



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-232/SKHPL-2013/ 11236-40

July 22, 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 02 pages) regarding quarterly indexation/adjustment of tariff of Suki Kinari Hydropower Project for the quarters **July-September 2025** on account US CPI, N-CPI(Local), Exchange Rate (PKR/USD) and SOFR variations in Case No. NEPRA/TRF-232/SKHPL-2013.

2. The Decision is being sent to the Federal Government for intimation 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**

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


(Wasim Anwar Bhinder)

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. Suki Kinari Hydro Pvt. Limited (hereinafter referred as to “the Company” or “SKHPL”) has developed a 870 MW Suki Kinari Hydropower Project (hereinafter referred as “the Project”) on Kunhar River, District Mansehra, Khyber Pakhtunkhwa on a Build, Own, Operate and Transfer (BOOT) basis, pursuant to the Policy for Power Generation Projects 2002 of the Government of Pakistan (GOP).
2. The Authority vide its decision dated Mar 28, 2014 determined the EPC stage tariff for the Project, subsequently revised by the Authority via Motion for Review determination dated Jul 22, 2014. As per SKHPL, the Project achieved Commercial Operations Date (“COD”) on September 14, 2024.
3. The Authority, through its decision dated July 7, 2025, in the matter of review motion filed by SKHPL against the Authority’s decision dated January 2, 2025, regarding quarterly indexations, allowed provisional indexation of all tariff components from COD till June 30th, 2026.
4. Now, SKHPL vide letter dated July 04, 2025 has submitted a request for interim indexation for the quarter of July-September 2025 on account of variations in N-CPI (General), US CPI, exchange rate, Term SOFR.
5. Accordingly the Authority 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;

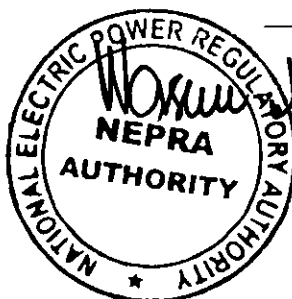
“Indexation/adjustment for July – September 2025 has been made in the tariff components on a provisional basis on account of US CPI, N-CPI (Local), exchange rate (PKR/USD) and SOFR variations in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority and shall be subject to adjustments if necessary, in the light of the final decision of the Authority in COD tariff”.
6. 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.
7. CPPA-G to ensure that all the payments are consistent with tariff determination.

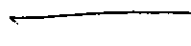
AUTHORITY


Engr. Rafique Ahmed Shaikh
Member


Amina Ahmed
Member


Engr. Maqsood Anwar Khan
Member




Waseem Mukhtar
Chairman

SK Hydro(Private) Ltd
Quarterly Indexation/Adjustment

Tariff Components	Reference	Revised July-Sept 2025
Variable Tariff		
Var. O&M (Local) Rs/kWh	0.1789	0.3599
Var. O&M (Foreign) Rs/kWh	0.0306	0.1228
Water Use Charge (WUC) Rs/kWh*	0.1500	0.1500
Fixed Tariff		
Fixed O & M Foreign (Rs/kW/Month)	81.2621	326.1885
Fixed O & M Local (Rs/kW/Month)	145.1284	292.0071
Return On Equity (Rs/kW/Month)	683.4868	1,993.6201
Return on Equity During Construction (Rs/kW/Month)	430.3512	1,255.2646
Principal Repayment (Rs/kW/Month)	758.9290	2,323.7722
Interest Charges (Rs/kW/Month)	583.4055	2,963.5761
Indexation Values		
Exchange Rate (Rs/USD)	97.40	284.10
N-CPI Local Quarterly	131.01	263.60
CPI- US Quarterly	233.60	321.47
SOFR+CAS+Spread	4.9133%	9.0748%
Capacity (MW)	861.5475	861.5475
Outstanding Loan- USD Million	1,280.2771	1,199.7202

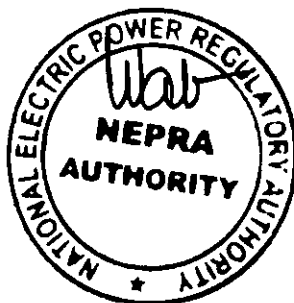
*Based on the Data Declared by SK Hydro Pvt.Ltd.

*The WUC component needs to be re-established at COD, therefore, the reference WUC component is being approved.

*The insurance component shall be paid as per the reference generation tariff.

*The above indexations are on provisional basis and will be subject to adjustment if any, in the light of the COD decision.

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