



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Tariff)/TRF-232/SKHPL-2013/3674-78

March 11, 2025

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff-884 MW Suki Kinari Hydropower Project**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with **Annex-I** (total 03 pages) regarding quarterly indexation/adjustment of debt servicing component of tariff of Suki Kinari Hydropower Project for the quarters **January-March 2025** on account of SOFR and Exchange Rate variations in Case No. NEPRA/TRF-232/SKHPL-2013.

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**



(Syed Zavar Haider)

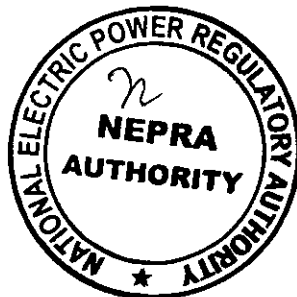
Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad

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/Director S K Hydro (Pvt.) Ltd. (SKHPL) 15 Peshawar Block Fortress Stadium Lahore

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY
INDEXATION / ADJUSTMENT OF TARIFF – 884 MW SUKI KINARI
HYDROPOWER PROJECT**

1. Pursuance to the decision of the Authority dated March 28, 2014 in the matter tariff determination, July 22, 2014 regarding motion of leave for review and the Authority decisions dated Dec 05th & Dec 13th, 2024 w.r.t the transition from LIBOR to SOFR with effect from July 01st 2023 notified vide SRO 73(1)/2025 in the official Gazette on Jan 28, 2025, the relevant tariff components of SK Hydro are required to be indexed as per stipulated mechanism.
2. SK Hydro vide letter dated September 16, 2024 requested for interim indexation which was considered by the Authority and decided that, "to allow Suki Kinari Hydropower project Indexation to the extent of debt servicing (Principal + Interest) for two Bi-annual periods only i.e. July-Dec 2024 and January-June 2025 on provisional basis subject to finalization of COD tariff adjustment decision. After June 2025 debt servicing component will be allowed on the reference Tariff without indexation. The Authority further directed the company for submission of COD tariff adjustment application on or before June 30, 2025. Pursuance to this decision, the SK Hydro was allowed the indexation of the debt servicing component of tariff for July-Dec 2024.
3. Now, SK Hydro has submitted the indexation request for Jan-Mar 2025 of all the components, however, in pursuance to the above-referred decision of the Authority, the debt servicing components till June 30, 2025 is hereby allowed on an Interim basis and shall be subject to adjustments, if necessary, in the light of the final decision of the Authority with respect to SK Hydro COD tariff adjustment.
4. SK Hydro is further directed to submit the debt servicing adjustment requests July-December 2024 as per the applicability of the Authority decision regarding the transition from LIBOR to SOFR from July 01, 2023 to December 31, 2024, immediately.
5. The adjusted/indexed tariff attached as **Annex-I** is 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.



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6. CPPAGL to ensure that all the payments are consistent with tariff determination.

AUTHORITY

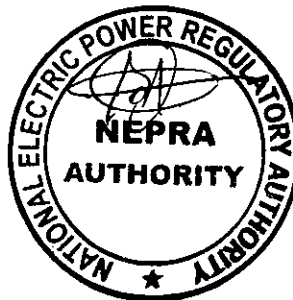
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



SK Hydro (Private) Limited (SHPL) Quarterly Indexation/Adjustment			Annexure - I
Tariff Components	Reference	Jan-Mar 2025	Indexation
Fixed Charge (Rs/kW/M)			
Loan Repayment	758.9290	2,172.7654	Rs./ US\$
Interest Charges	583.4055	3,097.2474	SOFR & Rs./ US\$
Indexation values			Sources
Exchange Rate Semi Annual (for debt servicing only)	97.4000	278.8500	NBP
6-Month Term SOFR +CAS (0.42826%)+Spread (4.5%)	9.4133%	9.1783%	www.cmegroup.com
Outstanding Loan USD Million	1280.28	1240.49	Determination Dated Mar. 28, 2014
Capacity Net MW	861.5475	861.5475	Determination Dated Mar. 28, 2014

*Based on the data declared by SK Hydro Pvt.Ltd

*The Debt servicing components are subject to indexation on semiannual basis, thus the debt servicing components is indexed on provisionally basis and will remain applicable till June 2025 and will also be subject to adjustment in the light of final decision of the Authority w.r.t SK Hydro COD tariff adjustment.

*Other tariff components shall be paid as per the reference generation tariff.

