



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-81/SHYDO-2007/ 7671-75

May 22, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for the Malakand-III Hydropower Project [Case No. NEPRA/TRF-81/SHYDO-2007]**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with revised tariff components at **Annex-I** (total 02 Pages) regarding the Quarterly Indexation/Adjustment of tariff for Malakand-III Hydropower Project of Pakhtunkhwa Energy Development Organization for the Quarter **April-June 2024** on account of N-CPI Local and US CPI, Exchange rate variation in Case No. NEPRA/TRF-81/SHYDO-2007.

2. The Decision is being sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of the NEPRA Act, before its notification by NEPRA 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.


(Engr. Mazhar Iqbal Ranjha)


Copy to:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak 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, Pakhtunkhwa Energy Development Organization (PEDO), 221-PEDO House, Plot # 38, Sector B/2, Phase-V, Hayatabad, Peshawar Ph: 091-9217446



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION/ADJUSTMENT OF TARIFF FOR THE MALAKAND-III HYDRO
POWER PROJECT**

Pursuant to the decision of the Authority on September 09, 2010, notified vide SRO 1117(1)/2010 dated December 09, 2010, in the matter of adjustment at the commercial operation date, 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 variation as per the stipulated mechanism.

Accordingly, the Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as the decision of the Authority in the matter:

“The Fixed O&M local, Fixed & Variable O&M Foreign, Water Use Charge (WUC), Return on Equity (ROE) and Return on Equity During Construction (ROEDC) components have been indexed for April - Jun 2024 quarter on account of exchange rate variation, N-CPI local and US CPI. The revised tariff indicated in the attached Annex-I shall be immediately applicable.”

The revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

CPPA (G) to ensure that all payments are consistent with tariff determination(s).

AUTHORITY

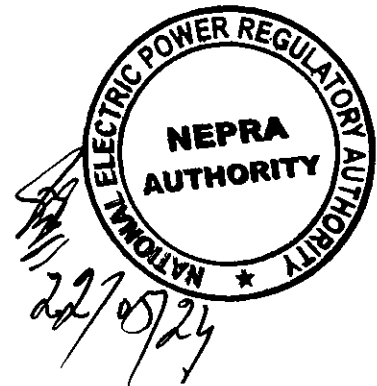
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



Annex -I			
Malakand-III Hydro Power Project			
Adjustment on Account of Quarterly Indexation			
Tariff Components	Reference	w.e.f	Indexation
		01 April - 30 June 2024	
	Rs/kWh	Rs/kWh	
Fixed Charges			
Fixed O&M Local	0.2112	0.4191	N-CPI Local
Fixed O&M Foreign	0.2169	1.4985	Rs./ US\$ & US CPI
ROE	1.0651	3.6396	Rs./ US\$
ROEDC	0.8938	3.0543	Rs./ US\$
Variable Charges			
Variable O&M (foreign)	0.1000	0.6909	Rs./ US\$ & US CPI
Water Use Charge (WUC)	0.3757	0.6999	N-CPI Local
Total Tariff	2.8627	10.0023	
Indexation Values			
US(CPI)	208.490	310.326	U.S. Bureau of Labor Statistics- Revised value of Feb 2024
N-CPI - Local for O&M Local	131.010	260.010	Pakistan Bureau of Statistics - Revised Value of Feb 2024
N-CPI - Local for WUC	131.010		Pakistan Bureau of Statistics - Not to be indexed
Rs/US\$ For O&M	60.000	278.500	NBP-Revised rate of March 29, 2024
Rs/US\$ For Equity	81.500	278.500	NBP-Revised rate of March 29, 2024
*Based on the data declared by Pakhtunkhwa Energy Development Organization (PEDO).			

22/1/24

