



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Tariff)/TRF-479/HNDS-2019/3261-65

March 04, 2025

Subject: ^{INTERIM} Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for HNDS Energy Limited for the Quarter Jan-Mar 2025

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 for the quarters January-March 2025 on account of N-CPI (General), Exchange Rate (PKR/USD) and SOFR variations in respect of HNDS Energy Limited in Case No. NEPRA/479/HNDS-2019.

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


(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, HNDS Energy (Pvt.) Ltd., G-30/4, KDA Scheme No.5, Block 8, Clifton, Karachi



**INTERIM DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR HNDS ENERGY LIMITED FOR THE QUARTER JAN-MAR 2025**

Pursuant to the decision of the Authority dated February 21, 2020 in the matter of tariff decisions of HNDS Energy Limited (HNDS) notified vide S.R.O No 200(I)/2021 dated February 16, 2021, the relevant tariff components are required to be indexed/adjusted according to the stipulated mechanism therein. The Authority vide decisions dated December 05, 2024 and December 13, 2024 has approved transition from London Interbank Offered Rate (LIBOR) to Secured Overnight Financing Rate (SOFR) with effect from July 01, 2023 for generation IPPs which is notified vide SRO 73(I)/2025 dated January 28, 2025 in the official Gazette.

2. HNDS filed request for interim quarterly indexation of the relevant tariff components for the quarter Jan-Mar 2025. Accordingly the tariff of HNDS in respect of quarter Jan-Mar 2025 has been revised on account of N-CPI (General), exchange rate (PKR/USD) and SOFR variation in accordance with the requisite indexation mechanisms stipulated in the above referred decision(s) of the Authority.

3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter
"Indexation/adjustment for Jan-Mar 2025 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components indicated in Annex-I which shall be immediately applicable. The company is further directed to submit the debt servicing adjustment requests as per applicability of decision from COD to December 31, 2024 immediately. Failure to do so, may result in holding the next quarterly indexations".

4. The indexation allowed is on interim basis and shall be subject to adjustments, if necessary, in the light of the final decision of the Authority with respect to HNDS COD tariff adjustment.

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.

6. CPPA-G to ensure that all the payments are consistent with tariff determination.

AUTHORITY

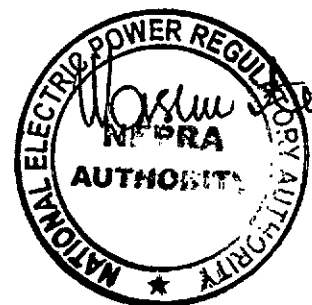
(Mathar Niaz Rana (nsc)
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmed Shaikh)
Member

(Amina Ahmed)
Member

(Waseem Mukhtar)
Chairman



HNDS Energy Limited
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Jan-Mar 2025	Indexation
Date of decision	February 21, 2020		
	(Rs./kWh)		
O&M-Local	0.7368	1.4929	N-CPI
Return on Equity	1.3379	2.4015	Rs./US \$
Return on Equity during Construction	0.0758	0.1361	Rs./US \$
Principal Repayment of debt-Foreign	0.9465	1.6989	Rs./US \$
Interest-Foreign	1.1006	2.8451	SOFR & Rs./US \$
Principal Repayment of debt-Local	1.5292	1.5292	
Interest-Local	1.0264	1.0264	
Total	6.7532	11.1301	
Indexation Values			
N-CPI (General) of Nov, 2024	131.01	265.46	Pakistan Bureau of Statistics
Exchange Rate available on Dec 31, 2024	155.35	278.85	NBP
Term SOFR 3 months rate available on Dec 31, 2024 (4.3051 % + 0.2616 %)	1.9084%	4.5667%	cmegroup.com
Outstanding Principal-Foreign (USD)		11,955,620	
Outstanding-Principal Local (Rs.)		1,801,205,516	
Quarterly Benchmark Energy (kWh)		25,480,650	

Based on the data declared by HNDS

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