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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-92/HUBCO-2008/19663-67

November 11, 2025

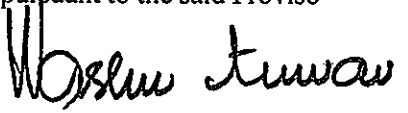
Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for October-December 2025 Quarter for Narowal Energy Limited (formerly Hub Power Company Limited-Narowal)

Dear Sir,

Please find enclosed herewith the Decision of the Authority alongwith Annex-I (total 02 pages) regarding Quarterly Indexation/Adjustment of Tariff for **October-December 2025** Quarters for Narowal Energy Limited on account of US CPI, N-CPI, Exchange Rate and KIBOR variation in Case No. NEPRA/TRF-92/HUBCO-2008.

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, Narowal Energy Ltd. [formerly Hub Power Co. Ltd. (HUBCO)], 11th Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi Tele: 021 – 3587 4677

DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR OCTOBER - DECEMBER 2025 QUARTER FOR NAROWAL ENERGY LIMITED (FORMERLY HUB POWER COMPANY LIMITED - NAROWAL).

1. Pursuant to the decision of the Authority dated June 8, 2012 in the matter of adjustment at Commercial Operation Date (COD), decision of the Authority dated December 21, 2012 regarding change of index in the case of Narowal Energy Limited (formerly Hub Power Company Limited - Narowal) hereinafter (NEL), decision of the Authority dated April 2, 2021 in the matter of application filed by Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) for adjustment of ROE and ROEDC components of tariff pursuant to the agreement with NEL, 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 May 27, 2025 in the matter of joint application filed by CPPA-G and NEL for reduction in tariff components notified vide S.R.O. No. 1330(I)/2025 on July 14, 2025, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate and KIBOR variation.
2. It was noted that NEL considered indexed components along with applicable indices of April - June 2025 quarter as reference components for October - December 2025 quarter. The Authority in its decision dated May 27, 2025 decided that the final indexed component and applicable indices for the preceding year shall serve as the reference for the subsequent year. Accordingly, the indexed components of July - September 2025 quarter have been considered as reference components for October-December 2025 quarter. Accordingly, the tariff of NEL in respect of October-December 2025 quarter have been revised on account of US CPI, N-CPI, Exchange Rate and KIBOR variations 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:-

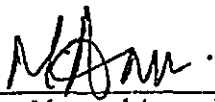
"Indexation/adjustment for October-December 2025 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

Tariff Components	Reference	Revised Oct-Dec 2025 Quarter
Capacity Charge (Rs./kW/Hour)		
Fixed O&M - Foreign	0.6841	0.6952
Fixed O&M - Local	0.1792	0.1829
Cost of Working Capital	0.1012	0.1005
ROE	1.0753	1.0753
ROEDC	0.2132	0.2132
Total Capacity Charge	2.2530	2.2671
Variable O&M (Rs./kWh)		
Variable O&M - Foreign	1.6761	1.7034
Variable O&M - Local	0.9711	0.9912
Total Variable O&M	2.6472	2.6946

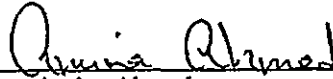
4. The above decision of the Authority along with revised tariff components attached as Annex-I are to be notified in the Official Gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY


Engr. Rafique Ahmed Shaikh
Member


Engr. Maqsood Anwar Khan
Member




Amina Ahmed
Member


Waseem Mukhtar
Chairman

Narowal Energy Limited
Formerly Hub Power Company Limited (Narowal)
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference	Revised Oct-Dec 2025 Quarter	Indexation
Capacity Charge (Rs./kW/Hour)			
Fixed O&M - Foreign	0.6841	0.6952	(i) US CPI (ii) Rs./USD (a) upto 70 % depreciation & (b) 100 % appreciation
Fixed O&M - Local	0.1792	0.1829	Lower of 5 % per annum or Average N-CPI
Cost of Working Capital	0.1012	0.1005	KIBOR
ROE	1.0753	1.0753	-
ROEDC	0.2132	0.2132	-
Total Capacity Charge	2.2530	2.2671	
Variable O&M (Rs./kWh)			
Variable O&M - Foreign	1.6761	1.7034	(i) US CPI (ii) Rs./USD (a) upto 70 % depreciation & (b) 100 % appreciation
Variable O&M - Local	0.9711	0.9912	Lower of 5 % per annum or Average N-CPI
Total Variable O&M	2.6472	2.6946	
Indexation Values			Source
Exchange Rate (Rs./USD)	279.730	283.090	NBP - Average daily rates of Jul-Sep 2025
US CPI (All Urban Consumers)	321.465	323.976	U.S. Bureau of Labor Statistics - Revised value of Aug 2025
N-CPI (Local)	263.320	268.780	Pakistan Bureau of Statistics - Average values of Jun-Aug 2025
3 Monthly KIBOR + 1% Spread	12.15%	12.07%	SBP - Revised rate of Sep 30, 2025
Hours in the quarter	-	2,208	

- ROE & ROEDC components shall be paid on Hybrid Take-and-Pay basis as per decision of the Authority dated May 27, 2025.

- Based on the data declared by Narowal Energy Limited.

