



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)TRF-260/PPDCL-2014/9529-33

November 11, 2025

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

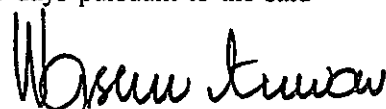
Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with Annex-I (total 02 pages) regarding the Quarterly Indexation of the Marala Hydropower Project of Punjab Power Development Company Limited for the October-December 2025 Quarter on account of US CPI, N-CPI (Local), Exchange Rate (PKR/USD/JPY) and LIBOR variations in Case No. NEPRA/TRF-260/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

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


(Wasim Anwar Bhinder)

Copy to:

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 MARALA HYDROPOWER PROJECT OF PUNJAB
POWER DEVELOPMENT COMPANY LIMITED**

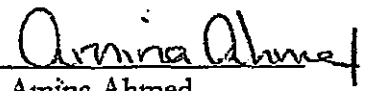
1. Pursuant to the Authority's decision dated February 12, 2015 in the matter of Tariff petition filed by Punjab Power Development Company Limited (hereinafter referred as "PPDCL") for 7.64 MW Marala Hydropower Project and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(1)/2023 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 July 14, 2023 informed that it has achieved Commercial Operations Date (COD) on April 28, 2023, and has accordingly submitted a COD tariff adjustment application to the Authority. PPDCL vide letter dated October 06, 2025 has submitted indexation request of tariff components for October – December 2025 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;

Indexations/adjustments for the quarter October – December 2025 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.

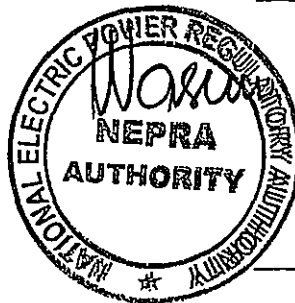
AUTHORITY



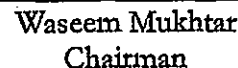
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member




Engr. Maqsood Anwar Khan
Member


Waseem Mukhtar
Chairman

⊗ Over the ^{few} last years, this hydro plant tariff has increased from Rs 8.3/kwh to 19.3/kwh. RE
- Me E to put up analysis of all hydro plants.
Rth

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

Tariff Components	Reference Tariff Feb 12, 2015 & Mar 10, 2021	Indexed Tariff Oct-Dec 2025	Indexations
Variable O&M-Local (Rs./kWh)	0.4749	0.9793	N-CPI Local
Fixed O&M - Local (Rs./kWh)	1.1397	2.3503	N-CPI Local
Fixed O&M - Foreign (Rs./kWh)	0.2027	0.7607	US CPI & Rs./US\$
Return on Equity (Rs./kWh)	2.5760	7.0511	Rs./US\$
ROEDC (Rs./kWh)	0.5603	1.5337	Rs./US\$
Debt Service (Rs./kWh)	3.2819	6.4060	JPY/PKR & LIBOR
Water Use Charge* (Rs./kWh)	0.1500	0.3049	N-CPI Local
Total	8.3855	19.3860	
Indexation Values			Source
Exchange Rate (US\$/PKR)	102.93	281.75	NBP
Exchange Rate (JPY/PKR)	0.99	1.8962	NBP
N-CPI Local Base Yr. 2015-16	131.01	270.18	Pakistan Bureau of Statistics
N-CPI Local Base Yr. 2015-16- for WUC	131.01	266.29	Pakistan Bureau of Statistics
US CPI	236.29	323.98	US Bureau of Labor Statistics
6 Month Yen LIBOR	0.189%	0.07165%	Global-rates.com
Benchmark Energy (kWh)-Annual	49,995,000	49,995,000	Tariff Determination Feb 12, 2015
Outstanding Loan USD Mln	29.44	26.01	Tariff Determination Feb 12, 2015

>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 Marala hydropower project achieved COD on April 28, 2023, accordingly WUC has been indexed from April 28, 2025 and shall remain applicable till April 27, 2026. Moreover WUC shall be paid to the power producer upon production of payment evidence to the power purchaser.

>Indexation is on provisional basis and shall be subject to adjustment in light of the Authority's COD Decision.

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