HNDS energy LTD.

1247-LET-HNDS-NEPR-6499

04 August 2024

REGISTRAR OFFICE
Diary No. 8220
Dated 6-8-24

The Registrar
National Electrical Power Regular Authority
NEPRA Tower Attaturk Avenue (East), G-5/1, Islamabad
Tel: +92 51 9206500
Fax: +92 51 2600021

Subject: Submission of Tariff Modification Petition to National Electrical Power Regulatory Authority (NEPRA) by HNDS Energy Limited

Dear Sir,

This is with reference to the decision of Authority for determination of reference tariff of **HNDS Energy Limited** (the "Company"), bearing reference No. **NEPRA/R/TRF-481/HPPL-2019/6094-6096** dated **21 February 2020**.

Pursuant to Section 7 and 31 of The Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, Rule 3 of the NEPRA (Tariff Standard and Procedure) Rules, 1998 read with other applicable NEPRA laws, we, the Company hereby submit the enclosed 'Tariff Modification Petition' with respect to the Authority's Decision on the basis of the grounds, facts and information provided therein (the "Application").

We hereby request your good office to submit the enclosed Application to the Authority for an early determination. This Application is submitted in triplicate together with:

a) Certified extract of the board resolutions of the Company, authorized Mr Jawad Ali Country Manager of the Company to file the Application;
b) A pay order # 11844735 in favour of National Electric Power Regulatory Authority amounting PKR 747,777/- (Pakistani Rupees Seven Hundred Forty-Seven Thousand Seven Hundred Seventy-Seven Only)
c) The Affidavit of Jawad Ali, Country Manager of the Company.

Along with cheque by 747777/-

Thank you and with kind regards,

Yours Sincerely,

For & Behalf of:
HNDS Energy Limited

Jawad Ali
Authorized Representative

Forwarded please:
☑ For nec. action ☑ For information

☐ DG (Lic.)	☐ DG (Admn & HR)
☐ SA (M&E)	☐ DG (CAD)
☐ DG (Tech.)	☐ DG (ATC)
☐ DG (Th.)	☐ DG (Fin.)
☐ SLA	☐ D.L. (IT)
☐ Consult (Tech.)	☐ Consult (F&CA)

For kind information, please,
1. Chairman 2. M (Dev)
3. M (Trf. & Fin) 4. M (Tech)
5. M (Law)

1247-LET-HNDS-NEPR-6505

10 August 2026

The Registrar
National Electrical Power Regular Authority
NEPRA Tower Attaturk Avenue (East), G-5/1, Islamabad
Tel: +92 51 9206500
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REGISTRAR OFFICE
Diary No. 8412
Dated 11-8-26

Subject: Submission of Checklist for Tariff Modification Petition – HNDS Energy Limited

Dear Sir,

This is with reference to the Tariff Modification Petition submitted by **HNDS Energy Limited** before the Authority vide our letter No. **1247-LET-HNDS-NEPR-6499 dated 04 August 2026**, duly received by NEPRA on 05 August 2026.

In continuation of the aforesaid submission, please find enclosed the duly completed **Checklist for Examination of Tariff Petition pursuant to Rule 3 of the NEPRA (Tariff Standards and Procedure) Rules, 1998**, in respect of the aforesaid Tariff Modification Petition.

The enclosed Checklist may kindly be taken on record as part of the Petitioner's submission.

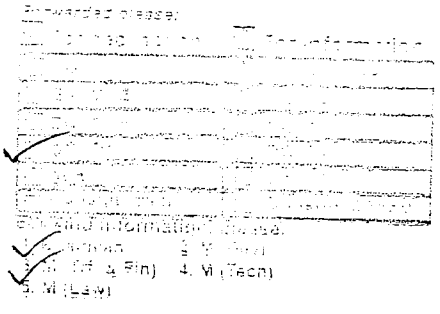
Thank you and with kind regards,

Yours Sincerely,

For & Behalf of:
HNDS Energy Limited

Jawad Ali
Authorized Representative

DRO(2)



Registered Office Address:
G-30/4 KDA Scheme No. 5, Block-3, Clifton Karachi, Pakistan
U.A.N.: +92-21-111-176-527, Ph: +92-21-35360583-4, +92-21-35304863-4

Communication Address:
Gerry's Center, 1-B 3rd Floor, Service Road West, 7th Avenue,
Sector G-5/1, Islamabad, Pakistan, 44000.
Ph: +92 51 3910966 Fax: +92 51 3898663

CHECK LIST FOR EXAMINATION OF TARIFF PETITION

COMPANY NAME: HNDS ENERGY LIMITED

(Rule 3 of NEPRA Tariff Rules - 1998)

Rule #	Information / Documents Required	Information/Documents submitted by Petitioner
3(1)	Any licensee, consumer or person interested in the tariff may file a petition with the Authority by filing it with the Registrar along with such fees as may be determined by the Authority from time to time. The Authority may also initiate proceedings suo moto.	*The petitioner provided evidence [Pay Order number: 11844735] of depositing the applicable tariff petition fee of Rs. 747,777, which corresponds to the generation licensee category for projects "More than 20 MW upto 50 MW" in the NEPRA schedule.*
3(2)(a)	state the name and address of the petitioner and the grounds giving rise to the petitioner's interest forming the basis of the petition and, where the petitioner is a licensee, the number and other relevant details of the license as may be determined by the Authority from time to time.	***Name:*** *HNDS Energy LIMITED* ***Address:*** *Gerry's Plaza, 3rd Floor, 1-B, Service Road West, 7th Ave, G 6/1 G-6, Islamabad* ***Grounds for modification petition:*** *The Modification Petitions provides a separate section (Section 6) for "Grounds of the Modification Petition", some of the key points are highlighted below;* *(a) The Reference Tariff Determination contemplated recovery of IDC and ROEDC* *(b) Construction could not possibly commence on achievement of financial close.* *(c) EPA signed with Power Purchaser also recognize the construction start date as commencement of construction.* *(d) Precedents where NEPRA has allowed the construction period commencing from construction start date have been provided.* *License Details:* *Generation License No.: SPGL 21 2017* *Date: 16 August 2017* *Date Modification-I: 28 September 2023* *Expiry Date: 29 April 2048*
3(2)(b)	State in a concise manner the grounds and the facts forming the basis of the petition;	*The Project achieved Financial Close on 19 February 2021. The commencement of construction was significantly delayed due to land demarcation issues, revised coordinates, and local ownership claims involving the Government of Sindh. The Construction Start Date was eventually achieved on 14 June 2022.*

		after the 10-month construction period measured from Financial Close had already expired. Under the current Reference Tariff Determination, the approved construction period is measured from Financial Close, meaning the petitioner would be unable to recover Interest During Construction (IDC) and Return on Equity During Construction (ROEDC) as allowed in the Reference Tariff Determination, since no meaningful drawdowns occurred during that initial 10-month window.
3(2)(c)	The relief or determination sought	*Modification of the Reference Tariff Determination so the maximum 10-month construction period is measured from the Construction Start Date, rather than the date of Financial Close. IDC to be computed at COD based on actual debt drawdowns during the 10-month period starting from the Construction Start Date. ROEDC to be adjusted at COD based on actual equity injections during the 10-month period starting from the Construction Start Date. Allowance for a day-for-day extension of the approved construction period to account for Force Majeure Events.*
3(2)(d)	be accompanied with comparative schedules of charges, costs, units, price and other items comprising the existing tariff and the proposed tariff, or such other details as may be determined from time to time by the Authority for the purpose.	*The tariff modification petition seeks commencement of construction period from construction start date instead of Financial Close. The tariff modification petition does not seek any enhancement of the period related cost i.e., IDC and ROEDC and request the Authority to allow the same starting from Construction start date, hence not applicable*
3(2)(e)	be accompanied with a comparative table of the existing tariff design and the proposed tariff design on the basis of the categories of consumers likely to be affected by a modification of the tariff, their consumption patterns and charges payable by them; and	*The Petition does not seek any modification in the approved tariff design, tariff rates or approved cost ceilings. The relief sought is limited to the commencement point of the already-approved ten-month construction period for purposes of IDC and ROEDC true-up. Accordingly, a comparative tariff design schedule is not applicable*
3(2)(f)	be supported with a summary of evidence giving brief particulars of the data, facts and evidence in support of the petition.	*The petitioner provided a summary of 31 supporting annexures. Evidence includes the Registered Site Lease Agreement, Application for Demarcation of Land, First and Second Survey Reports. FM / Breach Notices to CPPA-G. Variation Order for Design Change, and various official correspondences regarding land rectifications.*

3(8)	Any petition or communication, wherein any statement of fact or opinion is made by the petitioner or the communicator, shall be verified by an affidavit, drawn up in the first person stating the full name, age, occupation and address of the deponent and the capacity in which he is signing and indicating that the statement made therein is true to be best of the knowledge of the deponent, information received by the deponent and belief of the deponent, and shall be signed and sworn before a person lawfully authorized to take and receive affidavits, provided that, a communication filed during the course of a hearing may be affirmed in person before the Authority by the person filing the same.	*Affidavit attached with the Petition – refer point (c) of the Cover letter 1247-LET-HNDS-NEPR-6499 dated 04 August 2026*
	Board Resolution to authorize one or more persons to file a tariff petition with NEPRA and make further correspondence etc.	*Chief Executive Officer, any Director, the Company Secretary, and/or any other officer or authorized representative of the Company, including Mr. Anas Bin Akram (Accounting, Tax and Reporting Manager) are authorized and empowered, on behalf of the Company, to prepare, finalize, execute, sign, swear, verify, file, submit and amend the tariff modification petition* *Board Resolution attached with the Petition – refer point (a) of the letter 1247-LET-HNDS-NEPR-6499 dated 04 August 2026*
ECC Decision in Case No. ECC-65/5/2007 dated 23.05.2007	NEPRA should stop the practice of accepting EPC Costs on the basis of quotations etc. Instead, they should base their determination on firm (non-reopenable) competitive price duly initialed / signed by the IPP/EPC Contractors.	*Not applicable*
SRO No. 374 (1)/2019 dated 15-03-2019	Forms (Form 1-15) specified by the Authority for steam based power plants operating, on coal, residual furnace oil, biomass, bagasse, solid waste or nuclear fuel to be submitted with petition	*Not applicable*

1247-LET-HNDS-NEPR-6604 13 October 2026

The Registrar
National Electrical Power Regulatory Authority
NEPRA Tower Attaturk Avenue (East), G-5/1, Islamabad
Tel: +92 51 9206500
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Subject: Additional Submission in the Tariff Modification Petition dated 04 August 2026 – Incorporation of Bonus Energy Sharing Mechanism Consistent with License Modification-I

References:

1. Reference Tariff Determination dated 21 February 2020 issued in Case No. NEPRA/R/TRF-479/HNDS-2019/6094-6096.
2. Modification-I in Generation Licence No. SPGL/21/2017 approved vide NEPRA determination dated 28 September 2023 in Case No. LAG-369.
3. Tariff Modification Petition submitted by HNDS Energy Limited vide letter No. 1247-LET-HNDS-NEPR-6499 dated 04 August 2026.

Dear Sir,

This is with reference to the Tariff Modification Petition filed by HNDS Energy Limited (the "Applicant") seeking modification of the Reference Tariff Determination. In addition to the grounds already submitted in the petition, the Applicant respectfully submits that the Authority has approved Modification-I in the Applicant's Generation Licence No. SPGL/21/2017 ("Licence Modification-I") vide determination dated 28 September 2023 in Case No. LAG-369.

Through the said License Modification-I, the Authority approved, inter alia, the change in PV technology from polycrystalline to bifacial mono-crystalline modules and the associated changes in project parameters. While approving the modification, the Authority observed that the proposed technology change would have a positive impact on the Net Annual Capacity Factor of the project and assessed the same at approximately 23.97%.

The Authority, in paragraph D(vii) of the License Modification-I, revised the sharing mechanism earlier provided in Para 21(c) of the Reference Tariff Determination. Further, the Authority directed the Applicant to file a modification petition for incorporation of the aforesaid changes in its tariff determination.

Accordingly, the Applicant respectfully requests the Authority to incorporate the changes approved through License Modification-I in the Reference Tariff Determination, including replacement of the existing Net Annual Capacity Factor sharing mechanism with the following revised mechanism already approved by the Authority:

Net Annual Plant Capacity Factor	Percentage of the Prevalent Tariff Allowed to Power Producer
Above 23.27% to 23.97%	-
Above 23.97% to 24.72%	20%
Above 24.72% to 25.47%	40%
Above 25.47% to 26.22%	60%
Above 26.22%	70%

These changes follow directly from the Authority's own determination in the License Modification-I proceedings and are necessary to align the Reference Tariff Determination with the modified Generation Licence and the revised project parameters approved by the Authority.

This application may kindly be treated as an additional submission forming part of the Applicant's pending Tariff Modification Petition and without prejudice to the other reliefs already sought therein.

Yours Sincerely,

For an on Behalf of:
HNDS Energy Limited

Anas Bin Akram
Authorized Representative

Enclosed:

1. Extracts from Modification of Generation Licence No. SPGL/21/2017 (Modification-I), Licence Application No. LAG-369 (NEPRA letter no. NEPRA/DG(Lic)/LAG-369/33526-32 dated Sep 28, 2023)
2. Extracts from Reference Tariff Determination dated 21 February 2020 issued in Case No. NEPRA/R/TRF-479/HNDS-2019/6094-6096

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Encl. 1

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

Registrar

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/DG(Lic)/LAG-369/ 33526-32 September 28, 2023

Chief Executive Officer
HNDS Energy Limited
G-30/4, KDA Scheme No. 5
Block-8, Clifton Karachi

Subject: **Modification in Generation Licence No. SPGL/21/2017 (Modification-I)**
Licence Application No. LAG-369
HNDS Energy Limited (HEL), formerly HNDS Energy (Private) Limited

Reference: HEL's LPM submitted vide letter No. & dated nil (received on 01.02.2021)

It is intimated that the Authority has approved Modification-I in Generation Licence No. SPGL/21/2017 dated August 16, 2017 in respect of HNDS Energy Limited (HEL), formerly HNDS Energy (Private) Limited pursuant to Section 26 of the NEPRA Act read with Regulation 10(11) of the NEPRA Licensing Regulations.

2. Enclosed please find herewith determination of the Authority in the matter of Licensee Proposed Modification of HEL alongwith Modification-I in the Generation Licence No. SPGL/21/2017, approved by the Authority.

Enclosure: As Above

28/9/23

(Iftikhar Ali Khan)

Copy to:

1. Secretary, Power Division, Ministry of Energy, 'A' Block, Pak Secretariat, Islamabad
2. Managing Director, Private Power & Infrastructure Board (PPIB), Ground & 2nd Floors, Emigration Tower, Plot No. 10, Mauve Area, Sector G-8/1, Islamabad
3. Managing Director, NTDC, 414 WAPDA House, Lahore
4. Chief Executive Officer, CPPA(G), 73 West, A.K. Fazl-ul-Haq Road, Blue Area, Islamabad
5. Chief Executive Officer, Sukkur Electric Power Company (SEPCO), Thermal Power Station,, Old Sukkur, Sukkur
6. Director General, Environmental Protection Department, Government of Sindh, Plot No ST2/1, Sector 23, Korangi Industrial Area, Karachi

National Electric Power Regulatory Authority (NEPRA)

Determination of the Authority in the Matter of Licensee Proposed Modification in the Generation Licence of HNDS Energy (Private) Limited

September 28th, 2023
Case No. LAG-369

(A). Background

(i). HNDS Energy (Private) Limited (HDEPL) holds a Generation Licence (No. SPGL/21/2017, dated August 16, 2017) in terms of Section-15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act").

(ii). The Authority granted the above mentioned licence to HDEPL for setting up a Photo Voltaic (PV) Cell based generation facility of 50.00 MW_P to be located at Goth Gagrawara, Taluka Saleh Pat, district Sukkur in the province of Sindh.

(B). Communication of Modification

(i). HDEPL in accordance with Regulation-10(2) of the NEPRA Licensing (Application & Modification Procedure) Regulations, 1999 (the "Licensing Regulations") communicated a Licensee Proposed Modification (LPM) in its above mentioned Generation Licence on February 01, 2021.

(ii). In the "text of the proposed modification", HDEPL stated that it plans to change the type of the PV Cell from existing Poly Crystalline to Bi-facial Mono-crystalline. In view of the said, there will be changes in the Number of Panels/ Modules, Maximum Power (P_{max}), Installed Capacity, Expected Commercial Operation Date (COD), and Net Capacity Factor of the project.

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(iii). Regarding the "statement of the reasons in support of the modification", HDEPL, inter alia, submitted that the Project site is located in a desert area and has reflective sandy surface. In view of the said, HDEPL is considering the use of bifacial panels that best suit the site conditions. The use of the proposed technology will result in improvement in the energy production of the project. In this regard, HDEPL submitted that the company in its tariff petition has indicated and locked the above said technology. Accordingly, the Authority based on the parameters given in the petition and its own benchmarking determined the tariff through its determination dated February 21, 2020.

(iv). About the statement of "the impact on tariff", "Quality of Service (QoS)" and "the performance by the licensee of its obligation under the licence", HDEPL submitted that the proposed changes will not have any negative impact on any of the said parameters and in fact will have a positive impact on tariff as the new technology will result in higher energy yield resulting less per kWh of rate. Further, HDEPL confirmed that the proposed modification will not have any effect on the QoS and the performance by the Licensee of its obligations under its existing Generation Licence.

(C). Processing of Modification

(i). After completion of all the required information as stipulated under the Regulation-10(2) and 10(3) of the Licensing Regulations, the Registrar published the communicated LPM in one (01) English and one (01) Urdu daily newspaper on February 17, 2021, informing the general public, interested/affected parties and other stakeholders about the said LPM as required under the Regulation-10(4) of the Licensing Regulations.

(ii). The Registrar also invited comments of the relevant Govt. Ministries, their attached Departments, representative organizations and individual experts etc. for the assistance of the Authority, by sending separate letters to the said stakeholders dated February 17, 2021, in favour or against the communicated LPM as stipulated in Regulation-10(9) of the Licensing Regulations.

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NEPRA AUTHORITY

(D). Comments of Stakeholders & Findings of the Authority

(i). In response to the above, the Authority did not receive any comment from any of the stakeholders. Accordingly, the Authority considered it appropriate to proceed further as stipulated in the NEPRA Licensing (Generation) Rules, 2000 (the "Generation Rules") and the Licensing Regulations. The Authority has examined the entire case in details including the already granted licence, communicated LPM, provisions of the relevant rules and regulations in the matter and the findings are elaborated in the following paragraph.

(ii). As explained above, the Authority granted HDEPL a Generation Licence (No. SPGL/21/2017, dated August 16, 2017) for setting up a PV based generation facility of 50.00 MWP to be set up at Goth Gagrawara, Taluka, Saleh Pat, district Sukkur in the province of Sindh. The above generation licence envisaged installing PV cells of 156,260 x 320Wp having polycrystalline technology on single axis tracking. Further, the generation licence envisaged a Net Capacity Factor of 20.00% with COD of the project December 31, 2018. HDEPL submitted the LPM to change the PV technology to Monocrystalline, having a total of 93,548 x 530 WP PV Modules with single axis tracking. Further, the LPM envisages making necessary changes in the Capacity Factor (23.27%) and COD (April 30, 2023) of the project.

(iii). The Authority observed that in terms of the Section-26 of the NEPRA Act read Regulation-10(5) of the Licensing Regulations, it is empowered to modify an existing licence of a licensee subject to and in accordance with such further changes as it may deem fit, if in the opinion of the Authority such modification (a). does not adversely affect the performance by the licensee of its obligations; (b). does not cause the Authority to act or acquiesce in any act or omission of the licensee in a manner contrary to the provisions of the NEPRA Act or the rules or regulations made pursuant to it; (c). is or is likely to be beneficial to the consumers; (d). is reasonably necessary for the licensee to effectively and efficiently perform its obligations under the licence; and (e).is reasonably necessary to ensure the

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NEPRA
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continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the licensee.

(iv). In consideration of the above, the Authority considers that (a). the LPM which is meant to utilize the latest technology for PV cells will not adversely affect the performance of the licensee of its obligations under its generation licence but will result in better performance due to lowering of tariff because of higher yield etc.; (b). the LPM will not cause it to act or acquiesce in any act or omission of the licensee in a manner contrary to the provisions of the NEPRA Act or the rules or regulations made pursuant to it; (c). the LPM is likely to be beneficial to the consumers as it will result in lowering of end tariff; (d). the LPM is reasonably necessary for the licensee to effectively and efficiently perform its obligations under the licence; and (e). is reasonably necessary to ensure the continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the licensee.

(v). During the course of processing of this LPM, the company informed the Authority that (a). its status has been changed from Private Limited to Public Limited i.e. HNDS Energy Limited (HDEL) there are further changes in the capacity and quantity of the PV modules to 540W_P and 545W_P instead of it a total of 92,008 modules (64,176 x 545Wp & 27,832 x 540Wp modules) as against a total modules of 93,548 (84,112 x 535Wp & 9,436 x 530Wp modules) as given at the time of communication of the LPM. In this regard, the Authority has observed that in terms of Regulation-10(11) of the Licencing Regulations it has the powers to approve the LPM with or without changes therefore, the above changes submitted during the processing of the LPM can be handled under the said provisions of the regulations and there is no need to have a fresh notice as had been done previously in the case of Access Solar (Pvt.) Limited and Access Electric (Pvt.) Limited.

(vi). Regarding the impact on tariff, it is hereby clarified that under Section-7(3)(a) of the NEPRA Act, the Authority has the sole prerogative to determine tariff, rate and charges etc. In this regard, the Authority at the time of the grant of the Original Licence (No. SPGL/21/2017, dated August 16, 2017) directed HDEPL

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NEPRA
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through Article-6 of the said licence to charge the power purchaser only such tariff which the Authority has determined, approved or specified for the project. Further to the said, the Authority through its determination No. NEPRA/R/TRF-479/HNDS-2019/6094-6096 February 21, 2020 determined the tariff of the project with different parameters *inter alia,* fixing the net Annual CF to be 23.27%. As explained in the preceding paragraphs, HDEPL while submitting the current communicated modification for the change in technology and other associated parameters, has confirmed that the LPM will not have any negative impact on the tariff of the project.

(vii). In this regard, HDEPL submitted that the above mentioned changes in technology will have a positive impact on tariff as the new technology will result in higher energy yield resulting less per kWh of rate. In this regard, the Authority has observed that proposed changes in technology as explained in the preceding paragraphs, will have a positive impact on Net Annual CF of the project and according to assessments that the Authority has made it will now be around 23.97%. The Authority considers that extra yield that may arise from the use of bifacial Monocrytaline PERC Half-cell (144 cells) Double Glass modules that HDEPL has proposed and the same should also benefit the consumers. In view of the above, the Authority decides to change the sharing mechanism given in Para 21 (c) of the determination of the tariff of HDEPL dated February 21, 2020 as below:-

Net annual plant CF	% of the prevalent tariff allowed to Power Producer
Above 23.27% to 23.97%	-
Above 23.97% to 24.72%	20%
Above 24.72% to 25.47%	40%
Above 25.47% to 26.22%	60%
Above 26.22%	70%

(viii). The Authority directs the Licensee/Company/HDEPL/HDEL to adhere to the Article-6 of the generation licence in letter and spirit without any exception. Further, the Authority also directs the Licensee/Company/HDEPL/HDEL to file the modification petition to get the aforesaid changes incorporated in its tariff determination.

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(E). Approval of LPM

(i). In view of the above, the Authority is satisfied that the Licensee has complied with all the requirements of the Licensing Regulations pertaining to the modification. Therefore, the Authority in terms of Section-26 of the NEPRA Act read with Regulation-10(11) of the Licensing Regulations approves the communicated LPM of HDEPL/HDEL with changes.

(ii). Accordingly, the Generation Licence (No. SPGL/21/2017, dated August 16, 2017) of HDEPL/HDEL is hereby modified. The changes made in the said licence are attached as annexure to this determination. The approval is subject to the provisions contained in the NEPRA Act, relevant rules, regulations, terms & conditions of the generation licence and other applicable documents.

Authority

Maqsood Anwar Khan
(Member)

Rafique Ahmed Shaikh
(Member)

Mathar Niaz Rana (nsc)
(Member)

Amina Ahmed
(Member)

Tauseef H. Farooqi
(Chairman)

Retired

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA AUTHORITY

28/9/23

Encl: 2 : Extracts from Reference Tariff Determination dated 21-Feb-2
(Case No. NEPRA/R/TRF-479/HNDS-2019/6094-6096

Δ I	=	P (REV) * (LIBOR (REV) – 1.90838%) / 4
Where;		
ΔI	=	The variation in interest charges applicable corresponding to variation in 3 month LIBOR. ΔI can be positive or negative depending upon whether 3 month LIBOR (REV) per annum > or < 1.90838%. The interest payment obligation will be enhanced or reduced to the extent of ΔI for each quarter under adjustment.
P (REV)	=	The outstanding principal (as indicated in the attached debt service schedule to this order), at the relevant quarterly calculations date. Quarter 1 shall commence on the commercial operations date (i.e. the first figure will be used for the purposes of calculation of interest for the first quarter after commercial operations date)
LIBOR (REV)	=	Revised 3 month LIBOR as at the last day of the preceding quarter.

Note: The reference tariff component shall be revised after making the required adjustments at the time of COD.

C. Terms and Conditions

The following terms and conditions shall apply to the determined tariff:

- All plant and equipment shall be new and of acceptable standards. The verification of the plant and equipment will be done by the Independent Engineer at the time of the commissioning of the plant duly appointed by the power purchaser.

- This tariff will be limited to the extent of net annual energy generation supplied to the power purchaser up to 23.27% net annual plant capacity factor. Net annual energy generation supplied to the power purchaser in a year, in excess of 23.27% net annual plant capacity factor, will be charged at the following tariffs:

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NEPRA AUTHORITY

Net annual plant capacity factor	% of prevalent tariff allowed to power producer
Above 23.27% to 23.35%	-
Above 23.35% to 24.10%	20%
Above 24.10% to 24.85%	40%
Above 24.85% to 25.60%	60%
Above 25.60%	70%

- The risk of solar resource shall be borne by the power producer.
- The maximum plant PV capacity shall not exceed 50 MWp.
- In the above tariff no adjustment for certified emission reductions has been accounted for. However, upon actual realization of carbon credits, the same shall be distributed between the power purchaser and the power producer in accordance with the applicable GOP Policy, amended from time to time.
- The petitioner is required to ensure that all the equipment is installed as per the details/specifications given in the generation license and tariff determination.
- The petitioner is hereby directed to secure the maximum available loan under the SBP Scheme. The savings in the cost of financing under SBP Scheme shall be shared between power purchaser and power producer in the ratio of 60:40 at the time of COD or during any time of the loan tenor, as applicable. The savings in the approved limit of spread over foreign loan shall also be shared between power purchaser and power producer in the ratio of 60:40 at the time of COD or during any time of loan tenor, as applicable. .
- Allowed limit of degradation has been made part of the approved project cost. No extra financial compensation shall be provided in the EPA.
- The company will have to achieve Financial Close within one year from the date of issuance of tariff determination. The tariff granted to the company will no longer remain applicable/valid, if Financial Close is not achieved by the company, for whatever reason, in the abovementioned timeline or its generation license is declined/revoked by NEPRA.

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NEPRA AUTHORITY

- The targeted maximum construction period from prescribed date/time of FC is 10 months. No adjustment will be allowed in this tariff to account for financial impact of any delay in project construction. However, the failure of the company to complete construction within 10 months will not invalidate the tariff granted to it.

- Pre COD sale of electricity is allowed to the power producer, subject to the terms and conditions of EPA, at the applicable tariff excluding debt servicing and return components. However, pre COD sale will not alter the required COD stipulated in the EPA in any manner.

- In case the company is obligated to pay any tax on its income from generation of electricity, or any duties and/or taxes, not being of refundable nature, are imposed on the company, the exact amount paid by the company on these accounts shall be reimbursed on production of original receipts. This payment shall be considered as a pass-through payment. However, withholding tax on dividend shall not be passed through.

- No provision for the payment of Workers Welfare Fund and Workers Profit Participation has been made in the tariff. In case, the company has to pay any such fund, that will be treated as pass through item in the EPA.

- The approved tariff along with terms & conditions shall be made part of the EPA. General assumptions, which are not covered in this determination, may be dealt with as per the standard terms of the EPA.

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22. The Order part along with 3 Annexures is recommended for notification by the Federal Government in the official gazette in accordance with Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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NEPRA AUTHORITY