



# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

Registrar

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No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/ 21336-40

December 31, 2025

Subject: Decision of the Authority in the matter of Adjustment in Lender's Fee Component of Tariff for 11<sup>th</sup> Agreement Year for UCH-II Power (Pvt) Limited

Dear Sir,

Enclosed please find herewith the subject Decision of the Authority alongwith **Annex-I** (total 03 Pages) in the matter of Adjustment in Lender's Fee Component of tariff for the Period **April 04, 2024 to April 03, 2025** in respect of Uch-II Power (Private) Limited.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 Calendar days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

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, Uch-II Power (Pvt.) Limited, Building 2-B, I&T Center, Sector G-6/1, Islamabad.

**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN  
LENDER'S FEE COMPONENT OF TARIF FOR 11<sup>TH</sup> AGREEMENT YEAR  
FOR UCH-II POWER (PVT) LIMITED.**

1. Pursuant to the decision of the Authority dated April 24, 2018 in the matter of Motion for Leave for Review filed by Uch-II Power (Pvt.) Limited (Uch-II) against the decision of the Authority at COD dated July 3, 2017, the Letter of Credit (LC) cost with respect to Debt Service Reserve Account (DSRA) during the term of debt shall be treated as Pass-through item at actual on yearly basis. In addition, the lenders' advisors' fees (including technical legal, insurance, Trustees, inter-creditor agents, administrators, supervisors etc.) paid by Uch-II also be treated as Pass-through item during the term of debt at actual, not exceeding US\$ 0.5 million per annum, on yearly basis.
2. Uch-II has requested approval of the lender's fees cost component as a pass-through for the 11<sup>th</sup> agreement year, amounting to Rs. 0.0405/kW/h, based on a total cost of Rs. 135,133,495. The details of requested cost are provided below:

Sr. No.	Details	11 <sup>th</sup> Agreement Year (PKR)
1	DSRA LC	52,452,714
2	Agency Fees	44,096,187
3	Professional Fees	38,584,595
4	Lender's Technical Advisor	-
5	Lender's Insurance Advisor	-
<b>Total Amount</b>		<b>135,133,495</b>

3. Uch-II submitted that, during the approval of the previous agreement year's cost vide the Authority's decision dated March 4, 2025, it was observed that Uch-II had requested DSRA LC charges for period exceeding one year (562 days). Consequently, these requested charges were capped at 365 days, resulting in an amount of Rs. 50,642,030/- . Furthermore, amended charges of previous year of Rs. 117,969/-, were also excluded from the request. Accordingly, the assessed DSRA LC charges approved for that year amounted to Rs. 50,464,061/- (for 365 days). The remaining amount of Rs. 26,853,493/- was deferred for consideration in the next year. In the instant request, Uch-II has therefore included this carried-forward amount of Rs. 26,853,493/-.
4. Furthermore, Uch-II included Federal Excise Duty (FED) in the professional fee charges and asserted based on PwC's letter dated December 17, 2025 that FED is non-adjustable. However, as per the existing practice, FED is treated as adjustable item. Accordingly, FED of Rs. 2,821,701/- has not been considered. In case FED is non-adjustable, the same may be claimed as pass-through item under PPA from the power purchaser. Uch-II also claimed US\$ 288.18/- (Rs. 80,761/-), as courier charges under the professional fee charges, which has also not been considered in the instant request. Further, the difference of Rs. 78,229/- has arisen due to use of NBP exchange rates instead of exchange rates applied by Uch-II.



5. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which shall be hereafter called as decision of the Authority in the matter:-

“Based on the documentary evidences and information submitted by Uch-II, the actual cost on the basis of applicable exchange rates is approved as Rs. 132,152,805 for the 11<sup>th</sup> agreement year. Based on assessed cost, the lender's fees cost component of capacity charge part of tariff is revised as Rs. 0.0396/kW/h for the period April 4, 2024 to April 3, 2025.”

6. The revised Lender's Fee Cost Component of tariff schedule attached as **Annex-I** is to be notified in the official gazette, in accordance with the provisions 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**



Amina Ahmed  
Member



Engr. Maqsood Anwar Khan  
Member

  
Waseem Mukhtar  
Chairman

**Uch-II Power (Pvt) Limited**  
**Adjustment of Lender's Fees**

Period	Reference Lender's Fees Cost	Revised Lender's Fees Cost	Reference Lender's Fees Cost Component	Revised Lender's Fees Cost Component
	Rs	Rs	Rs./kW/Hour	Rs./kW/Hour
April 4, 2024 to April 3, 2025	26,725,000	132,152,805	0.0080	0.0396

-Based on data declared by Uch-II Power (Pvt) Limited

