



**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/TRF-81/SHYDO-2007/2373-2375  
February 17, 2017

**Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for Malakand-III Power Project (Pakhtunkhwa Energy Development Organization) [Case No. NEPRA/TRF-81/SHYDO-2007]**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with Annexure-1 (02 pages) regarding adjustment in tariff w.e.f July, 2014, October 2014, November 2014, January 2015, April 2015, May 2015, July 2015, October 2015 and November 2015 on account of US CPI, CPI (Local), US\$/PKR, exchange rate and KIBOR variation in respect of Pakhtunkhwa Energy Development Organization (PEDO) in Case No. NEPRA/TRF-81/SHYDO-2007.

2. The decision is being intimated to the Federal Government for the purpose of notification in the official gazette pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.
3. The revised tariff components attached as Annex-I are to be notified in the official Gazette.

Enclosure: As above

( Syed Safer Hussain )

Secretary  
Ministry of Water & Power  
'A' Block, Pak Secretariat  
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



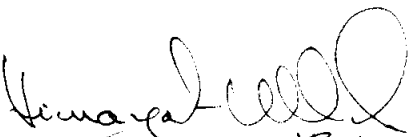
**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY  
INDEXATION/ADJUSTMENT OF TARIFF FOR MALAKAND-III POWER PROJECT (PEDO)**


Pursuant to paragraph 52 subsection IV of the Authority's Determination in case No.NEPRA/TRF-81/SHYDO-2007 dated 2nd April 2008 and subsequent corrigendum/addendum dated 12th June 2008 notified vide SRO 643(1)/2008 dated 18th June 2008 and the Decision of the Authority dated 27th September 2010 notified vide SRO 1117(1)/2010 dated December 09, 2010 in the matter of adjustment at commercial operation date, the tariff from July 2014 -December 2015 has been revised on account of US CPI, CPI (Local), US\$/PKR exchange rate and KIBOR variation in accordance with the requisite indexation/adjustment mechanism stipulated in the aforementioned determination/decision of the Authority. The revised tariff indicated hereunder shall be immediately applicable for the period as defined in the following table:

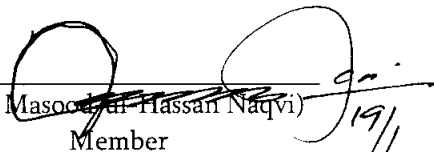
Tariff Components	Reference	w.e.f. July 2014	w.e.f. October 2014	w.e.f. November 2014	w.e.f. January 2015	w.e.f. April 2015	w.e.f. May 2015	w.e.f. July 2015	w.e.f. October 2015	w.e.f. November 2015
		Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh
<b>Fixed Charges</b>										
Fixed O&M Local	0.1218	0.1533	0.1570	0.1570	0.1549	0.1540	0.1540	0.1581	0.1591	0.1591
Fixed O&M Foreign	0.2169	0.4081	0.4239	0.4239	0.4096	0.4164	0.4164	0.4208	0.4307	0.4307
Debt Service Component	1.9067	1.3884	1.3884	2.0148	2.0148	2.0148	1.3224	1.3224	1.3224	1.7072
ROE	1.0651	1.2905	1.3422	1.3422	1.3147	1.3291	1.3291	1.3291	1.3644	1.3644
ROEDC	0.8938	1.0830	1.1263	1.1263	1.1033	1.1153	1.1153	1.1153	1.1449	1.1449
<b>Variable Charges</b>										
Variable O&M (foreign)	0.1000	0.1881	0.1954	0.1954	0.1888	0.1920	0.1920	0.1940	0.1986	0.1986
Water Use Charge	0.2167	0.2645	0.2645	0.2793	0.2793	0.2793	0.2793	0.2793	0.2793	0.2830
<b>Total Tariff</b>	<b>4.5210</b>	<b>4.7759</b>	<b>4.8977</b>	<b>5.5389</b>	<b>5.4654</b>	<b>5.5009</b>	<b>4.8085</b>	<b>4.8190</b>	<b>4.8994</b>	<b>5.2879</b>

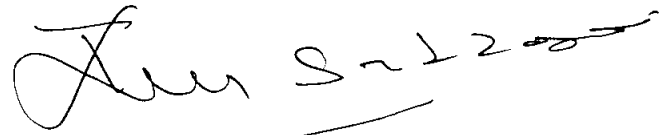
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

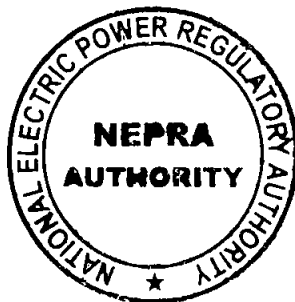
**AUTHORITY**

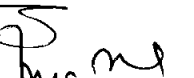
  
(Himayat Ullah Khan)  
Vice Chairman

  
(Maj (R) Haroon Rashid)  
Member

  
(Syed Masood ul Hassan Naqvi)  
Member

  
(Brig (R) Tariq Saddozai)  
Chairman



  
17.02.17

Summary of Malakand-III Indexations

ANNEX-I

Tariff Components	Reference	w.e.f. July 2014	w.e.f. October 2014	w.e.f. November 2014	w.e.f. January 2015	w.e.f. April 2015	w.e.f. May 2015	w.e.f. July 2015	w.e.f. October 2015	w.e.f. November 2015
	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh	Rs/kWh
<b>Fixed Charges</b>										
Fixed O&M Local	0.1218	0.1533	0.1570	0.1570	0.1549	0.1540	0.1540	0.1581	0.1591	0.1591
Fixed O&M Foreign	0.2169	0.4081	0.4239	0.4239	0.4096	0.4164	0.4164	0.4208	0.4307	0.4307
Debt Service Component	1.9067	1.3884	1.3884	2.0148	2.0148	2.0148	1.3224	1.3224	1.3224	1.7072
ROE	1.0651	1.2905	1.3422	1.3422	1.3147	1.3291	1.3291	1.3291	1.3644	1.3644
ROEDC	0.8938	1.0830	1.1263	1.1263	1.1033	1.1153	1.1153	1.1153	1.1449	1.1449
<b>Variable Charges</b>										
Variable O&M (foreign)	0.1000	0.1881	0.1954	0.1954	0.1888	0.1920	0.1920	0.1940	0.1986	0.1986
Water Use Charge	0.2167	0.2645	0.2645	0.2793	0.2793	0.2793	0.2793	0.2793	0.2793	0.2830
<b>Total Tariff</b>	<b>4.5210</b>	<b>4.7759</b>	<b>4.8977</b>	<b>5.5389</b>	<b>5.4654</b>	<b>5.5009</b>	<b>4.8085</b>	<b>4.8190</b>	<b>4.8994</b>	<b>5.2879</b>
<b>Indexation Values</b>										
US(CPI)	208.490	238.343	238.031	238.031	234.812	236.119	236.119	238.638	237.945	237.945
WPI	124.360	-	-	-	-	-	-	-	-	-
WPI (for WUC)	145.010	-	-	-	-	-	-	-	-	-
CPI (General) - Local	154.720	194.74	199.4	199.4	196.79	195.57	195.57	200.89	202.04	202.04
Rs/US\$ For O&M	60.00	98.75	102.7	102.7	100.6	101.7	101.7	101.7	104.4	104.4
Rs/US\$ For Equity	81.50	98.75	102.7	102.7	100.6	101.7	101.7	101.7	104.4	104.4
KIBOR 6- Month	15.10%	10.19%	10.19%	10.16%	10.16%	10.16%	7.39%	7.39%	7.39%	6.47%

JS

JS

