



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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**Registrar**

No. NEPRA/R/ADG(Tariff)/TRF-81/SHYDO-2007/ 3079-83

February 29, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Local O&M and Water Use Charge Components of Tariff for October-December 2020 to October-December 2023 Quarters for 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 quarterly indexation/adjustment of tariff for Malakand-III Hydropower Project of Pakhtunkhwa Energy Development Organization for the quarters **October-December 2020 to October-December 2023** on account of N-CPI 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 NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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

CC:

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), Government of Khyber Pakhtunkhwa, 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  
LOCAL O&M AND WATER USE CHARGE COMPONENTS OF TARIFF FOR OCT- DEC 2020 TO OCT-DEC 2023  
- QUARTERS FOR MALAKAND-III POWER PROJECT**

Pursuant to the Authority's Determination in case No.NEPRA/TRF-81/SHYDO-2007 dated 2<sup>nd</sup> April 2008 and subsequent corrigendum/addendum dated 12th June 2008 notified vide SRO 643(1)/2008 dated 18th June 2008 and the Decision of the Authority dated 27th September 2010 notified vide SRO 1117(1)/2010 dated December 09, 2010 in the matter of adjustment at commercial operation date and decision of the Authority dated March 10, 2021 notified vide SRO No. 1041(1)/2023 on August 9, 2023 in the matter of Change of Base Year 2007-08 to 2015-16 for Consumer Price Index (CPI), the local variable, fixed O&M and Water Use Charge (WUC) components of tariff are required to be adjusted on account of variation in National-CPI (N-CPI).

2. The Authority through its various decisions approved Local Variable & Fixed O&M Components of tariff w.e.f. Oct-Dec 2020 to Nov-Dec 2023 quarters based on last available CPI values on provisional basis subject to decision of the Authority for change in CPI index and its notification in the Official Gazette.
3. Subsequent to the notification of the decision, PEDO vide its letter dated Jan 25, 2024 requested for revision of Local Fixed O&M and Water Use Charge (WUC) components based on N-CPI values for Oct-Dec 2020 to Oct-Dec 2023 quarters.
4. The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-

*"Local O&M & Water Use Charge components have been revised on account of N-CPI variation in accordance with the requisite indexation/adjustment mechanism stipulated in the decision of the Authority dated March 10, 2021. The revised tariff indicated at Annex-I shall be immediately applicable."*

5. The instant decision shall supersede the relevant decisions of the Authority to the extent of Local Variable & Fixed O&M and WUC components till Oct-Dec 2023 issued vide decisions dated June 30<sup>th</sup> 2021, December 24<sup>th</sup> 2021, June 20<sup>th</sup> 2022, October 04<sup>th</sup> 2022, December 27<sup>th</sup> 2022, April 12<sup>th</sup> 2023, June 16<sup>th</sup> 2023, October 19<sup>th</sup> 2023, November 03<sup>rd</sup> 2023.
6. Pursuant to the aforementioned decisions of the Authority, the adjusted/ indexed tariff is attached as **Annex-I** is to be notified in the official gazette in accordance with the provision of Section 3 1(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
7. CPPA-G to ensure that all the payments are Consistent with tariff determination.

**AUTHORITY**

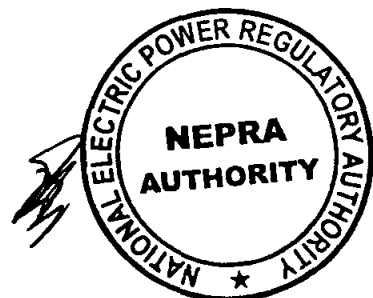
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Mathar Niaz Rana (nsc)  
Member Tariff

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Maqsood Anwar Khan  
Member Licensing

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Engr. Rafique Ahmed Sheikh  
Member Technical

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Amina Ahmed  
Member Law

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Waseem Mukhtar  
Chairman



## Malakand-III Hydro Power Project

## Adjustment /Indexation of Fixed O&amp;M Local and Water Use Charge on account of NCPI base year 2015-16

Tariff Components	Revised Reference	Revised Oct- Dec 2020	Revised Jan-Mar 2021	Revised Apr-Jun 2021	Revised Jul-Sep 2021	Revised Oct 2021	Revised Nov-Dec 2021	Revised Jan-Mar 2022	Revised Apr-Jun 2022	Revised Jul-Sep 2022	Revised Oct 2022	Revised Nov-Dec 2022	Revised Jan-Mar 2023	Revised Apr-Jun 2023	Revised Jul-Sep 2023	Revised Oct 2023	Revised Nov-Dec 2023	Indexation
	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	
<b>Fixed Charges</b>																		
Fixed O&M Local	0.2112	0.2196	0.2286	0.2306	0.2341	0.2379	0.2379	0.2550	0.2589	0.2663	0.3028	0.3028	0.3158	0.3406	0.3674	0.3857	0.3857	N-CPI Local
<b>Variable Charges</b>																		
Water Use Charge (WUC)	0.3757	0.3967	0.3967	0.3967	0.3967	0.3967	0.4323	0.4323	0.4323	0.4323	0.4323	0.5325	0.5325	0.5325	0.5325	0.5325	0.6999	N-CPI Local
<b>Indexation Values</b>																		
N-CPI - Local for O&M Local	131.01	136.23	141.83	143.09	145.24	147.61	147.61	158.18	160.61	165.23	187.84	187.84	195.89	211.28	227.96	239.27	239.27	Pakistan Bureau of Statistics
N-CPI - Local for WUC	131.01	138.32	138.32	138.32	138.32	138.32	150.74	150.74	150.74	150.74	150.74	185.68	185.68	185.68	185.68	185.68	244.05	Pakistan Bureau of Statistics

\*Based on the data declared by Pakhtunkhwa Energy Development Organization (PEDO).

\*WUC is subject to indexation annually and Malakand-III achieved COD in the month of November, therefore the indexation is applicable from November to October of each year. Accordingly, the WUC indicated in Oct-Dec 2020 quarter shall be applicable from November 2020.

