



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-368/TEL-2016/17020-24

October 23, 2025

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of tariff for October-December 2025 Quarter for Thar Energy Limited

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with **Annex-I** (total 03 pages) regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for **October-December 2025** quarter on account of US CPI, N-CPI, KIBOR, SOFR, Water Charges, Exchange Rate and Coal Price(s) variation in Case No. NEPRA/TRF-368/TEL-2016

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 after 15 Calendar days pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above

(Iftikhar Ali Khan)

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

Copy to:

1. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
2. Mr. Shehriyar Abbasi, Deputy Secretary, Cabinet Division, Cabinet 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, Thar Energy Limited, 11th Floor, Ocean Tower, Block-9, Main Clifton Road, Karachi

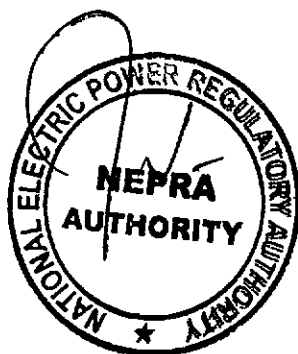


DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR OCTOBER-DECEMBER 2025 QUARTER FOR THAR ENERGY LIMITED.

1. Pursuant to the decision of the Authority dated October 18, 2016, notified vide S.R.O. No. 725(I)/2017 on July 27, 2017 in the matter of approval of upfront Thar coal tariff for 330 MW coal power plant of Thar Energy Limited (hereafter "TEL"), the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/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 and decision of the Authority dated December 5, 2024 and December 13, 2024 notified vide S.R.O. No. 73(I)/2025 on January 28, 2025 in the matter of Suo Moto regarding transition from London Interbank Offered Rate (LIBOR) to Secured Overnight Financing Rate (SOFR), the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, KIBOR, SOFR, Water Charges, Exchange Rate and Coal Price(s) variation.
2. TEL has submitted a request for quarterly indexation/adjustment for October-December 2025 quarter. Accordingly, the tariff of TEL in respect of October-December 2025 quarter has been revised on account of US CPI, N-CPI, KIBOR, SOFR, Water Charges, Exchange Rate and Coal Price(s) variation in accordance with the requisite indexation/adjustment mechanism stipulated in the above decision(s) of the Authority.
3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which shall be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for October-December 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 hereunder shall be immediately applicable."

Tariff Components	Reference	Revised Oct-Dec 2025 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1535	0.6054
Fixed O&M - Local	0.2114	0.4360
Cost of Working Capital	0.1094	0.1991
Insurance	0.0944	0.0944
ROE	1.4075	4.0841
Interest Charges	0.4881	2.7006
Debt Repayment	1.2672	3.5778
Total	3.7315	11.6974
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.2698
Variable O&M - Local	0.0628	0.1295
Water Charges (Government of Sindh)	0.2897	0.6457
Total	0.4209	1.0450

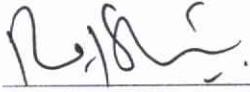


4. TEL also requested quarterly indexation/adjustment with reference components of Ash Disposal, Limestone, Water Charges (Capital Cost) and Water Charges (O&M). These components are required to be adjusted as per actual at the time of COD adjustment, therefore, the same have not been considered by the Authority in the instant quarterly indexation/adjustment.

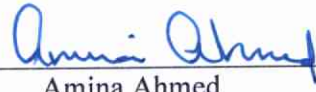
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5. Indexation allowed to TEL is on provisional basis till the finalization of its COD tariff decision by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority in respect to COD tariff adjustment.
6. The above decision of the Authority along with 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.
7. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY



Engr. Rafique Ahmed Shaikh
Member



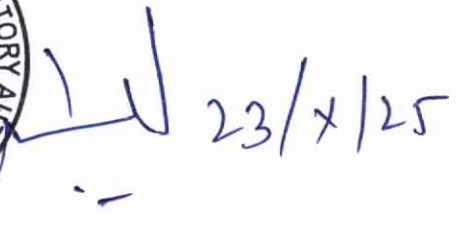
Amina Ahmed
Member



Engr. Maqsood Anwar Khan
Member

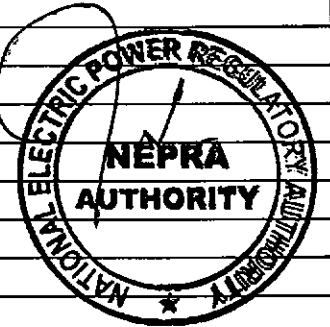


Waseem Mukhtar
Chairman



Thar Energy Limited
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference	Revised Oct-Dec 2025 Quarter	Indexation
Capacity Charge (Rs./KWh)			
Fixed O&M - Foreign	0.1535	0.6054	US CPI & Rs./US\$
Fixed O&M - Local	0.2114	0.4360	N-CPI Local
Cost of Working Capital	0.1094	0.1991	KIBOR & Fuel Cost
Insurance	0.0944	0.0944	-
ROE	1.4075	4.0841	Rs./US\$
Interest Charges	0.4881	2.7006	SOFR & Rs./US\$
Debt Repayment	1.2672	3.5778	Rs./US\$
Total	3.7315	11.6974	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0684	0.2698	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1295	N-CPI Local
Water Charges (Government of Sindh)	0.2897	0.6457	Price of Water
Total	0.4209	1.0450	
Indexation Values			Source
Exchange Rate (Rs./USD)	97.10	281.750	NBP - Revised rate of Sep 30, 2025
US CPI (All Urban Consumers)	238.34	323.976	U.S. Bureau of Labor Statistics - Revised value of Aug 2025
N-CPI (Local)	131.01	270.180	Pakistan Bureau of Statistics - Revised value of Aug 2025
3 Monthly KIBOR	11.91%	11.07%	SBP - Revised rate of Sep 30, 2025
Daily SOFR + CAS	0.45%	4.58813%	www.newyorkfed.org - Average value of Jul-Sep 2025 Quarter
Variable Coal Price (Rs./MT)	1,393.44	5,777.81	Weighted Average Variable Price of Coal Consumed during Jul-Sep 2025
Coal Calorific Value (BTUs/Kg)	11,005	10,710	Weighted Average CV of Coal Consumed during Jul-Sep 2025
Price of Water (GoS) (Rs./1000 Gallons)	320	713.23	Government of Sindh, Irrigation Department's Notification dated Feb 28, 2025
Principal Outstanding (USD. Million)	-	279.88	
Hours in the Quarter	-	2,208	



- Based on the data declared by Thar Energy Limited.