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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-259/PPDCL-2014/1404-08

January 15, 2026

Subject: Decision of the Authority in the matter of Quarterly Indexation of tariff Components of Pak Pattan Hydropower Project of Punjab Power Development Company Limited

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with Annex-I (total 02 pages) regarding the Quarterly Indexation of the Pak Pattan Hydropower Project of Punjab Power Development Company Limited for January-March 2026 Quarter on account of US CPI, N-CPI (Local), Exchange Rate (PKR/USD/JPY) and LIBOR Yen variations in Case No. NEPRA/TRF-259/PPDCL-2014.

2. The Decision is being sent to the Federal Government for intimation under Proviso (ii) of Section 31(7) of the NEPRA Act, before its notification by NEPRA after 15 Calendar days pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad

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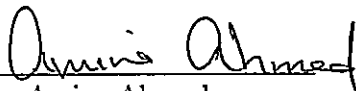
1. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
2. Mr. Shehriyar Abbasi, Deputy Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Punjab Power Development Company Limited, Old Anarkali, 2nd Floor, Central Design Building, Irrigation Secretariat, Lahore

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION OF TARIFF COMPONENTS OF PAK PATTAN HYDROPOWER
PROJECT OF PUNJAB POWER DEVELOPMENT COMPANY LIMITED**

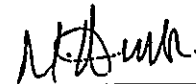
1. Pursuant to the Authority's decision dated February 04th, 2015 in the matter of Tariff petition filed by Punjab Power Development Company Limited (hereinafter referred as "PPDCL") for 2.82 MW Pakpattan Hydropower Project and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No, 1041(1)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate and LIBOR Yen variation.
2. PPDCL vide letter dated September 18, 2023, informed that it has achieved Commercial Operations Date (COD) on September 15, 2023, and has accordingly submitted a COD tariff adjustment application to the Authority. PDCL vide letter dated January 02, 2026 has submitted indexation request of tariff components for January – March 2026 quarter.
3. The Authority considered the request of PPDCL and in its collective and joint wisdom considering all aspects decided with consensus as under, which will be hereinafter referred to as the decision of the Authority in the matter;

"Indexation/adjustment for the quarters January – March 2026 has been made in the tariff components on a provisional basis on account of US CPI, N-CPI (Local), exchange rate (PKR/USD/JPY) and LIBOR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority and shall be subject to adjustments if necessary, in the light of the final decision of the Authority in COD Tariff."
4. The above referred revised tariff components attached as **Annex-I** is to be notified in the official gazette, in terms of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. Power Purchaser to ensure that all the payments are consistent with tariff determination.

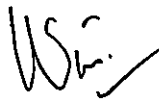
AUTHORITY



Amina Ahmed
Member



Engr. Maqsood Anwar Khan
Member



Waseem Mukhtar
Chairman

PUNJAB POWER DEVELOPMENT COMPANY LIMITED (PPDCL)
PAKPATTAN HYDROPOWER PROJECT
INTERIM INDEXATIONS

Tariff Components	Reference Tariff Feb 04, 2015 & Mar 10, 2021	Indexed Tariff Jan - Mar 2026	Indexations
Variable O&M-Local (Rs./kWh)	0.4012	0.8629	N-CPI Local
Fixed O&M - Local (Rs./kWh)	0.9628	2.0709	N-CPI Local
Fixed O&M - Foreign (Rs./kWh)	0.1712	0.6401	US CPI & Rs./US\$
Return on Equity (Rs./kWh)	2.1762	5.9314	Rs./US\$
ROEDC (Rs./kWh)	0.4579	1.2480	Rs./US\$
Deb Service (Rs./kWh)	2.7726	4.9237	JPY/PKR & LIBOR
Indexation Values			Source
Exchange Rate (US\$/PKR)	102.93	280.55	NBP
Exchange Rate (JPY/PKR)	0.99	1.7924	NBP
N-CPI Local Base Yr. 2015-16	131.01	281.78	Pakistan Bureau of Statistics
US CPI	236.29	324.12	US Bureau of Labor Statistics
6 Month Yen LIBOR	0.1890%	0.07165%	Global-rates.com
Benchmark Energy (kWh)-Annual	21,671,000	21,671,000	Tariff Determination 2015
Outstanding Loan USD Mln	10.78	9.52	Tariff Determination 2015
Tariff Component	Reference Tariff Feb 04, 2015	Sep 15, 2025 to Sep 14, 2026	Indexations
Water Use Charge*(Rs./kWh)	0.1500	0.3018	N-CPI Local
Indexation Values			Source
N-CPI Local Base Yr. 2015-16	131.01	263.60	Pakistan Bureau of Statistics

Based on information provided by PPDCL.

Insurance shall be paid as per reference generation tariff

*Water Use Charges (WUC) is subject to indexation on annual basis and the first such adjustment shall be due after one year of COD. According to PPDCL Pakpattan hydropower project achieved COD on Sep 15, 2023, accordingly WUC has been indexed from Sept 15, 2025 and shall remain applicable till Sept 14, 2026. Moreover, WUC shall be paid to the power producer upon production of payment evidence to the power purchaser.

The above Indexations are on provisional basis and shall be subject to adjustment in light Authority's COD Decision.

