

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the nd 02 day of January, 2025

S.R.O. 09 (I)/2025. - In pursuance of Proviso-ii of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the decision of the Authority dated December 10, 2024 along with revised tariff components regarding quarterly indexation/adjustment of tariff for Malakand-III Hydropower Project of Pakhtunkhwa Energy Development Organization's Malakand-III (PEDO) for the quarter **October - December 2024** on account of US CPI, N-CPI and PKR/USD variations in Case No. NEPRA/TRF-81/SHYDO-2007.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.


(Wasim Anwar Bhinder)
Registrar



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

Pursuant to the decision of the Authority on September 09, 2010, notified vide SRO 1117(1)/2010 dated December 09, 2010, in the matter of adjustment at the commercial operation date, and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(1)/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, the relevant tariff components are required to be adjusted on account of US CPI, N-CPI, Exchange Rate variation as per the stipulated mechanism.

Accordingly, the Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as the decision of the Authority in the matter:

“The Fixed O&M local, Fixed & Variable O&M Foreign, Water Use Charge (WUC), Return on Equity (ROE) and Return on Equity During Construction (ROEDC) components have been indexed for October – December 2024 quarter on account of exchange rate variation, N-CPI local and US CPI. The revised tariff indicated in the attached Annex-I shall be immediately applicable.”

The 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.

CPPA (G) to ensure that all payments are consistent with tariff determination(s).

AUTHORITY

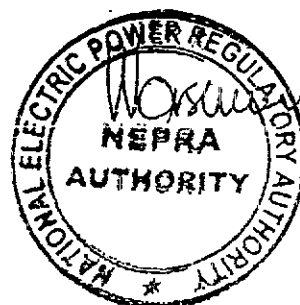
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



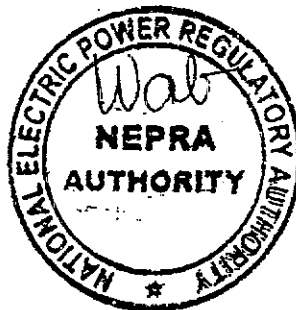
Malakand-III Hydro Power Project
Adjustment on Account of Quarterly Indexation

| Tariff Components | Reference | Indexed Tariff Oct 01, Dec 31 2024 | Indexation | |
|------------------------------|-----------|--|--|---|
| | Rs/kWh | Rs/kWh | | |
| Fixed Charges | | | | |
| Fixed O&M Local | 0.2112 | 0.4228 | N-CPI Local | |
| Fixed O&M Foreign | 0.2169 | 1.5177 | US\$ & US CPI | |
| ROE | 1.0651 | 3.6338 | US\$ | |
| ROEDC | 0.8938 | 3.0493 | US\$ | |
| Variable Charges | | | | |
| Variable O&M (foreign) | 0.1000 | 0.6997 | US\$ & US CPI | |
| Total | 2.4870 | 9.3233 | | |
| Indexation Values | | | | |
| US(CPI) | 208.4900 | 314.7960 | U.S. Bureau of Labor Statistics- Revised value of Aug 2024 | |
| N-CPI - Local for O&M Local | 131.0100 | 262.3200 | Pakistan Bureau of Statistics - Revised Value of Aug 2024 | |
| Rs/US\$ For O&M | 60.0000 | 278.0500 | NBP-Revised rate of Sept 30, 2024 | |
| Rs/US\$ For Equip | 81.5000 | 278.0500 | NBP-Revised rate of Sept 30, 2024 | |
| | | | | |
| Tariff Component | Reference | Indexed Tariff Oct 01, Oct 31, 2024 | Indexed Tariff Nov 01-2024-Oct 31, 2025 | Indexation |
| | Rs/kWh | Rs/kWh | Rs/kWh | |
| Water Use Charge* | 0.3757 | 0.6999 | 0.7484 | N-CPI Local |
| Indexation Values | | | | |
| N-CPI Local Base Yr. 2015-16 | 131.010 | 244.050 | 260.960 | Pakistan Bureau of Statistics - Revised Values of Sept 2023 Sept 2024 for Nov 01,2023-Oct 31, 2024 & Nov 01, 2024- Oct 31, 2025 respectively. |

*Based on the information provided by PPDCL

*Water Use Charge (WUC) is subject to indexation on annual basis and the first such adjustment shall be due after one year of COD. Since Malakand-III commenced its COD in the month of November accordingly WUC is required to be indexed w-e-f Nov, 2024 which will be valid till October 2025.

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REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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January 02, 2025

The Manager
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Shahrah-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISIONS OF THE AUTHORITY**

In pursuance of Proviso (ii) to Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), enclosed please find herewith following Decisions of the Authority as per following detail for immediate publication in the official Gazette of Pakistan:

| S. No. | Decision | Issuance No. and Date |
|--------|--|---------------------------|
| 1. | Decision of the Authority regarding quarterly indexation/adjustment of tariff of Malakand-III Hydropower Project of Pakhtunkhwa Energy Development Organization's Malakand-III (PEDO) for the quarter October - December 2024 | 19098-19102 10-12-2024 |
| 2. | Decision of the Authority in the matter of Quarterly Indexation/Adjustment of tariff for Laraib Energy limited for the quarter October - December 2024 | 19092-19096 10-12-2024 |

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 02 Notifications


(Wasim Anwar Bhinder)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AK Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. Syed Mateen Ahmed, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad