TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN
EXTRA ORDINARY, PART-II

National Electric Power Regulatory Authority

NOTIFICATION

Islamabad, the 05th day of November 2026

2116

S.R.O. (I)/2026.- 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 October 20, 2026 along-with **Annex-I** in the matter of quarterly indexation/adjustment of tariff for Malakand-III Hydropower Project for **April – June 2026** and **July - September 2026** quarters in Case No. NEPRA/TRF-81/SHYDO-2007.

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

Wasim Anwar

(Wasim Anwar Bhinder)
Registrar

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

1. 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.

2. 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 **April - June 2026 and July - September 2026** quarter on account of exchange rate variation, N-CPI local and US CPI."

3. 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.

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

AUTHORITY

Amina Ahmed
Member

Engr. Maqsood Anwar Khan
Member

Ghulamullah Shaikh
Member

Waseem Mukhtar
Chairman

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY ★ NEPRA AUTHORITY

Annex -I

Malakand-III Hydro Power Project

Adjustment on Account of Quarterly Indexation

Tariff Components	Reference	Indexed Tariff Apr -June 2026	Indexed Tariff July -September 2026	Indexation
	Rs/kWh	Rs/kWh	Rs/kWh	
Fixed Charges				
Fixed O&M Local	0.2112	0.4552	0.4745	N-CPI Local
Fixed O&M Foreign	0.2169	1.5840	1.6186	US$ & US CPI
ROE	1.0651	3.6534	3.6403	US$
ROEDC	0.8938	3.0658	3.0548	US$
Total	2.3870	8.7584	8.7882	
Variable Charges				
Variable O&M (foreign)	0.1000	0.7303	0.7462	US$ & US CPI
Water Use Charge*	0.3757	0.7903	0.7903	N-CPI Local
Total	0.4757	1.5206	1.5365	
Total Tariff	2.8627	10.2790	10.3247	
Indexation Values				Source
US(CPI)	208.4900	326.7850	335.1230	U.S. Bureau of Labor Statistics
N-CPI - Local for O&M Local	131.0100	282.3900	294.3400	Pakistan Bureau of Statistics
Rs/US$ For O&M	60.0000	279.5500	278.5500	NBP-Revised rate
Rs/US$ For Equity	81.5000	279.5500	278.5500	NBP-Revised rate
N-CPI for WUC	131.010	275.6000	275.6000	Pakistan Bureau of Statistics

*Based on the information provided by PEDO

*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 has been indexed w-e-f Nov, 2025 which will be valid till October 2026.

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA
AUTHORITY

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REGISTRAR

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The Manager
Printing Corporation of Pakistan Press
Shahrah-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION 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 notification in respect of the following Decision of the Authority for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date	SRO # allotted by PCPP
1.	Decision of the Authority in the matter of quarterly indexation/adjustment of tariff for Malakand-III Hydropower Project for **April – June 2026** and **July - September 2026** quarters	21221-21225 20-10-2026	2116

2. Please also furnish ten (10) copies of the Notification to this Office after its publication.

Encl: 01 Notifications

Wasim Anwar
(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