total	14777	14647	16596	17261	4.0

Table (16): Electrical Energy Production by Type of Fuel in Jordan (GWh)

	Heavy Fuel Oil	N. Gas	Diesel	Other Energy Resources*	Total
CEGCO	5321.2	382.1	1633.9	43.7	7380.9
SEPGCO	--	1084.5	3414.2	--	4498.7
AES (Al-Manakher)	--	1560.1	1079.7	--	2639.8
QEPCO	--	1312.7	1123.8	--	2436.5
Industrial Sector	274.4	--	11.6	--	286.0
King Talal Dam	--	--	--	13.4	13.4
Jordan Biogas Company	--	--	--	6.1	6.1
Total 2013	5595.6	4339.4	7263.2	63.2	17261.4
2012	5490.9	3083.4	7951.7	69.5	16595.5
2011	5637.8	3958.8	4984.3	65.7	14646.6
2010	3653.5	10517.5	533.0	72.8	14776.8
2009	1159.4	12985.7	57.9	68.9	14271.9
2008	2128.0	11589.6	46.3	74.2	13838.1
2007	2171.8	10714.7	40.5	73.5	13000.5

* Wind + Biogas + Hydro



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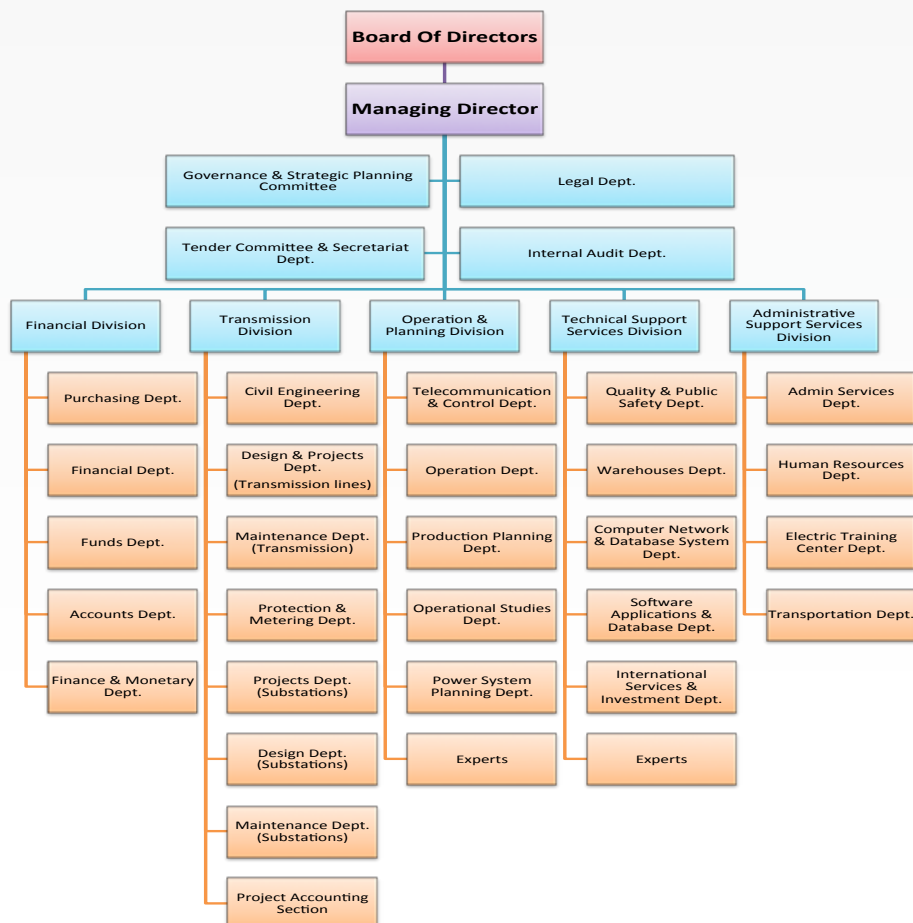
NEPCO's Activities

- NEPCO continued carrying out the activities assigned to it represented by the following:
- Safe and economical operation of the power system (Systems' Operator)
- Construct, own, maintain and develop the power system (Transmission Grid Owner)
- Conduct the planning studies to develop the power system
- Purchase the electric energy from different sources and sell it to distribution companies and large consumers (The sole purchaser)
- Secure the required fuel for running the generating units
- Import and export the electrical energy with the interconnected countries
- Secure and contract the required generating capacity to meet the electric loads.

NEPCO's Aspirations

- Maintain a high level stability for the power system
- Maintain the continuity of supplying energy to all consumers in accordance with the international standards
- Construct a regional coordination center for control and supervision of the electrical interconnection with other countries
- Purchase the electrical energy with the least cost price and of high quality
- Develop the national transmission grid (400, 132 kV) as well as the interconnection networks with other countries
- Continued development of the information technology in all activities of the company
- Develop the comprehensive quality control system and apply it to all NEPCO's activities and in all its sites. Develop also the public activities, career health and environment.

Organization Frame



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NEPCO's Projects

NEPCO was able, in 2013, to accomplish many projects which aim to enhance and develop the national transmission network in addition to implementing other number of projects which will be accomplished in the coming years.

The company's projects can be summarized as follows:

1) Substations projects

1-1) 400 kV substations projects

- Construction of Amman West 400 kV substation by adding two 400 kV transformers with a total capacity of (800) MVA, and one 400 kV transformer bay. It is expected to complete and operate this project during the year 2015.
- Construction of Amman East 400 kV substation (IPP3) by adding twelve 400 kV transformer bays. The total cost of the project is about (13.7) million JD. The first stage of the project was completed and operated on 15/11/2013 while it is expected to complete the second stage during the year 2014.

1-2) 132 kV Substation Projects

Table (17): Projects of Expanding Existing Main Substations

Substation	Added Transformer Capacity (MVA)	Operation Date	Estimated Cost (JD)
Al-Hashimiah 132/33 kV S/S	1x45	Fourth Quarter / 2013	1,275,000
Al-Sarw (Al-Salt) 132 kV S/S	--	Fourth Quarter / 2013	-
Al-Qweirah 132/33 kV S/S	--	First Quarter / 2014	3,404,000
Ma'an 132/33 kV S/S	2x45	First Quarter / 2014	2,757,000
Al-Rashadiah 132/33 kV S/S	1x45	Third Quarter / 2014	952,000
Amman East 132 kV (IPP4) S/S	--	Second Quarter / 2014	400,000
Al-Salt 132/33 kV S/S	1x80	2015	600,000

Table (18): Projects of Constructing of New Substations

Substation	Transformers (MVA)	Operation Date	Estimated Cost (JD)
Al-Muwaqer 132/33 kV S/S	2x80	Third Quarter / 2013	4,626,000
Irbid - East 132/33 kV S/S	3x80	Second Quarter / 2013	3,753,000
Qatrana Cement 132/33 kV S/S	2x45	Second Quarter / 2013	3,916,000
New Karak 132/33 kV S/S	2x63	Second Quarter / 2014	4,811,000
Al-Hizam 132/33 kV S/S	3x80	Third Quarter / 2014	--
New Bayader 132/33 kV S/S	3x80	Fourth Quarter / 2014	1,500,000
New Zarqa 132/33 kV S/S	3x80	2015	2,000,000
Al-Fujaije 132/33 kV S/S	--	2015	700,000
Ma'an Substations (2)	Solar Development 132/33 kV S/S	2015	--
	Al-Hussein University Wind 132/33 kV S/S	2015	--
Queira Solar plant 132/33 kV S/S	2x80	2015	--

NOTE: Construction works of establishing and expanding include transformers, transformer bays and capacitors.



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Table (19): Main Substations Installed Capacity (MVA)

Year	400/132/33 kV	230/132 kV	132/33 kV	132/6 kV	132/11 kV
2010	3760	100	5897	155	25
2011	3760	100	6263	155	25
2012	3760	100	6909	155	25
2013	3760	100	7444	155	25

2- Transmission Lines Projects (400 & 132) kV

Table (20): Completed and Under Construction Projects

Project	Circuit	kV	Length of Added line Km.Circuit	Completion Date
Connection of Sweimah S/S with Al-Sarw S/S	Quadratic Circuit	132	12.2	1st Quarter 2013
	Double Circuit		35.4	
Qatrana S/S branch line	Double Circuit	132	6	2nd Quarter 2013
Connection of Gas Turbine unit (Al-Samra)	Double Circuit	132	1.1	2nd Quarter 2013
Amman East line (IPP3)	Double Circuit	400	10	3rd Quarter 2013
Modification of Amman North - Amman East line	Double Circuit	400	4.8*	3rd Quarter 2013
Connection of Al-Muwaqer S/S line with Sahab - Broadcasting line	Double Circuit	132	2.5	4th Quarter 2013
Connection of Irbid East S/S line with Rehab line and Al-Hassan Industrial line	Double Circuit	132	19	2nd Quarter 2013
Connection of Al-Queira S/S line with Al-Disi S/S line	Single Circuit	132	64	1st Quarter 2013
Connection of Al-Fujage S/S	Quadratic Circuit	132	7.2	2nd Quarter 2014
Connection of (Amman South - Al-Bayader line) - (Al-Salt - Al-Fuheis line)	Quadratic Circuit	132	7	2nd Quarter 2014
Connection of New Zarqa S/S	Double Circuit	132	0.7	2nd Quarter 2014
Connection of Al-Hizam S/S	Quadratic Circuit	132	0.82	2nd Quarter 2014
Connection of Tafila wind energy plant	Double Circuit	132	1.6	4th Quarter 2014
Connection of Al-Hussein wind energy plant	Double Circuit	132	5	4th Quarter 2014
Connection of Ma'an Solar energy plant	Double Circuit	132	2	4th Quarter 2014
Connection of Al-Queira Solar energy plant	Double Circuit	132	3.7	4th Quarter 2014

* No additions to the length of the line

Table (21): Transmission Line Length (km - Circuit)

Year	400 kV	230 kV	132 kV		66 kV*
			Overhead Lines	Underground Cables	
2010	904	17	3043	71	17
2011	904	17	3103	97	17
2012	904	17	3184	97	17
2013	924	17	3425	97	17

* Converted to Work on 33 kV

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3) Communication Projects

NEPCO implemented during the year 2013 many communication projects. The most important projects are as follows:

3-1) Tenders

1. Receipt and installation of DC voltage equipment (48 VDC Battery chargers) which will be used at the new substations, these equipments were installed and operated at Al-Muwaqar, Al-Muwaqar Industrial, Irbid East and Al-Disi substations. However, they will also be used in other substations.
2. Receipt and installation of Nickle – Cadmium batteries which will be used in new substations, in fact they were installed and operated at Al-Muwaqar, Al-Muwaqar Industrial, Irbid – East and Al-Disi substations, however, they will be used in other substations.
3. Receipt and installation of the optics fiber equipment (SDH-STM-16+PDH) which will be used in new substations. However, these equipments were installed and operated at Al-Qweirah, Al-Manarah, Amman – East 132 kV, Al-Disi, IPP3 and the new center. However, they will be used in other substations.
4. Receipt and installation of the interchange protection equipment of the tender 66/2011 which will be used in the new substations. However, they were installed at the Qatrana Cement, Qatrana 132 kV, Al-Disi, Al-Quwairah, Al-Salt and Sweimeh substations. Furthermore, these equipments will be installed in other substations.
5. The tender for the supervisory cameras and the protection system was issued in the official newspaper whereas the technical specifications

which fulfill the protection system in substations and other NEPCO's facilities.

6. Prepare the required technical specifications for issuing a PABX tender to be used at NEPCO sites and to enhance the existing system.

3-2) New Substations

Four new substations were operated, they are: Irbid East 132 kV substation, Al-Muwaqar 132 kV S/S, (IPP3) S/S and Qatrana Cement S/S, communication equipment (Digital Carrier SDH-SAGEM-STM-16) were installed in these substations in order to put it within the communication network of them, in addition to installing DC feeding equipment (VDC 48) and linking up the control and protection channels and metering equipment of these substations.

3-3) International Services and Investment

1. CEGCO's data transfer network was modified through making a unified network and raising its assigned speed.
2. Follow-up the maintenance of the fiber – optic network of the official Jordanian universities; Balqa (Al-Salt), Mu'tah, Al-Hussein and Yarmouk, as well as the fiber – optic network of schools (Ministry of Communication).
3. Provide communication services to Al-Manaseer Company through a link between the university substation and Al-Haditha Cement substation.
4. Provide consultancy services for the Electricity Distribution Company through preparing the technical specifications for the establishment of monitoring and control center as well as communication equipments for fifty eight wells in Al-Disi area. Furthermore, study, analyze, recommend and award the received offers.





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Jordanian Electric Power System

1) Power System Elements

The power system in Jordan consists of the main generating power stations, and transmission networks of 132 and 400 kV which connects these power stations with load centers in different areas in the Kingdom.

The system includes also the 400 kV tie-line with Syria and the 400 kV marine cable which interconnects the Jordanian network with Egyptian network, in addition to the National Control Center and the distribution networks which provide electricity to (99.9%) of the total population. The power system in Jordan includes some private power stations which could be synchronized with the rest of the power stations in the interconnected system and it includes also few private power stations that serve only their owners and not connected with the interconnected system's network.

2) Power system Operation

NEPCO works on managing and operating the electric power system in Jordan through its National Control

Center by following up a daily operation according to the power system requirements with the aim to supply electricity to consumers with best quality and least cost in accordance with the international standards.

In this context, NEPCO carried out the following procedures:

- Maintain continuity of the electric current and maintain safety and security of the power system and its employees.
- Work continuously hour by hour, in order to reduce the cost of purchased electrical energy through following up an appropriate operational regime in all different conditions.
- Utilize Interconnection lines with neighboring countries optimally to reduce the production cost of the electrical energy.
- Monitor frequency of the power system to be in compliance with the technical standards of the national transmission networks.



Planning Studies

1) Electricity Demand Forecast

- The company, in 2013, updated the electricity demand forecast study for the period of (2014-2040) taking into consideration the technical developments and the economical factors that influence the demand for electricity particularly the growth rates of the GDP, where the growth rate of the GDP in the year 2013 has reached (2.8%) in constant prices compared with (2.5%) in the year 2012.
- The company has also prepared a generation expansion plan for the period (2014-2040) in order to ensure the needs of the Jordanian Electric Power system from the generating capacity to meet the expected electric power demand as well as to ensure a secure operation of the system taking into account the exploitation of the local fuel sources particularly oil shale, nuclear power and the renewable energy resources.

2) Future Power Generation Projects

Third Independent Power Producer Project (IPP3)

This project includes the construction of a generating station, in Amman East area, on the basis of Build, Own and Operate (B.O.O.) with a capacity of (573) MW using heavy fuel oil as a base fuel and diesel oil as an alternative fuel in addition to Natural Gas when available.

This project is implemented by a consortium consisting of the Korean Company (KEPCO), Japanese Company (Mitsubishi) and Finnish Company (Wartsila). It is expected to complete the project in September 2014.

Fourth Independent Power Producer Project (IPP4)

This project includes the construction of a generating station in Amman East area, on the basis of Build, Own, Operate (B.O.O.) with a capacity of (241) MW using heavy fuel as a base fuel and diesel as an alternative fuel and natural gas when available.

The project is implemented by a consortium of the American Company (AES) and the Japanese Company (Mitsubishi).

It is expected to complete the project in July 2014.

Construction of an Electric Power Station using the Technology of direct burning of the oil shale in Atarat area in Jordan

The Atarat Company (APCO) prepared by the end of the year 2013 a technical and financial offer and submitted it to the Ministry of Energy and Mineral Resources. This report is currently under study by the technical committee formed from the concerned corporations.

This project consists of two steam units using (FCB) technology of (229) MW each i.e. with a total of (458) MW.

It is expected to complete and operate the project in the year 2017.

Construction of an Electric Power station using the Technology of Direct Burning of the oil shale in Al-Lajoun area

The Emirates and Chinese consortium completed all necessary technical and financial studies for constructing a power station in the Lajoun area with a capacity of (600) MW with a possibility of adding extra units in future.

In case of accepting the project, the company will commence the implementation by mid of 2014.

The project is expected to be in operation during the period (2018-2019).

Constructing of the First Nuclear Power plant Project in Jordan

The Atomic Energy Commission continued to work on constructing the first nuclear power plant in Jordan. The commission has chosen the technology of Russian nuclear reactors offered by (Atomstroy Export), who is responsible for providing such technology, depending on studying the technical offers submitted by three international companies, they are:

AREVA-MITSUBISHI (French – Japanese Companies)

ATOMSTROYEXPORT (Russian Company)

LAFLAN (Canadian Company)

A comparison between the French, Canadian and Russian technologies was done, and thereafter, the Russian technology was chosen depending on technical, financial & economical bases in addition to Russian side commitment to invest in this project where the Russian (ROSATOM) Company was chosen as an investor and operator to the first Jordanian Nuclear Power Station.

This project will be implemented in two stages; the first stage will extend to two years where detailed studies for the site will be carried out including the study of the required facilities for the plant such as cooling water and transmission network.

As for the second stage, it includes signing the agreements and commencing the construction of the project, which will include two nuclear reactors of (1000) MW capacity each.

It is expected to operate the first reactor in 2023 while the second reactor early in 2025.

3) Renewable Energy Resources

During the year 2013, several offers were received for implementing electric generation projects using the renewable energy sources. These projects are expected to support the generating capacity in Jordan by about (527) MW in the beginning of the year 2015.



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These projects include: Tafilah wind energy project (117) MW capacity, Al-Queira Solar energy project of (65-75) MW, Ma'an Solar Development and other solar projects of (200) MW capacity, Al-Fujeij wind energy project of (80-90) MW and Al-Hussein wind energy project (65-75) MW.

4) Load Management

NEPCO paid a great attention to rationalize the electric energy consumption and to improve its efficiency aiming to reduce the peak loads of the electrical system through the preparation of studies related to the electrical loads management, in addition to the support programs and projects of energy efficiency and renewable energy, and the participation in preparing the specifications of saving energy electrical equipment and devices to encourage consumers to rationalize the energy consumption.

The peak load of the electric power system in the Kingdom was (2995) MW in 2013 compared with (2790) MW in 2012 with an annual growth of (7.3%).

The annual peak load of the interconnected system

amounted to (2975) MW in December 2013 compared with (2770) MW in July 2012 representing an annual growth of (7.4%).

The generating units' share in covering the interconnected system peak load (2975) MW was as follows:

	MW	(%)
Steam Units (Burning Heavy Fuel Oil & N.G)	707	23.8
Gas Turbine Units (Burning Diesel Oil & N.G)	534	17.9
Combined Cycle Units	1747	58.7
Other Private Companies Units	5	0.2
Imports (Exports)	(18)	(0.6)
Total	2975	100

Table (22): System Peak Loads (MW)

Year	Interconnected System*		Interconnections		Industrial Sector	All Jordan	
	Generated	Sent-out	Imported	Exported		Generated**	Sent-out
2010	2650	2540	--	--	20	2670	2560
2011	2770	2660	49	--	20	2790	2680
2012	2880	2770	--	40	20	2900	2790
2013	3100	2975***	--	18	20	3120	2995

* Included the imported loads from Interconnected Lines.** (4.1% x Sent-out Load)*** Winter Load/December

Table (23): Electricity Demand Forecast in the Interconnected System

Year	Max. Demand*		Electrical Energy Generated	
	MW	Growth (%)	GWh	Growth (%)
2014	2915	10.0	18207	5.1
2015	3096	6.2	19133	5.1
2016	3281	6.0	20161	5.4
2017	3482	6.1	21317	5.7
2018	3704	6.4	22598	6.0
2020	4198	6.5	25551	6.4
2030	8014	6.7	48340	6.6

* Summer Loads.

Electrical Interconnection Projects

1) The Eighth Interconnection Project

This project aims to interconnect the electricity grids of Egypt, Iraq, Jordan, Lebanon, Libya, Palestine, Syria and Turkey.

This project consists of various main projects which include projects have been already implemented, other projects are still under implementation and other projects were already planned, as shown below:

1.1) Existing Projects

1.1.1) The Egyptian – Jordanian – Lebanese – Libyan – Syrian Interconnection:

- A contract was signed for the exchange of electric power between Jordan and Egypt for the year 2014 in February/2014. The Jordanian electrical grid is interconnected with the Egyptian electric grid by a 400 kV submarine cable which extends across the Aqaba Gulf with a length of (13) km and a capacity of (550) MW.
- The Jordanian electric grid is currently interconnected with the Syrian electric grid by a 400 kV single circuit transmission line with a length of (147) km and a capacity of (800) MW. This line extends between 400/230 kV Dier Ali Substation in Syria and 400/132 kV Amman – North Substation in Jordan.
- During the year 2013, (381.1) Gwh was imported from the Egyptian network to cover the needs of the Jordanian network, on the other hand, (58.6) Gwh was exported, of which (10.8) Gwh to the Egyptian network, (41.4) Gwh to Jerusalem Electricity Company and (6.4) Gwh to the Iraqi border (Trabeel). The energy exchange has achieved technical and economical benefits for all parties.
- During 2013, there was no energy exchange between the Egyptian and Syrian networks through the Jordanian network due to the circumstances are currently prevailing in the region. Similarly, the exchange of electric power between the Egyptian and Libyan sides did not take place.

1-2) Projects Under Construction

1.1.2) The Syrian – Turkish Electric Interconnection

- In 1997, the 400 kV interconnection transmission line between the two countries was constructed to supply the Syrian network with electricity from the Turkish grid as an isolated island. However, it is planned to construct (HVDC) substations from Barrik area 400 kV in Turkey with a capacity of (600) MW in order to increase the exchanged power capacities across the interconnection lines.
- The synchronized interconnection project between the two countries is not completed, as well as the commercial exchange that includes importing and exporting electrical energy between the two countries, due to the current circumstances prevailing in Syria.

1.2.2) The Iraqi – Turkish Electrical Interconnection

- Iraq is currently interconnected with Turkey as an isolated island through an interconnection line of 400 kV which is currently operated at (154) kV.
- The two parties agreed to construct another 400 kV transmission line to enhance the interconnection where (90%) of this line was completed on the Iraqi side, while the implementation of the transmission line on the Turkish side has not been yet commenced.

1.2.3) The Syrian – Iraqi Electrical Interconnection

- The implementation of the electrical interconnection project between Syria and Iraq has not been started due to prevailing conditions in the region.

1.2.4) The Egyptian – Libyan Electrical Interconnection

- The feasibility studies concerned with the implementation of strengthening the electrical interconnection between the electric networks in the two countries have been completed, where the results of these studies indicated a possibility of exporting (500) MW to the Egyptian side. This requires the establishment of a substation in Tobruk / Libya of 500/400 kV and 500 kV transmission line with a length of (165) km. It is expected to complete this project in the year 2015 at a cost of (266) million Euros.

1-3) Planned Projects

1.3.1) Interconnection of West Bank with Jordanian Network

Work continued to implement this project through preparing action plans and securing the necessary funding for the project by the Jordanian and Palestinian sides.

1.3.2) Interconnection Gaza Strip with the Egyptian Electric Network

This project is considered one of the strategic projects in Gaza strip. The cost of the project is estimated to be about (32.5) million Jordanian Dinar, by this project Gaza strip will be provided by (70-150) MW from the electric Egyptian network.

2) Project of Pan Arab Electrical Interconnection

During the year 2013, it was agreed to continue the necessary measures related to financing the Arab exclusive electricity interconnection study which is shared by the Arab fund for Economic and Social Development and the World Bank, during a meeting held at the headquarters of the Arab States League, where the Ministries of Electricity in the Arab states agreed to complete this interconnection by the beginning of the year 2020.

2.1) The Egyptian – Saudi Electrical Interconnection

During the year 2013, the agreement of the electrical interconnection between Egypt and Saudi Arabia was signed, in order to interconnect the Egyptian electric network with the Saudi electric network by means of an overhead transmission line of 500 kV and a capacity of (3000) MW and a length of (1320) km of which (820) km inside Saudi lands, (480) km inside the Egyptian lands and a submarine cable of length (20) km across the Aqaba Gulf. This line extends from Badr substation in Egypt to Al-Madina Al-Munawara East substation passing by Tabuk substation in Saudi Arabia. This project, at its completion, will complete the electric interconnection system between the Gulf Cooperation Council Countries and the Eight interconnection countries.

2.2) The Jordanian – Saudi Electrical Interconnection

The Jordanian – Saudi Electrical interconnection is considered one of the electric interconnection projects planned to be implemented between the Jordanian and Saudi sides. The preparation of the required studies to implement the project will commence in the near future to start thereafter the implementation of the project stages.



National Electric Power Co.

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Supporting Technical and Administrative Services

1) Quality and Public Safety

- National Electric Power Company has carried out many measures that aim to develop work, improve performance, and fulfill conditions of public safety, career health, and environment.
- Regarding quality and technical inspection, the company follows up the progress of actual work in all projects and annual maintenance programs to ensure carrying out them according to timetable, technical specifications, and required conditions, show deflections if found and try to create solutions for such deflections in collaboration with the concerned technical departments for the purpose of maintaining the technical inspection method since it is a monitoring and controlling tool that seek to improve performance of different activities of the company.
- Concerning public safety, career health, and environment, the company still spares no efforts to provide maximum possible safety for its employees and clients, and equipment safety through awareness and educating employees of the company to take necessary actions in order to comply with laws and instructions of public safety and environment. This is made by carrying out visits to different locations of the company, preparing and constantly updating emergency plan of the company, providing equipment and supplies of public safety, fire fighting, and personal protection of the employees according to the international specifications, and carrying out necessary analyses and studies as for causes of accidents and work injuries to avoid them in the future.

Furthermore, the company must improve the preventive awareness level of the employees in the field of the public safety, protection from accidents in all possible means including educational and awareness films produced for this purpose.

- The company has established and applied a management system according to the requirements of international standard specifications (ISO), the company consequently obtained Quality Management System Certification: ISO9001 from SGS to be the first electric power company at the national level that developed all activities and procedures complying with latest version of ISO specification 9001: 2008. The department of quality and public safety works currently to adopt the environmental management system ISO 14001, and safety management system for career health OHSAS 18001, as the department of quality and safety in cooperation with the department of software and database have worked on the automation of quality management system and computerization of operations of the definition of documents and internal audit of the system, which simplifies work procedures.

2) Electrical Training Center

The electric training center was established in 1986. The center includes many laboratories, workshops, in addition to training areas.

Objectives of the Center:

- Qualification of new technical cadres of the company, corporations and local companies
- Training the technical staff (upgrading staff efficiency courses) of the company, corporations and local companies
- Training students of universities, internal and external institutions
- Training technical cadres in Arab countries and other friendly countries
- Maintenance and manufacturing spare parts for some equipments and devices used in the company facilities.

Fields of training programs:

- Operation and maintenance of power stations
- Programmed logic control (PLC) and SCADA system
- Design, install, operate, maintain and test transmission and distribution networks and consumers services and meters testing
- Domestic electric installations and its testing and revealing
- Operation, testing and calibrating the electric protection equipment

Adapt the participants in training courses carried out by the training center since its establishment and up to the year 2013.

Program Name	No. of Graduates	Beneficiaries
Long-term training program	1908	NEPCO and other local electrical companies
Local and Internal short - term training programs	5623	NEPCO, local companies and corporations
Special training programs for the educational corporations	1771	Universities and local Institutions
External Training programs	1316	Sister Arab countries

National Electric Power Co.

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3) International Services and Investment

For the sake of achieving the company's objectives originated from its mission intended to invest the infrastructures of the electrical transmission network, and to invest the technical potentials and practical experiences of the company in the various technical areas and administrative, financial consultations, at all local, regional and international levels.

- In 2013, National Electric Power Company through International Services and Investment department provided several services and consultations and implemented many training programs at internal and external levels, the most important of which are the following achievements:

Firstly: Inside Jordan

- Leasing some bristles of dark fiber – optic, owned by National Electric Power Company, to local companies and governmental bodies.
- Providing engineering and consulting services in technical, administrative, financial and computerized fields to many local corporations and companies, in addition to sister electric companies.
- Executing training programs at Electrical Training Center owned by National Electric Power Company, to many industrial corporations and companies, electricity companies and university students in the Kingdom
- Carrying out actions of inspection and refining oils of electrical transformers for local companies and sister electrical companies
- Executing the systematic training to (77) employees of the group (16) from the Electricity Distribution Company
- Executing the project of analyzing the technical offers of dragging Al-Disi water project in favor of the Electricity Distribution Company
- Executing the project of updating the protection and control system (of QL-1) substation belonging to the International Airport Group
- Executing a number of training programs to Libyan staff of the electricity companies in the field of installation and maintenance of the medium and low voltage conductors of the distribution networks. (100) trainees were trained into five equal groups.

Secondly: Outside Jordan

- Continuation of the work of the consultancy services agreement, engineering and supervision within Safer-Marib Substations of 400/132 kV and the transmission line 132 kV with a length of (50) km in favor of the Public Electricity Corporation of Yemen. This agreement has been extended to July 2013.
- Work continued in the analysis of the technical and financial offers submitted by the companies sharing in the bids of the Marib substation 400 kV expansion project, in favor of the Public Electricity Corporation of Yemen.
- Signing a memorandum of understanding to implement eleven training programs in favor of cadres from Iraqi Ministry of Electricity and the Ministry of Electricity in Kurdistan region in cooperation with the Japanese International Cooperation Agency (JICA) within the

training program for the third country which includes technical and administrative fields. The total number of trainees reached to (159) trainee for the period (2013-2014).

- Signing a memorandum of understanding to implement five training programs in favor of cadres from the Electricity Distribution companies belonging to the Palestinian Energy Authority in cooperation with the Japanese International Cooperation Agency (JICA) within the training program for the third country which includes technical and administrative fields, where the total number of the trainees amounted to (56) trainees during the year 2013. It was agreed also in the signed memorandum of understanding to implement ten technical programs during the year 2014.
- Continuation of assigning an engineer to work as a consultant for the house of standards in the field of electrical engineering consultancy in the Kingdom of Saudi Arabia up to May 2014.
- Signing a memorandum of understanding to implement five training programs in favor of cadres of the Public Electricity Corporation of Yemen, in cooperation with (JICA) within the training program for the third country in technical fields, where the number of the total trainees amounted to (50) trainees during the year 2013. It was agreed also through the signed memorandum of understanding to implement six technical training programs during the year 2014.
- The work on the consultancy services agreement was completed which is concerned with the control system project (SCADA) in the Emirate of Abu Dhabi for the benefit of ABB-Jordan Company, whereas technicians were directed to work on this project for different periods up to June 2013.
- Training six participants from the Ministry of Electricity and Water in Oman through the Omani Alpha Company in the program (Control Operations from LDC 11 kV – 132 kV network). The training was carried out through three groups in the National control center belonging to NEPCO.

4) Manpower and Training

- At the end of the year 2013, the number of NEPCOs employees was (1373) employee, of which the engineers constituted (20.9%), the technicians constituted (35.1%), the financers (6.2%), the administrators (17.2%) and the supporting services constituted (20.6%).
- The human resources department did its utmost in upgrading the employee's efficiency through the section of training and administrative development. This section implemented some various training programs which concentrate on the quality of the training courses held to the employees or sending them to be trained outside Jordan in addition to increase the number of participants in these courses which in turn improves the skills and knowledge of all employees from all administrative levels. This section has spared many training opportunities to students specialized in different fields from the universities and institutions.

The number of trainees was (181) student through the summer and site training in addition to train students of electrical engineering in the electric training center and the company's sites. Furthermore, the door was open to train the newly graduate engineers. In this field (53) engineers were trained in addition to one student from Tunis who was trained through the training program for the foreigners organized by Al-Aista organization.

Financial Performance

Fig (4) Total Revenues 2013 (1171.2) Million

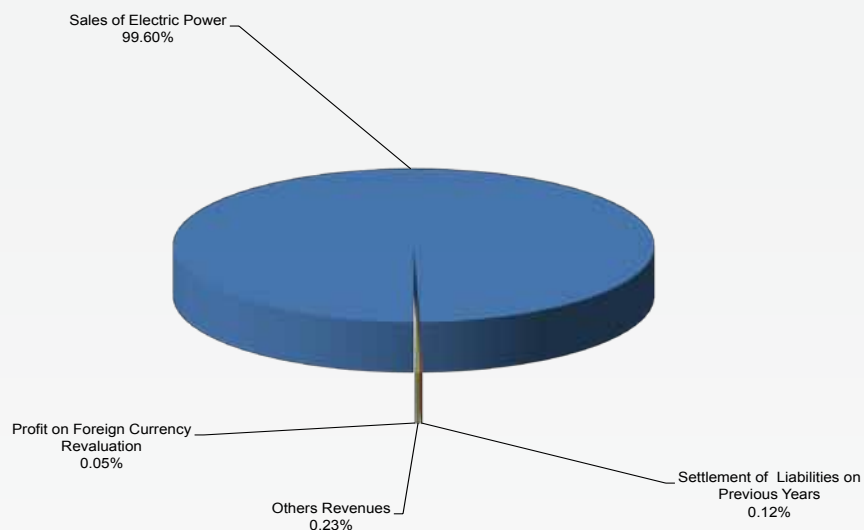
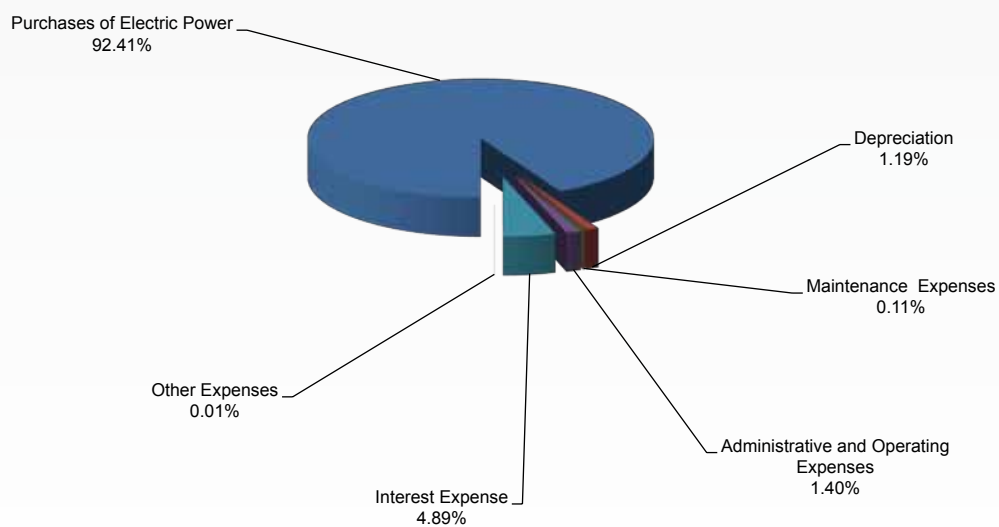


Fig (5) Total Expenses 2013 (2257.1) Million



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Electrical Energy Purchases & Sales

Table (24): NEPCO's Electric Power Purchases (GWh)

	2010	2011	2012	2013	(%)
A. CEGCO	7195.1	7561.4	7306.0	6910.1	(5.4)
AqabaThermal P.S	3740.7	3946.8	3663.5	3737.7	2.0
Hussein Thermal P.S	717.7	1129.9	1201.1	1192.5	(0.7)
Risha Natural Gas	500.1	470.3	427.7	358.3	(16.2)
Gas & Diesel Units	2233.5	2012.1	2011.5	1619.1	(19.5)
Wind Energy	3.1	2.3	2.2	2.5	13.6
B.SEPGCO	3390.3	3503.7	4490.2	4426.2	(1.4)
C.AES Jordan(Al-Manakher)	3237.9	2222.8	1561.3	2590.6	65.9
D. QEPCO	52.8	437.3	2311.7	2396.5	3.7
E.Others	685.4	1751.9	800.7	395.1	(50.7)
King Talal Dam	15.2	13.1	16.1	13.4	(16.8)
Indo-Jordan Chemicals Co.	0.1	0.7	0.3	0.6	100.0
Imported Energy from Egypt	445.8	1457.6	784.3	381.1	(51.4)
Imported Energy from Syria	224.3	280.5	--	--	--
Total Energy Purchased	14561.5	15477.1	16469.9	16718.5	1.5

Table (25): NEPCO's Electric Power Sales (GWh)

	2010	2011	2012	2013	(%)
A. Distribution Companies	13453.5	14260.7	15113.1	15445.2	2.2
JEPCO	8677.0	9217.5	9813.3	9871.0	0.6
EDCO	2575.7	2666.7	2845.8	2979.3	4.7
IDECO	2200.8	2376.5	2454.0	2594.9	5.7
B. Large Consumers	746.7	785.5	906.3	868.4	(4.2)
Refinery Co.	18.7	37.7	40.0	51.1	27.8
Jordan Cement Co. /Al-Fuheis Plant	177.7	145.2	122.0	49.8	(59.2)
Jordan Cement Co. /Al-Rashadiyeh Plant	87.8	47.9	41.7	98.3	135.7
Al-Rajhi Cement Co.	--	17.8	169.2	122.4	(27.7)
Al-Hadeetha Cement Co.	--	0.1	34.6	86.0	148.6
Qatranna Cement Co.	--	--	--	63.8	--
Potash Co.	305.0	380.2	334.4	253.2	(24.3)
El-Hasa Phosphate Co.	47.8	50.6	42.4	43.2	1.9
Sheidiyah Phosphate Co.	47.9	43.5	45.3	29.1	(35.8)
QAIA	60.9	61.9	76.2	69.7	(8.5)
Indo-Jordan Chemicals Co.	--	--	--	1.6	--
Haraneh B. Station	0.9	0.6	0.5	0.2	(60.0)
C. Exported Energy	57.5	85.6	103.5	58.6	(43.4)
Egypt	3.8	4.2	14.5	10.8	(25.5)
Jerusalem Co. (Jericho)	48.4	75.7	82.3	41.4	(49.7)
Border (Trabeel)	5.3	5.7	6.7	6.4	(4.5)
D. Other	1.0	0.1	0.1	0.2	100.0
Total	14258.7	15131.9	16123.0	16372.4	1.5

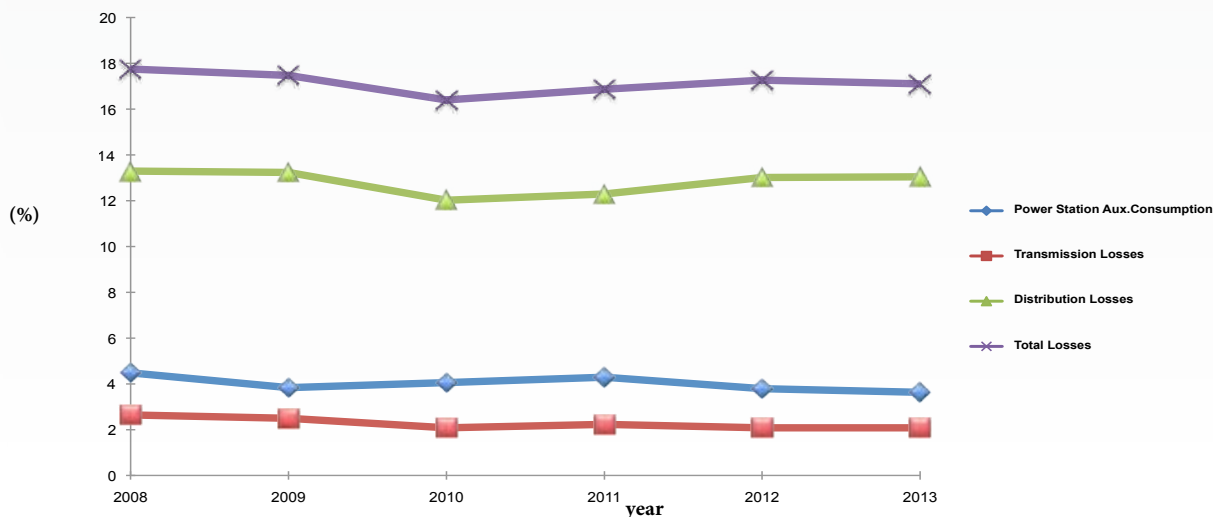
Electrical Energy Losses

Table (26): Electrical Energy Losses by Sector Type (GWh)

	2010	2011	2012	2013
1. Generation Losses *				
Generated Energy	14462	14369	16332	16957
Sent Out Energy	13876	13753	15713	16341
Losses (%)	4.05	4.29	3.79	3.63
2. Transmission Losses				
Sent Out Energy	14562	15477	16470	16722
Bulk Sales	14259	15132	16123	16372
Losses (%)	2.08	2.23	2.11	2.09
3. Distribution Losses				
Sent Out Energy	13454	14261	15113	15445
Sold Energy	11823	12509	13146	13429
Losses (%)	12.12	12.29	13.02	13.05
4. Total Energy losses				
Generated and Imported Energy	15447	16385	17380	17669
Consumed and Exported Energy	12914	13621	14378	14647
Losses (%)	16.40	16.87	17.27	17.10

* Includes the losses in the Electricity Generation Company

Fig (6) Electrical Energy Losses



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Electricity Tariffs

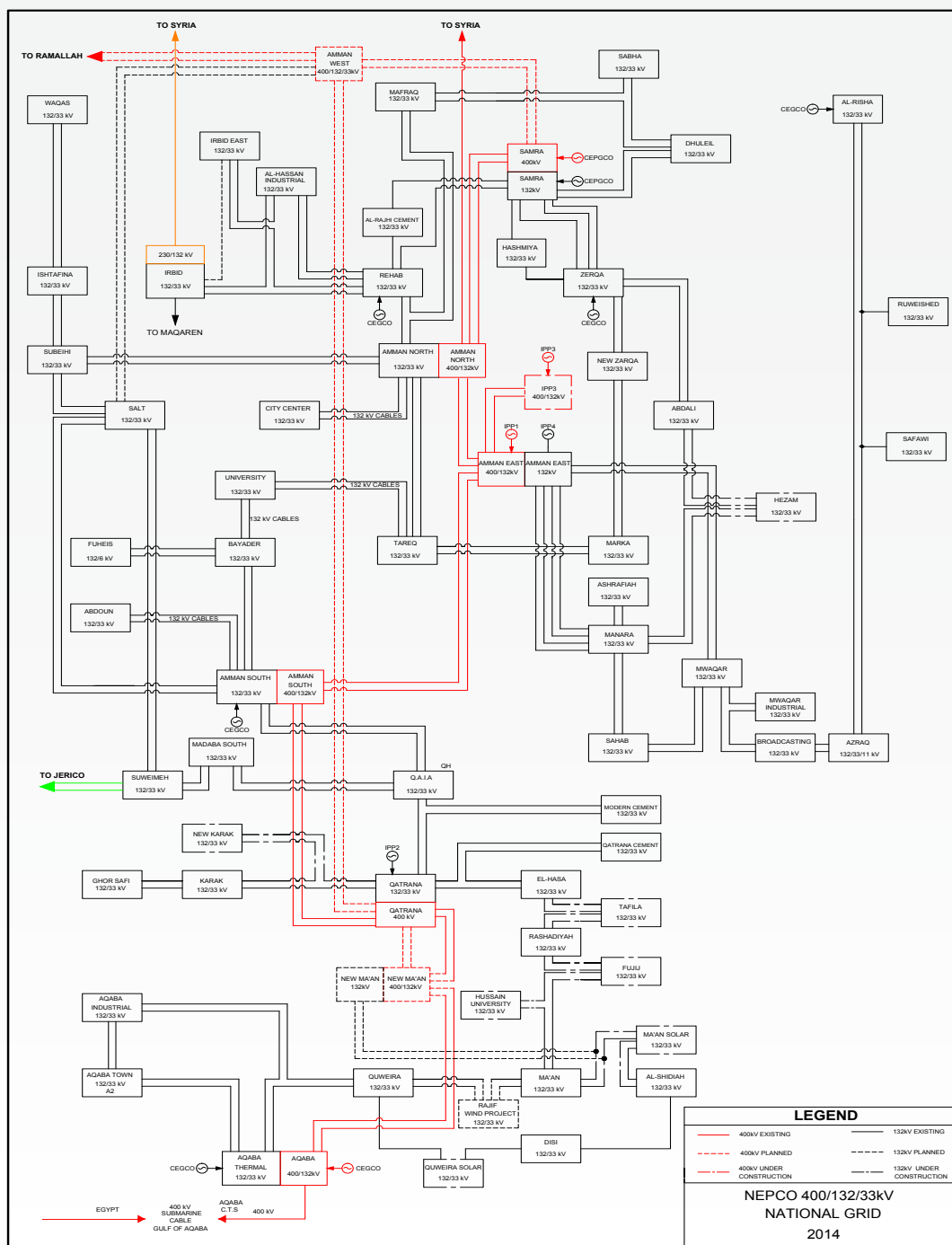
Table (27): Electricity Tariffs in Jordan from 1/1/2014

1. Bulk Supply Tariff			
A- JEPCO			
Peak Load (JD/kW/ Month)		2.98	
Day Energy (Fils/kWh)		76.26	
Night Energy (Fils/kWh)		66.21	
B- EDCO			
Peak Load (JD/kW/ Month)		2.98	
Day Energy (Fils/kWh)		68.90	
Night Energy (Fils/kWh)		58.85	
C- IDECO			
Peak Load (JD/kW/ Month)		2.98	
Day Energy (Fils/kWh)		62.71	
Night Energy (Fils/kWh)		52.66	
D- Large Industries			
1- Mining & Quarrying Industry			
Peak Load (JD/kW/ Month)		2.98	
Day Energy (Fils/kWh)		254	
Night Energy (Fils/kWh)		190	
2- Others			
Peak Load (JD/kW/ Month)		2.98	
Day Energy (Fils/kWh)		124	
Night Energy (Fils/kWh)		101	
2. Retail Tariff			
A- Household (Fils/kWh)			
First Block : from 1-160 kWh/Month		33	
Second Block : from 161-300 kWh/Month		72	
Third Block : from 301-500 kWh/Month		86	
Fourth Block : from 501-600 kWh/Month		114	
Fifth Block : from 601-750 kWh/Month		152	
Sixth Block : from 751-1000 kWh/Month		181	
Seventh Block : more than 1000 kWh/Month		259	
B- Domestic (Fils/kWh)			
First Block : from 1-160 kWh/Month		40	
Second Block : from 161-300 kWh/Month		87	
Third Block : from 301-500 kWh/Month		104	
Fourth Block : from 501-600 kWh/Month		138	
Fifth Block : from 601-750 kWh/Month		163	
Sixth Block : from 751-1000 kWh/Month		185	
Seventh Block: more than 1000 kWh/Month		259	
C- Flat Rate Tariff for TV & Broadcasting Stations (Fils/kWh)			161
D- Commercial Sector (Fils/kWh)			
First Block : from 1-2000 kWh/Month		120	
Second Block : more than 2000 kWh/Month		168	
E- Flat Rate Tariff for Banking Sector (Fils/kWh)			278
F- Telecommunication Sector (Fils/kWh)			
First Block : from 1-2000 kWh/Month		250	
Second Block : more than 2000 kWh/Month		292	
G- Small Industries (Fils/kWh)			
First Block : from 1-10000 kWh/Month		66	
Second Block : more than 10000 kWh/Month		75	
H- Medium Industries (Fils/kWh)			
Peak Load (JD/kW/ Month)		3.79	
Day Energy (Fils/kWh)		83	
Night Energy (Fils/kWh)		70	
I- Flat Rate Tariff for Agriculture (Fils/kWh)			60
J- Agriculture (Fils/kWh)			
Peak Load (JD/kW/ Month)		3.79	
Day Energy (Fils/kWh)		59	
Night Energy (Fils/kWh)		49	
K- Flat Rate Tariff for Water Pumping (Fils/kWh)			87
L- Flat Rate Tariff for Hotels (Fils/kWh)			168
M- Hotels (Fils/kWh)			
Peak Load (JD/kW/ Month)		3.79	
Day Energy (Fils/kWh)		153	
Night Energy (Fils/kWh)		135	
N- Streets Lighting (Fils/kWh)			106
O- Army Forces (Fils/kWh)			136
P- Port Corporation (Fils/kWh)			148
Q- Agriculture / Commercial (Fils/kWh)		60	
		105	
Notice Monthly Minimum Charge			
A- Domestic (JD/Month)			1.0
B- Other Consumers (JD/Month)			1.25



National Electric Power Co. Annual Report 2013

National Grid in Jordan's Power System





The Hashemite Kingdom of Jordan
National Electric Power Company
NEPCO



Financial Statements



National Electric Power Co. Annual Report 2013

Independent Auditor's Report

To Messrs. Board of directors
National Electric Power Company
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

We have audited the accompanying financial statements of **National Electric Power Company** (Public Shareholding Company), which comprise the statement of financial position as at December 31, 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Electric Power Company (Public Shareholding Company) as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of a Matter

Without qualifying our opinion, the Company's accumulated losses reached nearly 15 times its subscribed capital. According to Companies Law No. 22 for year 1997, the court can judge involuntary liquidation if accumulated losses of a public shareholding company exceeded 75% of its capital unless the General Assembly decides to increase its capital.

Other Matters

The financial statements for the year ended December 31, 2012 were audited by another auditor who expressed an unqualified opinion on February 28, 2013 with an Emphasis of a Matter paragraph regarding the Company's accumulated losses.

Legal Requirements

The Company maintains proper accounting records, and the audited financial statements and the financial information stated in the report of the board of directors are in agreement with those records, and we recommend the general assembly to approve them.

Talal Abu-Ghazaleh & Co. International
Amman, Jordan
April 29, 2014

National Electric Power Co.

Annual Report 2013



Statement of financial position as at December 31, 2013

	Notes	2013	2012
		JD	JD
ASSETS			
Non-current Assets			
Property, plant, and equipment	3	460,753,830	465,699,937
Subscribers’ contributions assets, net	3	71,611,884	69,676,478
Investment in subsidiaries	4	100,000	150,000
Investment in financial assets at fair value through other comprehensive income	5	1,834,325	1,865,965
Company’s contribution in employees’ housing fund	6	2,237,060	1,956,060
Total Non-current Assets		536,537,099	539,348,440
Current Assets			
Inventory	7	25,072,611	24,799,915
Other debit balances	8	12,499,620	4,020,449
Accounts receivable	9	311,421,432	215,832,406
Cash and cash equivalents	10	617,565	329,609
Total Current Assets		349,611,228	244,982,379
TOTAL ASSETS		886,148,327	784,330,819



National Electric Power Co.

Annual Report 2013

Statement of financial position as at December 31, 2013

	Notes	2013 JD	2012 JD
EQUITY AND LIABILITIES			
Equity			
Capital		230,000,000	230,000,000
Statutory reserve		6,384,000	6,384,000
Voluntary reserve		4,730,371	4,730,371
Special reserve		4,730,371	4,730,371
Treasury rights	11	22,260,282	21,517,989
Accumulated change in fair value of investment in financial assets at fair value through other comprehensive income		1,525,753	1,557,393
Accumulated losses		(3,459,560,494)	(2,373,690,455)
Net Equity		(3,189,929,717)	(2,104,770,331)
Non-current Liabilities			
Net subscribers' contributions	3	71,611,884	69,676,478
Loans payable - non-current portion	12	856,616,210	1,084,833,506
Bonds payable - non-current portion	13	300,000,000	498,600,673
Provision for end of service indemnity	14	6,435,255	6,424,953
Subscribers' contributions received on projects under construction	15	12,590,000	22,013,601
Deferred revenues	16	277,109	45,016
Total Non-current Liabilities		1,247,530,458	1,681,594,227
Current Liabilities			
Income tax provision	17	3,971,473	3,971,473
Other credit balances	18	59,468,522	36,535,777
Accounts payable	19	1,972,354,510	767,524,620
Loans payable - current portion	12	541,748,949	156,009,398
Bonds payable - current portion	13	198,600,673	194,300,000
Banks overdrafts	20	52,403,459	49,165,655
Total Current Liabilities		2,828,547,586	1,207,506,923
Total Liabilities		4,076,078,044	2,889,101,150
TOTAL EQUITY AND LIABILITIES		886,148,327	784,330,819

National Electric Power Co.

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Statement of comprehensive income for the year ended December 31, 2013

	Notes	2013	2012
		JD	JD
Operating Revenues			
Sale of energy revenues	21	1,166,516,359	1,026,211,991
Other energy revenues		708,957	1,007,243
Total Operating Revenues		1,167,225,316	1,027,219,234
Operating Expenses			
Purchase of energy	22	2,085,890,234	2,062,218,096
Gas delivery to Al-Qatrana and Al-Samra stations		-	4,373,549
Maintenance expenses		2,440,899	2,424,953
Administrative and operating expenses	23	31,498,018	27,595,168
Depreciation		26,790,053	28,548,011
Total Operating Expenses		2,146,619,204	2,125,159,777
Operating Loss		(979,393,888)	(1,097,940,543)
Previous years settlements of accounts	24	1,424,549	13,065,768
Gains on foreign currency differences, net		548,100	1,287,105
Other revenues	25	2,009,165	1,238,240
Other expenses	26	(161,046)	(126,079)
Board of directors remuneration		(15,235)	(16,733)
Financing cost		(110,281,684)	(75,279,243)
Loss		(1,085,870,039)	(1,157,771,485)
Other Comprehensive Income			
Change in fair value of investment in financial assets at fair value through other comprehensive income		(31,640)	(54,958)
Comprehensive Income		(1,085,901,679)	(1,157,826,443)
Loss per share	27	JD (4/721)	JD (5/034)



National Electric Power Co.

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Statement of changes in equity for the year ended December 31, 2013

	Capital	Statutory reserve	Voluntary reserve	Special reserve	Treasury rights	Accumulated change in fair value of financial assets at fair value through other comprehensive income	Accumulated losses	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance as at January 1, 2012	230,000,000	6,384,000	4,730,371	4,730,371	19,980,445	1,612,351	(1,215,918,970)	(948,481,432)
Comprehensive income	-	-	-	-	-	(54,958)	(1,157,771,485)	(1,157,826,443)
Treasury rights	-	-	-	-	1,537,544	-	-	1,537,544
Balance as at December 31, 2012	230,000,000	6,384,000	4,730,371	4,730,371	21,517,989	1,557,393	(2,373,690,455)	(2,104,770,331)
Comprehensive income	-	-	-	-	-	(31,640)	(1,085,870,039)	(1,085,901,679)
Treasury rights	-	-	-	-	742,293	-	-	742,293
Balance as at December 31, 2013	230,000,000	6,384,000	4,730,371	4,730,371	22,260,282	1,525,753	(3,459,560,494)	(3,189,929,717)

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Statement of cash flows for the year ended December 31, 2013

	2013	2012
	JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss	(1,085,870,039)	(1,157,771,485)
Adjustments for :		
Depreciation	26,790,053	28,548,011
Impairment of slow moving inventory	325,954	365,594
Allowance for doubtful receivables	3,397,200	217,669
Recovery of allowance	(200,000)	-
Gain on disposal of property and equipment	(12,770)	(31,999)
Provision for end of service indemnity	636,446	1,160,593
Previous years settlements of accounts	(1,424,549)	(13,065,768)
Changes in operating assets and liabilities:		
Inventory	(598,650)	(1,923,487)
Other debit balances	(8,479,171)	4,553,335
Accounts receivable	(98,786,226)	(57,757,618)
Provision for end of service indemnity	(626,144)	(378,779)
Subscribers' contributions received on projects under construction	(9,423,601)	(13,177,905)
Deferred revenues	232,093	(4,516)
Other credit balances	22,932,745	(6,204,809)
Accounts payable	1,206,254,439	88,717,722
Net cash from operating activities	55,147,780	(1,126,753,442)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(21,843,998)	(17,640,923)
Proceeds from sale of property and equipment	12,822	34,588
Investment in subsidiaries	50,000	-
Company's contribution in employees' housing fund	(281,000)	(280,999)
Net cash from investing activities	(22,062,176)	(17,887,334)
CASH FLOWS FROM FINANCING ACTIVITIES		
Treasury rights	742,293	1,537,544
Bonds payable	(194,300,000)	300,000,000
Loans payable	157,522,255	874,608,833
Banks overdrafts	3,237,804	(31,485,938)
Net cash from financing activities	(32,797,648)	1,144,660,439
Net change in cash and cash equivalents	287,956	19,663
Cash and cash equivalents - beginning of year	329,609	309,946
Cash and cash equivalents - end of year	617,565	329,609



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NOTES TO THE FINANCIAL STATEMENTS

1. Legal status and activity

- National Electric Power Company was established on August 29, 1996 and registered as a Public shareholding company under the number (316) pursuant to the Council of Ministers' resolution to convert Jordan Electric Authority to a limited public shareholding company.
- Pursuant to the Council of Ministers' decision in its meeting held on October 4, 1997 National Electric Power Company was restructured into three separate companies as of the beginning of January 1999, while maintaining electrical transmission and control, energy purchase and sale, and energy exchange with nearby countries within National Electric Power Company.
- The Company is wholly owned by the Government of Hashemite Kingdom of Jordan.
- The financial statements have been approved by the board of directors in its meeting held on April 29, 2014, and require approval of the Council of Prime Ministry.

2. Basic for preparation of financial statements and significant accounting policies

- **Financial statements preparation framework**
- The financial statements have been prepared in accordance with International Financial Reporting Standards.
- **Measurement bases used in preparing the financial statements**
- The financial statements have been prepared on the historical cost basis except for measurement of certain items at bases other than historical cost.
- **Functional and presentation currency**
- The financial statements have been presented in Jordanian Dinar (JD) which is the functional currency of the entity.
- **Using of estimates**
- When preparing of financial statements, management uses judgments, assessments and assumptions that affect applying the accounting policies and currying amounts of assets, liabilities, revenue and expenses. Ac-

tual result may differ from these estimates.

- Change in estimates shall be recognized in the period of the change, and future periods if the change affects them.

- For example, estimates may be required for doubtful and bad debts, inventory obsolescence, useful lives of depreciable assets, provisions, and any legal cases against the entity.

- Financial instruments

- A financial instrument is any contract that gives rise to a financial asset of one entity and financial liabilities or equity instrument of another entity.

- Financial assets

- A financial asset is any asset that is:
 - a. Cash;
 - b. An equity instrument of another entity;
 - c. A contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity.
 - d. A contract that will or may be settled in the entity's own equity instruments.
- Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.
- All recognized financial assets are subsequently measured either at amortized cost or fair value, on the basis of both:
 - a. The entity's business model for managing the financial assets, and
 - b. The contractual cash flow characteristics of the financial assets.
- A financial asset is measured at amortized cost if both of the following conditions are met:
 - a. The asset is held within a business model whose objec-

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tive is to hold assets in order to collect contractual cash flows.

- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- All other financial assets are subsequently measured at fair value.
- A gain or loss on a financial asset that is measured of fair value and is not part of a hedging relationship is recognized in profit or loss unless the financial asset is an investment in an equity instrument and the entity has elected to present gains and losses on that investment in other comprehensive income.

Cash and cash equivalents

- Cash comprises cash on hand, current accounts and demand deposits with banks.
- Cash equivalents are short- term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

- Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- Trade receivables are stated at invoices amount net of any allowance for doubtful receivables which represents the collective impairment of receivables.

Investment in subsidiaries

- A subsidiary is an entity that is controlled by another entity. Control is presumed to exist when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
- When no consolidation is prepared, investment in a subsidiary is accounted for at cost.

Impairment of financial assets

- Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each year.

- For financial assets carried at amortized cost, the amount of impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets. The amount of the impairment loss shall be recognized in losses.

Financial liabilities

- A financial liability is any liability that is:

- a. A contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or
- b. A contract that will or may be settled in the entity's own equity instruments.

- Financial liabilities are initially recognized at fair value plus transaction costs, directly attributable to the acquisition or issue of those liabilities, except for the financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

- After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method, except for financial liabilities at fair value through profit or loss which are measured at fair value and other determined financial liabilities which are not measured under amortized cost method.

- Financial liabilities at fair value through profit or loss are stated at fair value, with any resulting gain or loss from change in fair value is recognized through profit or loss.

Trade payables and accruals

Trade payables and accruals are liabilities to pay for goods or services that have been received or supplied and have been either invoiced or formally agreed with the suppliers or not.

Inventory

- Inventory is measured at the lower of cost and net realizable value.
- Inventory costs comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- The cost of inventory is assigned by using the weighted-average cost formula.



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- Net realizable value is the estimated selling/usage price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the usage.
- Spare parts that didn't move for more than 5 years are depreciated by 15% annually.
- **Fixed Assets (Property and equipment and subscribers' contributions assets)**
 - Property and equipment are initially recognized at their cost being their purchase price plus any other costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by management.
 - After initial recognition, property and equipment are carried, in the statement of financial position, at their cost less any accumulated depreciation and any accumulated impairment losses. Lands are not depreciated.
 - The depreciation charge for each year is recognized as expense. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed over the estimated useful lives of the assets using the following annual rates:

Description	Description rate
	%
Legal compensation assets (*)	10
Buildings	2 -3.3
Transmission lines	2.5
Transformation stations	3.3
Land lines	2.8
Transmission lines - sea cable	2.5
Fiber optics communication tools	10
Furniture and office equipment	10
Vehicles	20
Tools and equipment	10
Operators and communication devices	5
Control and monitoring devices	12.5
Computers	20
Other equipment	10
Others	3-20

(*) According to the decision of the Electricity Regula-

tory Commission in its meeting held on October 18, 2003, compensations paid by electricity companies to lands owners whom electricity networks pass by their lands are considered capital expenditures as they appear in the statement of financial position under legal compensation assets that are depreciated over 10 years, compensations paid during the year are capitalized at the end of the fiscal period starting from January 1, 2003.

- The estimated useful lives are reviewed at each year-end, with the effect of any changes in estimate accounted for on a prospective basis.
- The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with impairment of assets policy.
- On the subsequent derecognition of the property and equipment, the resulting gain or loss, being the difference between the net disposals proceeded, if any, and the carrying amount, is included in profit or loss.
- **Impairment of assets**
 - At each statement of financial position date, management reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired.
 - If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset.
 - An impairment loss is recognized immediately as a loss.
 - Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased

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carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior years. A reversal of an impairment loss is recognized immediately as income.

- Provisions

- Provisions are present obligations (legal or constructive) resulted from past events, the settlement of the obligations is probable and the amount of those obligations can be estimated reliably. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.
- Provisions reviewed and adjusted at each statement of financial position date. If outflows, to settle the provisions, are no longer probable, reverse of the provision is recorded as income.

- End of service indemnity

- End of service indemnity is computed according to Jordanian Laws and Regulations.

- Reserves

- Statutory reserve

Statutory reserve is allocated according to the Jordanian Companies Law by deducting 10% of the annual net profit until the reserve equals one quarter of the Company's subscribed capital. However, the Company may, with the approval of the General Assembly, continue to deduct this annual ratio until this reserve equals the subscribed capital of the Company in full. Such reserve is not available for dividends distribution.

- Voluntary reserve

This reserve is determined in accordance with the Jordanian Companies Law by allocating not more than 20% annually of the profit to this reserve.

- Special reserve

The General Assembly of a public shareholding company can allocate not more than 20% annually of the profit as special reserve based on a proposition by its board of directors to use it for contingencies, expansion, or strengthening the company's financial position and facing potential risks to

agree with the requirements of the Jordanian Companies Law.

- Basic earnings per share

Basic earnings per share is calculated by dividing profit or loss, attributable to ordinary shareholders, by the weighted average number of ordinary shares outstanding during the year.

- Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

- Revenues of energy sale

Revenues resulting from energy sale are recognized when the invoice is issued to the customer with the amount of energy sold and the tariff identified by the government, and when the following conditions are met:

- The entity transfers the significant risks and benefits of goods ownership to the buyer.
- The entity does not maintain a continuous management relationship to the extent associated with the presence of ownership nor effective control over the sold goods.
- The amount of revenue can be measured reliably.
- Economic benefits associated with the process will flow to the entity.
- The possibility of measuring the costs incurred or to be incurred in the process reliably.

Thus, energy is recognized when the unit enters the stage of electric power generation and where the electric capacity is available in electric power stations and, according to the approved tariff between the Company and the National Electricity Power Company.

- Dividend and interest revenue

- Dividend revenue from investments is recognized when the shareholder's right to receive payment is established.
- Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

- Grants

- Unrestricted grants that are receivable as compensation



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for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognized in profit or loss in the period in which they become receivable.

- Restricted grants are recognized as income on a systematic basis over the periods in which the entity recognizes as expenses the related costs for which the grants are intended to compensate.
- Grants whose primary condition is that the entity should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to profit and loss on a systematic and rational basis over the useful lives of the related assets.

- **Borrowing costs**

- Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.
- Borrowing costs are expensed in the period in which they are incurred.

- **Interest of late payment/ collection of energy and fuel prices**

Revenues/expenses interest of late payment/ collection of energy and fuel prices and recognized when received/paid.

- **Income tax**

Income tax is calculated in accordance with Jordanian

laws and regulations.

- **Foreign currencies**

- In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the statement date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the year or in previous financial statements shall be recognized in profit or loss in the year in which they arise.

- **Contingent liabilities**

- Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably.
- Contingent liabilities are not recognized in the financial statements.

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3. Property, and equipment

2013	Cost					Accumulated Depreciation (Amortization)					Net Book Value
	Beginning of year balance	Additions	Transfers	Disposals	End of year balance	Beginning of year balance	Additions	Disposals	End of year balance	End of year balance	
Description	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Projects under construction	35,051,335	15,160,382	(32,033,564)	-	18,178,153	-	-	-	-	18,178,153	
Lands	29,874,754	3,543,358	-	-	33,418,112	-	-	-	-	33,418,112	
Legal compensation assets	61,298,132	7,664,875	-	-	68,963,007	38,710,254	6,242,211	-	44,952,465	24,010,542	
Buildings	61,040,560	-	3,172,410	-	64,212,970	19,141,652	2,115,734	-	21,257,386	42,955,584	
Transmission lines	202,976,925	-	19,563,787	-	222,540,712	68,628,095	7,499,273	-	76,127,368	146,413,344	
Transformation stations	356,827,630	-	9,269,740	-	366,097,370	133,963,861	11,520,668	-	145,484,529	220,612,841	
Land lines	28,349,819	-	(8,858)	-	28,340,961	3,563,189	732,405	-	4,295,594	24,045,367	
Transmission lines - sea cable	25,231,064	-	-	-	25,231,064	8,914,764	630,687	-	9,545,451	15,685,613	
Fiber optics communication tools	3,715,237	-	36,485	-	3,751,722	2,754,916	217,022	-	2,971,938	779,784	
Furniture and office equipment	1,753,576	60,866	-	-	1,814,442	1,550,676	74,956	-	1,625,632	188,810	
Vehicles	7,100,439	686,308	-	(14,125)	7,772,622	5,990,483	538,886	(14,124)	6,515,245	1,257,377	
Tools and equipment	2,306,956	147,106	-	-	2,454,062	1,724,887	278,018	-	2,002,905	451,157	
Operators and communication devices	2,571,797	32,729	-	-	2,604,526	2,168,320	108,828	-	2,277,148	327,378	
Control and monitoring devices	7,467,762	3,062	-	-	7,470,824	4,519,227	375,410	-	4,894,637	2,576,187	
Computers	4,544,175	151,784	-	(3,367)	4,692,592	4,290,228	102,781	(3,316)	4,389,693	302,899	
Other equipment	2,015,035	41,597	-	-	2,056,632	1,716,555	99,326	-	1,815,881	240,751	
Others	2,660,678	217,637	-	-	2,878,315	1,772,352	184,148	-	1,956,500	921,815	
Total - divided into:	834,785,874	27,709,704	-	(17,492)	862,478,086	299,409,459	30,720,353	(17,440)	330,112,372	532,365,714	
Property and equipment	742,394,080	21,843,998	-	(17,492)	764,220,586	276,694,143	26,790,053	(17,440)	303,466,756	460,753,830	
Subscribers' contributions assets (*)	92,391,794	5,865,706	-	-	98,257,500	22,715,316	3,930,300	-	26,645,616	71,611,884	
Total	834,785,874	27,709,704	-	(17,492)	862,478,086	299,409,459	30,720,353	(17,440)	330,112,372	532,365,714	



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2012 Description	Cost						Accumulated Depreciation (Amortization)				Net Book Value	
	Beginning of year balance	Additions	Transfers	Disposals	End of year balance		Beginning of year balance	Additions	Disposals	End of year balance	End of year balance	
	JD	JD	JD	JD	JD		JD	JD	JD	JD	JD	
Projects under construction	36,181,540	26,539,930	(27,670,135)	-	35,051,335		-	-	-	-	35,051,335	
Lands	28,447,570	1,427,184	-	-	29,874,754		-	-	-	-	29,874,754	
Legal compensation assets	53,823,765	7,474,367	-	-	61,298,132		32,580,442	6,129,812	-	38,710,254	22,587,878	
Buildings	57,806,574	-	3,233,986	-	61,040,560		16,977,144	2,164,508	-	19,141,652	41,898,908	
Transmission lines	194,479,865	-	8,497,060	-	202,976,925		61,310,688	7,317,407	-	68,628,095	134,348,830	
Transformation stations	342,103,271	-	14,724,359	-	356,827,630		122,113,607	11,850,254	-	133,963,861	222,863,769	
Land lines	28,730,300	-	(380,481)	-	28,349,819		2,813,005	750,184	-	3,563,189	24,786,630	
Transmission lines - sea cable	25,231,064	-	-	-	25,231,064		8,284,077	630,687	-	8,914,764	16,316,300	
Fiber optics communication tools	3,682,075	-	33,162	-	3,715,237		2,531,579	223,337	-	2,754,916	960,321	
Furniture and office equipment	1,666,478	87,098	-	-	1,753,576		1,471,668	79,008	-	1,550,676	202,900	
Vehicles	6,858,310	293,129	-	(51,000)	7,100,439		5,532,013	506,919	(48,449)	5,990,483	1,109,956	
Tools and equipment	2,231,257	4,479	71,220	-	2,306,956		1,419,203	305,684	-	1,724,887	582,069	
Operators and communication devices	2,554,967	16,830	-	-	2,571,797		2,055,368	112,952	-	2,168,320	403,477	
Control and monitoring devices	5,975,839	1,094	1,490,829	-	7,467,762		4,007,096	512,131	-	4,519,227	2,948,535	
Computers	4,363,123	182,086	-	(1,034)	4,544,175		4,191,333	99,889	(994)	4,290,228	253,947	
Other equipment	1,831,314	183,721	-	-	2,015,035		1,571,601	144,954	-	1,716,555	298,480	
Others	2,515,599	145,079	-	-	2,660,678		1,615,787	156,565	-	1,772,352	888,326	
Total - divided into:	798,482,911	36,354,997	-	(52,034)	834,785,874		268,474,611	30,984,291	(49,443)	299,409,459	535,376,415	
Property and equipment	724,805,191	17,640,923	-	(52,034)	742,394,080		248,195,575	28,548,011	(49,443)	276,694,143	465,699,937	
Subscribers' contributions assets (*)	73,677,720	18,714,074	-	-	92,391,794		20,279,036	2,436,280	-	22,715,316	69,676,478	
Total	798,482,911	36,354,997	-	(52,034)	834,785,874		268,474,611	30,984,291	(49,443)	299,409,459	535,376,415	

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(*) Subscribers' contributions assets

These assets are displayed in a separate class according to the ministerial instructions referred to in the prime ministry's letter number 33/11/6189 dated June 4, 1985 that provided (to appear in its true name "subscribers' contributions" on other liabilities side, and their assets to appear as a separate class on assets side under the name Subscribers' Contributions Assets where these assets are depreciated over 25 years by 4% annually the liabilities against them to be amortized by the same rate as of the Company's financial statements for the year 1985 this rule is applied on accumulated contributions with the Company at the time and on future contributions.

4) Investment in subsidiaries

Description	Legal status	Country of incorporation	Ownship share %	Balance	
				2013	2012
				JD	JD
Energized Maintenance Engineering Company	Limited liability	Jordan	50	50,000	50,000
National Company for Optic Fibers Investmens	Private shareholding	Jordan	100	50,000	50,000
Jordan-Swiss Automation Services Company (*)	Limited liability	Jordan	50	-	50,000
Total				100,000	150,000

(*) Jordan-Swiss Automation Services Company was liquidated during 2013.

(**) The following is a summary of the financial information related to each company for the year ended December 31, 2013 according to the financial statements prepared by management:

	National Company for Optic Fibers Investmens	Energized Maintenance Engineering Company
	JD	JD
Total assets	58,461	146,559
Total liabilities	171	63,047
Net equity	58,290	83,512
Revenues	1,161	57,356
profit for the year	5,916	900
Parent Company's share of profit and loss	5,916	450

(***) Consolidated financial statements with subsidiaries have not been prepared due to the immateriality of investments in subsidiaries.

5) Investment in financial assets at fair value through other comprehensive income

Investee	2013	2012
	JD	JD
Jordan Electric Power Company	1,792,710	1,836,703
Irbid District Electricity Company	41,615	29,262
Total	1,834,325	1,865,965



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(*) Movement on investment in financial assets at fair value through other comprehensive income during the year was as follows:

	2013	2012
	JD	JD
Beginning of year balance	1,865,965	1,920,923
Change in fair value	(31,640)	(54,958)
End of year balance	1,834,325	1,865,965

6) Company's contribution in employees' housing fund

This item represents amounts transferred to the employees' housing fund as contributions in the fund.

7) Inventory

	2013	2012
	JD	JD
Spare parts, transformation stations' materials, and transmission network	21,020,181	21,078,275
Control and monitoring center materials	4,008,271	3,674,991
Stationery and office supplies	22,612	18,024
Training materials	21,547	28,625
Total	25,072,611	24,799,915

8) Other debit balances

	2013	2012
	JD	JD
Fuel consumption and supply differences, net (*)	8,355,659	-
Prepaid expenses	1,032,802	1,192,517
Advance payments to suppliers	1,024,859	1,010,308
Projects and studies for other parties	801,630	646,917
Letters of credit	725,691	1,098,287
Employees' receivables	511,690	31,814
Other	47,289	40,606
Total	12,499,620	4,020,449

(*) This item represents the difference between fuel amounts supplied to generation companies and paid by National Electric Power Company and amounts consumed by generation companies during the year.

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9) Accounts receivable

	2013	2012
	JD	JD
Sale of energy receivables (*)	306,616,451	207,583,957
Joint chiefs of staff (**)	5,000,000	5,000,000
Insurance companies receivables - Aqaba and Rehab accidents	4,463,521	4,479,499
Other receivables	3,231,599	3,461,889
Total	319,311,571	220,525,345
Allowance for doubtful receivables (***)	(7,890,139)	(4,692,939)
Net	311,421,432	215,832,406

(*) Sale of energy receivables details are as following:

	2013	2012
	JD	JD
Jordan Electric Power Company	165,922,270	129,803,809
Electricity Distribution Company	64,627,988	40,295,482
Irbid District Electricity Company	52,777,176	20,480,776
Wholesale subscribers receivables	18,607,761	11,749,322
Traibeel Borders Centre	3,857,010	3,124,495
Jerusalem District Electricity Company	824,246	221,137
Ministry of Finance - Jerusalem District Electricity Company differences	-	1,908,936
Total	306,616,451	207,583,957

(**) This item represents a receivable against subscribers' contributions received on projects under construction shown in Note (15).

(***) Movement on allowance for doubtful receivables during the year was as follows:

	2013	2012
	JD	JD
Beginning of year balance	4,692,939	4,475,270
Provided during the year	3,397,200	217,669
Recovery of allowance	(200,000)	-
End of year balance	7,890,139	4,692,939



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10) Cash and cash equivalents

	2013	2012
	JD	JD
Current accounts at banks	488,277	193,053
Cash on hand	129,288	136,556
Total	617,565	329,609

11) Treasury rights

This item represents the balance of installments and interests on certain loans that are credited on treasury rights account shown under owner's equity as stated in the loans agreements plus the value of appropriated Ameri lands. The balance of this item does not represent any liability on the company.

12) Loans payable

	2013	2012
	JD	JD
Local loans (*)	1,302,417,575	1,137,634,413
Foreign loans (**)	95,947,584	103,208,491
Total - divided into:	1,398,365,159	1,240,842,904
Non-current portion	856,616,210	1,084,833,506
current portion	541,748,949	156,009,398

(*) Interest rates on local loans range between 3,5% and 8,6%.

(**) Interest rates on foreign loans varies because of different financing sources and terms.

(***) All the loans above are guaranteed by the Government of the Hashemite Kingdom of Jordan.

13) Bonds payable

This item represents bonds payable with maturity dates extending until April 26, 2017 with interest rates ranging from 4.213% to 7.750% during the year ended December 31, 2013. All bonds are issued by the Government of the Hashemite Kingdom of Jordan using the National Electric Power Company name, and they are guaranteed by the Government of the Hashemite Kingdom of Jordan.

14) End of service indemnity

	2013	2012
	JD	JD
Beginning of year balance	6,424,953	5,643,139
Provided	636,446	1,160,593
Paid	(626,144)	(378,779)
End of year balance	6,435,255	6,424,953

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15) Subscribers' contributions received on projects under construction

	2013	2012
	JD	JD
Adjustment of 400 K.V line project - special forces	5,000,000	5,000,000
Expansion of Al-Qwireh station	4,083,333	4,083,333
Al-Shedeyeh station expansion project (Gamma and Indo-Jordan)	3,506,667	3,282,667
Al-Qatrana cement tranformation station project	-	5,040,000
Construction of Al-Desi project	-	3,591,250
Al-Hashmieh station expansion project Ramallah Company	-	1,016,351
Total	12,590,000	22,013,601

16) Deferred revenues

	2013	2012
	JD	JD
Beginning of year balance	45,016	49,532
Received during the year	295,166	-
Accumulated amortization	(63,073)	(4,516)
End of year balance	277,109	45,016

17) Income tax provision

Amman

- The tax status of the Company has been settled until 2010, as carried forward losses amounting to JD 128,285,080 was accepted.
- The income tax returns for the years 2011 and 2012 are submitted within legal time limit.

Aqaba

- The tax status of the Company has been settled until 2009.
- The income tax returns for the years 2010, 2011, and 2012 are submitted within legal time limit.

As per the Company's tax consultant's opinion, the provided provision is sufficient to face potential tax liabilities.



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18) Other credit balances

	2013	2012
	JD	JD
Accrued interest	37,069,002	22,568,169
Contractors' retentions	8,299,951	7,592,189
Subscribers' contributions deposits	7,584,152	1,431,827
Fils al-reef deposits	3,257,873	1,824,007
Advance payments on projects and studies for other parties	2,958,370	2,484,756
Other	259,015	612,416
Employees' payables	40,159	22,413
Total	59,468,522	36,535,777

19) Accounts payable

	2013	2012
	JD	JD
Ministry of Finance	1,287,561,242	66,650,000
Purchase payable of fule and energy (*)	652,300,980	662,301,888
Purchase payable of natural gas (**)	26,704,526	34,911,086
Other payables	5,787,762	3,661,646
Total	1,972,354,510	767,524,620

(*) Details of purchase payables of fuel and energy are as follows:

	2013	2012
	JD	JD
Al-Samra Electric Power Company	292,036,246	253,993,657
Central Electricity Generating Company	279,161,860	351,680,545
Jordan Petroleum Refinery Company - Fuel	61,934,689	38,641,255
Al-Qatrana Electric Power Company	8,230,379	7,403,818
Amman East Station Power Plant	5,501,687	5,314,918
Egyptian Electricity Transmission Company	5,282,430	5,173,381
Indo-Jordan Chemicals Company	110,578	32,709
Jordan Valley Authority - King Talal Dam	43,111	61,605
Total	652,300,980	662,301,888

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(**) Details of purchase payables of natural gas are as follows:

	2013	2012
	JD	JD
Jordanian Egyptian Fajr for Natural Gas Transmission and Supply	25,656,622	33,863,182
Ministry of Finance - Gas purchases share	1,047,904	1,047,904
Total	26,704,526	34,911,086

20) Banks overdrafts

	Ceiling	Interest rate	2013	2012
		%	JD	JD
Bank of Jordan - JD	10 Millions	7.5	19,593,522	-
Bank al Etihad - USD	10 Millions	3.75	7,886,451	3,540,000
Bank al Etihad - JD	7.5 Millions	8	7,500,000	7,387,022
Housing Bank for Trade & Finance - JD	5 Millions	8.9	5,001,292	4,897,674
Arab Bank - JD	5 Millions	8.75	3,696,131	4,966,297
Bank of Jordan - USD	5 Millions	4	3,540,000	-
City Bank - JD	3.4 Millions	7.25	3,300,000	-
Cairo Amman Bank - USD	Non	3.5	1,767,022	5,025,566
Cairo Amman Bank - JD	5 Millions	8	119,041	2,097,188
Standard Chartered Bank - USD	-	-	-	21,240,000
Arab Jordan Investment Bank - JD	-	-	-	11,908
Total			52,403,459	49,165,655

(*) All the above bank facilities are guaranteed by the Company's assets.



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21) Sale of energy revenues

	2013			2012		
	Quantityt of energy sold	Tariff	Total	Quantityt of energy sold	Tariff	Total
	Megawatt/hour	Fils/kilowatt	JD	Megawatt/hour	Fils/kilowatt	JD
Jordan Electric Power Company	9,870,992	71/152	702,336,827	9,813,258	63/868	626,755,362
Electricity Distribution Company	2,979,323	62/202	185,318,547	2,845,812	54/788	155,915,728
Irbid District Electricity Company	2,594,948	58/022	150,565,073	2,453,998	50/356	123,574,547
Wholesale subscribers	868,453	140/333	121,872,586	906,456	121/717	110,331,252
Jerusalem District Electricity Company	41,399	103/581	4,288,135	82,274	81/927	6,740,496
Egyptian Electricity Transmission Company	10,821	129/625	1,402,675	14,544	130/701	1,900,920
Traibeel Borders Center	6,448	113/604	732,516	6,715	147/980	993,686
Total	16,372,384	71/249	1,166,516,359	16,123,057	63/648	1,026,211,991

22) Purchase of energy

	2013			2012		
	Quantityt of energy purchased	Tariff	Total	Quantityt of energy purchased	Quantityt of energy purchased	Total
	Megawatt/hour	Fils/kilowatt	JD	Megawatt/hour	Fils/kilowatt	JD
Cental Electricity Generating Company	6,910,093	142/501	984,696,661	7,306,022	138/981	1,015,401,374
Al-Samra Electric Power Company	4,426,243	134/963	597,379,535	4,490,186	121/709	546,495,999
Al-Qatrana Electric Power Company	2,396,465	98/220	235,381,751	2,311,696	100/372	232,029,843
Amman East Power Plant	2,590,630	87/832	227,540,111	1,561,284	112/640	175,863,492
Egyptian Electricity Transmission Company	381,080	106/278	40,500,524	784,329	117/280	91,986,031
King Talal Dam and Indo-Jordan Chemicals Company	13,970	28/035	391,652	16,387	26/933	441,357
Total	16,718,481	124/765	2,085,890,234	16,469,904	125/211	2,062,218,096

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23) Administrative and operating expenses

	2013	2012
	JD	JD
Salaries and wages	15,727,372	14,197,392
Company's contributions (social security, saving, health and life insurance)	3,769,185	3,351,038
Assets insurance	3,600,271	3,504,970
Doubtful receivables	3,397,200	217,669
Licensing fees - electricity regulatory commission	1,227,929	1,209,229
Security	676,687	475,281
End of service indemnity	636,446	1,160,593
Professional and consultancy fees	636,287	1,984,842
Stamps and university fees	503,734	3,768
Impairment of slow moving inventory	325,954	365,594
Utilities	229,422	241,300
Miscellaneous	145,608	233,165
Travel and per-diems	140,473	173,530
Cleaning	106,774	103,052
Advertising and marketing services	78,077	53,577
Communication	73,537	77,951
Stationery and printings	50,295	50,512
Subscriptions	41,524	29,841
Training	30,353	33,831
Vehicles registration and licensing	29,161	29,735
Board of directors' transportation and representation	24,800	36,067
Seminars and conferences	24,014	40,018
Entertainment	22,915	22,213
Total	31,498,018	27,595,168

24) Previous years settlements of accounts

This item represents compensations of rehab accident consequential losses plus the amounts transferred to the comprehensive income statement from Jordanian Egyptian Fajr for Natural Gas Transmission and Supply payable, Al-Qatrana Electric Power Company payable, Central Electricity Generating Company payable, and Al-Samra Electric Power Company payable as a result of reaching settlements between the Company and these companies.



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25) Other revenues

	2013	2012
	JD	JD
International services revenues, net	1,146,489	924,799
Recovery of allowance	200,000	-
Interest income	180,873	17,573
Lands rentals	132,040	-
Sale of tenders copies	99,185	46,730
Dividend income	72,866	89,810
Compensations from insurance companies	67,985	78,942
Amortization of deferred revenues	63,073	4,516
Others	33,884	43,871
Gain on disposal of property, plant and equipment	12,770	31,999
Total	2,009,165	1,238,240

26) Other expenses

	2013	2012
	JD	JD
Others	69,263	63,506
Housing and lounges expenses, net	53,005	11,868
Company's contribution in roadway lighting	38,778	50,705
Total	161,046	126,079

27) Loss per share

	2013	2012
	JD/Share	JD/Share
Loss for the year	(1,085,870,039)	(1,157,771,485)
Weighted average number of shares	230,000,000	230,000,000
Loss per share	(4/721)	(5/034)

28) Contingent liabilities

The Company has contingent liabilities on the statement of financial position date for guarantees amounting to JD 258,710 without cash deposit

29) Legal cases

As mentioned in the Company's lawyer letter, there are legal cases raised by the Company against others amounted to nearly JD 15 millions, while legal cases raised by others against the Company amounted to nearly JD 17 millions and other cases with undetermined amounts. These cases are still outstanding in related courts.

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30) Risk management

A. Capital risk:

- Regularly, the capital structure is reviewed and the cost of capital and the risks associated with capital are considered. In addition, capital is managed properly to ensure continuing as a going concern while maximizing the return through the optimization of the debt and equity balance.
- The Company's accumulated losses reached nearly 15 times its subscribed capital. According to Companies Law No. 22 and its amendments for year 1997, the court can judge involuntary liquidation if accumulated losses of a public shareholding company exceeded 75% of its capital unless the General Assembly decides to increase its capital.

B. Currency risk:

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
- The risk arises on certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the year.
- Certain procedures to manage the exchange rate risk exposure are maintained.
- The following is details of foreign currencies accounts as at December 31, 2013:

Description	Exchange risk	Exchange price	Amount	Amount
			in foreign currency	in local currency
Accounts receivable	USD	0.708	1,176,461	832,934
Accounts payable	USD	0.71	43,574,869	30,938,157
Loans	USD	0.71	594,848,862	422,342,692
Loans	Islamic Dinar	1.088	31,856,063	34,659,396
Loans	Kutwaity Dinar	2.515	23,431,455	58,930,109
Loans	Euro	0.98065	3,548,218	3,479,560
Banks overdrafts	USD	0.71	16,139,055	11,458,729

C. Interest rate risk:

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.
- The risk arises on exposure to a fluctuation in market interest rates resulting from borrowings.
- The risk is managed by maintaining an appropriate mix between fixed and floating interest rates balances during the financial year.
- The following schedule illustrates the sensitivity of profit or loss and owner's equity for the change in interest prices that the entity pays for borrowing from banks:

As at December 31, 2013	Change in interest rate	Effect on other comprehensive income statement and equity
Loans	0.5 ±	6,991,826 ±
Banks overdrafts	0.5 ±	262,017 ±



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D. Other price risk:

- Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
- The following table shows the sensitivity to profit or loss and equity to the changes in the listed prices of investments in equity instruments, assuming no changes to the rest of other variables:

As at December 31, 2013	Change in price %	Effect on other comprehensive income
Investment in financial assets at fair value through other comprehensive income	5 ±	91,716 ±

E. Credit risk:

- Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Regularly, the credit ratings of debtors and the volume of transactions with those debtors during the year are monitored.
- Ongoing credit evaluation is performed on the financial condition of debtors.
- The carrying amount of financial assets recorded in the financial statements represents the maximum exposure to credit risk without taking into account the value of any collateral obtained.

F. Liquidity risk:

- Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.
- Liquidity risk is managed through monitoring cash flows and matching with maturity dates of the financial assets and liabilities.
- The following table shows the maturity dates of financial assets and liabilities as of December 31:

Description	Less than one year		One year and more	
	2013	2012	2013	2012
	JD	JD	JD	JD
Financial Assets:				
Investment in subsidiaries	-	-	100,000	150,000
Investment in financial assets at fair value through other comprehensive income	-	-	1,834,325	1,865,965
Company's contribution in employees' housing fund	-	-	2,237,060	1,956,060
Other debit balances	1,360,609	719,337	-	-
Accounts receivable	311,421,432	215,832,406	-	-
Cash and cash equivalents	617,565	329,609	-	-
Total	313,399,606	216,881,352	4,171,385	3,972,025
Financial Liabilities:				
Loans payable	541,748,949	156,009,398	856,616,210	1,084,833,506
Bonds payable	198,600,673	194,300,000	300,000,000	498,600,673
Other credit balances	56,510,152	34,051,021	-	-
Accounts payable	1,972,354,510	767,524,620	-	-
Banks overdrafts	52,403,459	49,165,655	-	-
Total	2,821,617,743	1,201,050,694	1,156,616,210	1,583,434,179

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31) Segment reporting

	2013			2012		
	Amman	Aqaba	Total	Amman	Aqaba	Total
Operating Revenues	JD	JD	JD	JD	JD	JD
Sale of energy revenues	1,131,565,682	34,950,677	1,166,516,359	994,039,776	32,172,215	1,026,211,991
Other energy revenues	687,688	21,269	708,957	976,018	31,225	1,007,243
Total Operating Revenues	1,132,253,370	34,971,946	1,167,225,316	995,015,794	32,203,440	1,027,219,234
Operating Expenses						
Purchase of energy	2,023,313,528	62,576,706	2,085,890,234	1,998,289,335	63,928,761	2,062,218,096
Gas delivery to Al-Qatrana and Al-Samra stations	-	-	-	4,237,969	135,580	4,373,549
Maintenance expenses	2,367,672	73,227	2,440,899	2,349,778	75,175	2,424,953
Administrative and operating expenses	30,654,993	843,025	31,498,018	26,746,624	848,544	27,595,168
Depreciation	25,986,351	803,702	26,790,053	27,663,163	884,848	28,548,011
Total Operating Expenses	2,082,322,544	64,296,660	2,146,619,204	2,059,286,869	65,872,908	2,125,159,777
Operating Loss	(950,069,174)	(29,324,714)	(979,393,888)	(1,064,271,075)	(33,669,468)	(1,097,940,543)
Previous years settlements of accounts	1,381,812	42,737	1,424,549	12,660,729	405,039	13,065,768
Gains on foreign currency differences, net	530,846	17,254	548,100	1,285,213	1,892	1,287,105
Other revenues	2,009,165	-	2,009,165	1,238,240	-	1,238,240
Other expenses	(161,046)	-	(161,046)	(126,079)	-	(126,079)
Board of directors remuneration	(15,235)	-	(15,235)	(16,733)	-	(16,733)
Financing cost	(106,973,234)	(3,308,450)	(110,281,684)	(72,945,586)	(2,333,657)	(75,279,243)
Loss	(1,053,296,866)	(32,573,173)	(1,085,870,039)	(1,122,175,291)	(35,596,194)	(1,157,771,485)
Other Comprehensive Income						
Change in fair value of investment in financial assets at fair value through other comprehensive income	(31,640)	-	(31,640)	(54,958)	-	(54,958)
Comprehensive Income	(1,053,328,506)	(32,573,173)	(1,085,901,679)	(1,122,230,249)	(35,596,194)	(1,157,826,443)

32) Standards and Interpretations issued but not yet effective

Up to the date of these financial statements, the following Standards and Interpretations were issued by the International Accounting Standards Board but not yet effective:

Standard or Interpretation No.	Description	Effective date
IFRS (10 and 12) and IAS (27) - Amendments	Investment entities	Jan. 1, 2014 or after
IAS (32) - Amendments	"Financial instruments: presentation" - Offsetting financial assets and financial liabilities.	Jan.1, 2014 or after
IAS (36) - Amendments	"Impairment of assets" - Recoverable amount disclosures for non - financial assets	Jan. 1, 2014 or after
IAS (39) - Amendments	"Financial instruments: Recognition and measurement" - Novation of derivatives and continuation of hedge accounting.	Jan. 1, 2014 or after
IFRIC (21) - New	Levies	Jan. 1, 2014 or after

Management anticipates that the adoption of these Standards and Interpretations in current or future periods may not have material impact on the financial statements.

33) Reclassification

Certain 2012 balances have been reclassified to conform to the classification used in 2013.



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