



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/ADG(Trf)/TRF-368/TEL-2016/ **558-62**

January 09, 2026

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of tariff for January-March 2026 Quarter for Thar Energy Limited**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority alongwith **Annex-I** (total 02 pages) regarding quarterly indexation/adjustment of tariff of Thar Energy Ltd. for **January-March 2026** 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**

  
(Wasim Anwar Bhinder)

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, 11<sup>th</sup> Floor, Ocean Tower, Block-9, Main Clifton Road, Karachi

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR JANUARY – MARCH 2026 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 requested for quarterly indexation/adjustment for January – March 2026 quarter. Accordingly, the tariff of TEL in respect of January – March 2026 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 hereinafter called as the decision of Authority in the matter:  
  
“Indexation/adjustment for January – March 2026 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 are attached as **Annex-I**.”
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.
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 (XL of 1997).
7. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**



Amina Ahmed  
Member



Engr. Maqsood Anwar Khan  
Member



Waseem Mukhtar  
Chairman





**Thar Energy Limited**  
**Quarterly Indexation/ Adjustment of Tariff**

Tariff Components	Reference	Revised Jan-Mar 2026 Quarter	Indexation
<b>Capacity Charge (Rs./KWh)</b>			
Fixed O&M - Foreign	0.1535	0.6031	US CPI & Rs./US\$
Fixed O&M - Local	0.2114	0.4547	N-CPI Local
Cost of Working Capital	0.1094	0.1771	KIBOR & Fuel Cost
Insurance	0.0944	0.0944	-
ROE	1.4075	4.0667	Rs./US\$
Interest Charges	0.4881	2.5570	SOFR & Rs./US\$
Debt Repayment	1.2672	3.6894	Rs./US\$
<b>Total</b>	<b>3.7315</b>	<b>11.6424</b>	
<b>Energy Purchase Price (Rs./KWh)</b>			
Variable O&M - Foreign	0.0684	0.2688	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1351	N-CPI Local
Water Charges (Government of Sindh)	0.2897	0.6457	Price of Water
<b>Total</b>	<b>0.4209</b>	<b>1.0496</b>	
<b>Indexation Values</b>			<b>Source</b>
Exchange Rate (Rs./USD)	97.10	280.550	NBP - Revised rate of Dec 31, 2025
US CPI (All Urban Consumers)	238.34	324.122	U.S. Bureau of Labor Statistics - Revised value of Nov 2025
N-CPI (Local)	131.01	281.780	Pakistan Bureau of Statistics - Revised value of Nov 2025
3 Monthly KIBOR	11.91%	10.63%	SBP - Revised rate of Dec 31, 2025
Daily SOFR + CAS	0.45%	4.25368%	www.newyorkfed.org - Average daily value of Oct-Dec 2025 Quarter
Variable Coal Price (Rs./MT)	1,393.44	5,099.88	Weighted Average Variable Price of Coal Consumed during Oct-Dec 2025
Coal Calorific Value (BTUs/Kg)	11,005	10,710	Weighted Average CV of Coal Consumed during Oct-Dec 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)		271.46	
Hours in the Quarter		2,160	

- Based on the data declared by Thar Energy Limited.

