



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-81/SHYDO-2007/ 14181-85

September 10, 2024

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for the Malakand-III Hydropower Project

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 July-September 2024 on account of N-CPI Local and US CPI, PKR/USD variations in Case No. NEPRA/TRF-81/SHYDO-2007.

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 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.

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 27, 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, PKR/USD variations 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 July – September 2024 quarter on account of US CPI, N-CPI, PKR/USD variations. 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



Malakand-III Hydro Power Project

Adjustment on Account of Quarterly Indexation

Tariff Components	Reference	w.e.f	Indexation
		01 July - 30 Sep 2024	
	Rs/kWh	Rs/kWh	
Fixed Charges			
Fixed O&M Local	0.2112	0.4107	N-CPI Local
Fixed O&M Foreign	0.2169	1.5182	Rs./ US\$ & US CPI
ROE	1.0651	3.6436	Rs./ US\$
ROEDC	0.8938	3.0576	Rs./ US\$
Variable Charges			
Variable O&M (foreign)	0.1000	0.7000	Rs./ US\$ & US CPI
Water Use Charge (WUC)	0.3757	0.6999	N-CPI Local
Total Tariff	2.8627	10.0300	
Indexation Values			
US(CPI)	208.490	314.069	U.S. Bureau of Labor Statistics- Revised value of May 2024
N-CPI - Local for O&M Local	131.010	254.780	Pakistan Bureau of Statistics - Revised Value of May 2024
N-CPI - Local for WUC	131.010	244.050	Pakistan Bureau of Statistics -Revised Value of Sep 2023
Rs/US\$ For O&M	60.000	278.800	NBP-Revised rate of June 28, 2024
Rs/US\$ For Equity	81.500	278.800	NBP-Revised rate of June 28, 2024
*Based on the data declared by Pakhtunkhwa Energy Development Organization (PEDO).			

