KARACHI ELECTRIC SUPPLY COMPANY LIMITED
KESC House, 39-B, Sunset Boulevard, Phase IV, DHA, Karachi, Pakistan
Phone: (92 21) 352647034 – Facsimile: (92 21) 9920 5192

Ref. No. RA&SP/NEPRA/071/1044
Dated: February 22st, 2012

The Registrar
National Electric Power Regulatory Authority
2nd Floor, OPF Building, G-5/2
Islamabad

Dear Sir

Subject: **MONTHLY FUEL COST ADJUSTMENT (FCA) DUE TO VARIATION IN FUEL AND POWER PURCHASE PRICE OF JANUARY 2013**

This is with reference to fuel cost adjustment based on units sent out for the month of January 2013, as per tariff determination of 23rd December 2009.

The submission is based on the actual invoice of NTDC for the month of Jan-13. Further, the units sent out on Gas and Furnace oil at Bin Qasim Power Station haven been worked out in the ratio of actual units generated on Gas & F.Oil at BQPS-I and the cost is accounted for on the basis of notified prices.

Required Monthly Adjustment - January 2013:

The results of January 2013 have been finalized and the summarized position is as under;

DESCRIPTION	Jan-2013/ (Over Dec-12)	
	(Mill. Rs.)	(Ps./kWh)
Fuel Price Variation	147.616	15.067
Power Purchase Price Variation	959.806	97.968
Total Fuel Costs Adjustment	**1,107.421**	**113.036**

Economic Dispatch Order

KESC dispatches as per Economic Merit Order from its own generating units (with the available fuel resources) and import from external sources (generating statistic sheets are attached). Further, it is certified that the cost of fuel and power purchase claimed does not include any amount of late payment surcharge/ markup/ interest.

It is also requested to finalize the pending HRT reports of our generating stations and tariff determinations pending since June 2012 at the earliest, enabling us to incorporate the same accordingly.

Kind Regards

M. Aamir Ghazlani
Director (C & A)

Copy to:
Secretary, M/o Water and Power, Islamabad
Mr. Sajjad Muhammad Qureshi, Director Tariff, NEPRA, Islamabad

K. E. S. C. LTD

SUMMARY OF REQUIRED ADJUSTMENT ON ACCOUNT OF VARIATION IN COST OF FUEL AND POWER PURCHAS

		DESCRIPTION		Dec-12	Jan-13
1		MONTHLY ALLOWABLE ADJUSTMENT ON UNITS SENT OUT BASIS			
	a.	Monthly Variation in			
		i Fuel Price	Mill Rs.	(291.075)	147.616
		ii Power Purchase Price - Fuel component	Mill Rs.	327.778	959.806
		iii Total Monthly Variation (i + ii) - Over Reference Tariff	Mill Rs.	36.704	1,107.421
	b.	Units Sent Out	Mill kWh	1,023.885	979.711
2	a	Monthly Variation in FSA - due to			
		i Fuel Price	Ps/kWh	(28.428)	15.067
		ii Power Purchase Price - Fuel component	Ps/kWh	32.013	97.968
	b	Monthly increase/decrease to be passed to Consumers (i+ii)	Ps/kWh	3.585	113.036

DESCRIPTION		Dec-12	Jan-13

Work Sheet- Fuel Price Variation

1 UNITS SENT OUT - KESC			
1a UNITS SENT OUT ON GAS			
i Bin Qasim	Mill kWh	80.572	92.075
ii Bin Qasim II - CCPP	Mill kWh	306.414	247.688
iii Korangi Thermal	Mill kWh	(0.144)	(0.144)
iv Korangi Gas 2	Mill kWh	2.617	4.494
v Site Gas 2	Mill kWh	0.454	0.163
vi Korangi combined	Mill kWh	21.852	7.553
Total (i to viii)	Mill kWh	**411.765**	**351.829**
1b UNITS SENT OUT ON F. OIL			
i Bin Qasim	Mill kWh	35.467	53.899
Total (i to viii)	Mill kWh	**35.467**	**53.899**
1c TOTAL UNITS SENT OUT (1 + 2)			
i Bin Qasim	Mill kWh	116.039	145.974
ii Bin Qasim II - CCPP	Mill kWh	306.414	247.688
iii Korangi Thermal	Mill kWh	(0.144)	(0.144)
iv Korangi Gas 2	Mill kWh	2.617	4.494
v Site Gas 2	Mill kWh	0.454	0.163
vi Korangi combined	Mill kWh	21.852	7.553
Total (i to vii)	Mill kWh	**447.232**	**405.729**
2 HEAT RATE AT BUS BAR			
2a Heat Rate of GAS - of item 1			
i Bin Qasim	Btu/kWh	10,650	10,650
ii Bin Qasim II - CCPP	Btu/kWh	12,163	12,163
iii Korangi Thermal	Btu/kWh	13,738	13,738
iv Korangi Gas 2	Btu/kWh	9,500	9,500
v Site Gas 2	Btu/kWh	9,500	9,500
vi Korangi combined	Btu/kWh	9,110	9,110
2b CONVERSION FACTOR F. OIL - of item 2			
i **Bin Qasim**	Kg/kWh	**0.264**	**0.264**
ii **Korangi Thermal**	Kg/kWh	**0.340**	**0.340**
3 FUEL PRICES			
a. **Fuel Prices- Gas (Rs/MMBTu)**	Rs/MMBTu	**487.00**	**515.25**
b. **Fuel Price -F.O (Rs/Kg)**	Rs/Kg	**62,991**	**63,729**
4 COST OF FUEL			
4a COST OF GAS			
i Bin Qasim	Mill Rs	417.890	505.253
ii Bin Qasim II - CCPP	Mill Rs	1,815.022	1,552.268
iv Korangi Gas 2	Mill Rs	12.109	21.999
v Site Gas 2	Mill Rs	2.099	0.796
vi Korangi combined	Mill Rs	96.947	35.454
Total (i to vii)	Mill Rs	**2,344.067**	**2,115.770**
4b COST OF FURNACE OIL			
i Bin Qasim	Mill Rs	589.800	906.823
Total (i to vii)	Mill Rs	**589.800**	**906.823**
4c TOTAL COST OF FUEL			
i Bin Qasim	Mill Rs	1,007.690	1,412.076
ii Bin Qasim II - CCPP	Mill Rs	1,815.022	1,552.268
iv Korangi Gas 2	Mill Rs	12.109	21.999
v Site Gas 2	Mill Rs	2.099	0.796
vi Korangi combined	Mill Rs	96.947	35.454
Total	Mill Rs	**2,933.868**	**3,022.593**

DESCRIPTION		Dec-12	Jan-13
5 COST OF FUEL PER KWH			
a Bin Qasim	Rs/kWh	8.684	9.673
b Bin Qasim II - CCPP	Rs/kWh	5.923	6.267
d Korangi Gas 2	Rs/kWh	4.627	4.895
e Site Gas 2	Rs/kWh	4.627	4.895
f Korangi combined	Rs/kWh	4.437	4.694
6 INCREASE/DECREASE IN COST OF FUEL PER KWH			
a Bin Qasim	Rs/kWh	(2.365)	0.989
b Bin Qasim II - CCPP	Rs/kWh		
d Korangi Gas 2	Rs/kWh	(0.694)	0.268
e Site Gas 2	Rs/kWh	(0.694)	0.268
f Korangi combined	Rs/kWh	(0.665)	0.257
7 INCREASE / DERCREASE IN FUEL COST OVER PREVIOUS MONTH			
a Bin Qasim	Mill Rs	(274.413)	144.422
b Bin Qasim II - CCPP	Mill Rs	-	-
d Korangi Gas 2	Mill Rs	(1.815)	1.206
e Site Gas 2	Mill Rs	(0.315)	0.044
f Korangi combined	Mill Rs	(14.532)	1.944
Total (a to g)	Mill Rs	**(291.075)**	**147.616**
8 INCREASE / DERCREASE IN TARIFF TO BE PASSED IN THE MONTHLY BILLS			
a Fuel price variation (item 7-h)	Mill Rs	(291.075)	147.616
b Units Sent Out - KESC	Mill kWh	447.232	405.729
c Power Purchase	Mill kWh	576.653	573.982
d Total Units Sent Out (b + c)	Mill kWh	1,023.885	979.711
e Increase / Decrease in Tariff (8a / 8d x 100) To be passed on to the consumers - FSA	Ps/kWh	**(28.428)**	**15.067**
9 INCREASE / DERCREASE IN REVENUE			
a Units Sold	Mill kWh	829.347	793.566
b Increase / Decrease in Tariff	Ps/kWh	(28.428)	15.067
c Increase / Decrease in Revenue (9a / 9b x 100)	Mill Rs	(235.771)	119.569
d Accumulated increase / decrease in revenue	Mill Rs	**(235.771)**	**119.569**
d Unrecovered Cost due to 21% T&D loss		**(55.304)**	**28.047**
10 INCREASE / DERCREASE IN TARIFF TO BE ADJUSTED ON QUARTERLY BASIS			
a Fuel price variation - item 8a	Mill Rs	(291.075)	147.616
b Units Sent Out - KESC	Mill kWh	447.232	405.729
c Power Purchase	Mill kWh	576.653	573.982
d Total Units Sent Out	Mill kWh	1,023.885	979.711
e Trans & Dist Losses		19%	19%
f Units Sold (10d - 10e)	Mill kWh	**829.347**	**793.566**

DESCRIPTION		Dec-12	Jan-13

Work Sheet- Power Purchase Cost Variation

1	**POWER PURCHASES**			
a	KANUPP	Mill kWh	55.001	25.653
b	PASMIC	Mill kWh	0.434	0.215
c	TAPAL	Mill kWh	36.413	54.378
d	GUL AHMED	Mill kWh	21.440	19.019
e	NTDC/WAPDA	Mill kWh	451.450	463.153
f	ANOUD POWER	Mill kWh	5.409	5.541
h	INT IND (IIL)	Mill kWh	6.506	6.023
m	TOTAL	Mill kWh	**576.653**	**573.982**
2	**COST OF POWER PURCHASE - FUEL COST**			
a	KANUPP	Mill Rs	308.392	170.866
b	PASMIC	Mill Rs	2.435	1.429
c	TAPAL	Mill Rs	513.366	772.752
d	GUL AHMED	Mill Rs	312.980	280.475
e	NTDC/WAPDA	Mill Rs	4,043.063	4,887.900
f	ANOUD POWER	Mill Rs	59.322	62.160
h	INT IND (IIL)	Mill Rs	30.055	29.433
m	TOTAL	Mill Rs	**5,269.613**	**6,205.016**
3	**COST OF POWER PURCHASE- Fuel Cost/kWh**			
a	KANUPP	Rs/kWh	5.607	6.661
b	PASMIC	Rs/kWh	5.607	6.661
c	TAPAL	Rs/kWh	14.098	14.211
d	GUL AHMED	Rs/kWh	14.598	14.747
e	NTDC/WAPDA	Rs/kWh	8.956	10.554
f	ANOUD POWER	Rs/kWh	10.968	11.217
h	INT IND (IIL)	Rs/kWh	4.620	4.887
m	AVERAGE	Rs/kWh	**9.138**	**10.810**
4	**INCREASE / DERCREASE IN FUEL COMPONENT OF POWER PURCHASE - TO BE PASSED IN THE MONTHLY BILLS**			
a	Averge Monthly Fuel cost of Power Purchase (**Item 3m)**	Rs/kWh	9.138	10.810464
b	Reference Rate - Previous Month	Rs/kWh	8.570	9.138277
c	Increase / Decrease in Average Rate of Power Purchase **(4a-4b)**	Rs/kWh	**0.568**	**1.672**
d	Total Power Purchase **(Item 1m)**	Mill kWh	576.653	573.982
e	Increase / Decrease in Fuel Cost of Power Purchase **(4c*4d)**	Mill Rs	**327.778**	**959.806**
5	**INCREASE / DERCREASE IN TARIFF TO BE PASSED IN THE MONTHLY BILLS**			
a	**Fuel price variation in cost of power purchase (Item 4a)**		327.778	959.806
b	**Units Sent Out - KESC**	Mill kWh	447.232	405.729
c	**Power Purchase**	Mill kWh	576.653	573.982
d	**Total Units Sent Out (b + c)**	Mill kWh	**1,023.885**	**979.711**
e	**Increase / Decrease in Tariff (5a / 5d x 100)** To be passed on to the consumers - **FSA**	Ps/kWh	**32.013**	**97.968**
6	**INCREASE / DERCREASE IN REVENUE**			
a	**Units Sold**	Mill kWh	829.347	793.566
b	**Increase / Decrease in Tariff (item 5e)**	Ps/kWh	32.013	97.968
c	**Increase / Decrease in Revenue (6a / 6b x100)**	Mill Rs	265.501	777.443
d	**Accumulated increase / decrease in revenue**	Mill Rs	**141.535**	**918.978**
7	**O&M PAYMENT**			
a	KANUPP	Mill Rs	30.800	14.366
b	PASMIC	Mill Rs	0.664	0.328
c	TAPAL	Mill Rs	32.018	50.288
d	GUL AHMED	Mill Rs	11.005	10.268
e	NTDC/WAPDA	Mill Rs	775.370	788.303
f	ANOUD POWER	Mill Rs	9.180	9.405
h	INT IND (IIL)	Mill Rs	9.720	9.058
m	TOTAL	Mill Rs	**868.757**	**882.018**

		DESCRIPTION		Dec-12	Jan-13
8		**O&M PAYMENT (Rs/kWh)**			
	a	KANUPP	Rs/kWh	0.560	0.560
	b	PASMIC	Rs/kWh	1.529	1.529
	c	TAPAL	Rs/kWh	0.879	0.925
	d	GUL AHMED	Rs/kWh	0.513	0.540
	e	NTDC/WAPDA	Rs/kWh	1.718	1.702
	f	ANOUD POWER	Rs/kWh	1.697	1.697
	h	INT IND (IIL)	Rs/kWh	1.494	1.504
	m	TOTAL	Rs/kWh	1.507	1.537
	n	Variation over Base Rate	Rs/kWh	0.171	0.030
	o	Variation over Base Rate (8a*1m)	Mill Rs	**98.857**	**17.283**
9		**CAPACITY PAYMENT**			
	c	TAPAL	Mill Rs	122.539	126.993
	d	GUL AHMED	Mill Rs	111.250	115.960
	m	**TOTAL**	**Mill Rs**	**233.789**	**242.953**
10		**CAPACITY PAYMENT (Rs/ KwH)**			
	c	TAPAL	Mill Rs	3.365	2.335
	d	GUL AHMED	Mill Rs	5.189	6.097
	m	TOTAL	Mill Rs	0.405	0.423
	n	Variation over Base Rate	Rs/kWh	0.079	0.018
	o	Variation over Base Rate (10n*1m)	Mill Rs	**45.364**	**10.247**
11		**TOTAL O&M & CAPACITY PAYMENT**			
	a	KANUPP	Mill Rs	30.800	14.366
	b	PASMIC	Mill Rs	0.664	0.328
	c	TAPAL	Mill Rs	154.557	177.282
	d	GUL AHMED	Mill Rs	122.255	126.228
	e	NTDC/WAPDA	Mill Rs	775.370	788.303
	f	ANOUD POWER	Mill Rs	9.180	9.405
	h	INT IND (IIL)	Mill Rs	9.720	9.058
	m	TOTAL	Mill Rs	**1,102.546**	**1,124.970**
12		**TOTAL COST WITH O&M AND CAPACITY PAYMENT**			
	a	KANUPP	Mill Rs	339.193	185.232
	b	PASMIC	Mill Rs	3.099	1.758
	c	TAPAL	Mill Rs	667.922	950.034
	d	GUL AHMED	Mill Rs	435.236	406.703
	e	NTDC/WAPDA	Mill Rs	4,818.433	5,676.202
	f	ANOUD POWER	Mill Rs	68.502	71.565
	h	INT IND (IIL)	Mill Rs	39.775	38.492
	m	**TOTAL**	**Mill Rs**	**6,372.159**	**7,329.986**
13		**COST OF POWER PURCHASE- TOTAL Cost/kWh**			
	a	KANUPP	Rs/kWh	6.167	7.221
	b	PASMIC	Rs/kWh	7.136	8.190
	c	TAPAL	Rs/kWh	18.343	17.471
	d	GUL AHMED	Rs/kWh	20.300	21.384
	e	NTDC/WAPDA	Rs/kWh	10.673	12.256
	f	ANOUD POWER	Rs/kWh	12.665	12.915
	h	INT IND (IIL)	Rs/kWh	6.114	6.391
	m	AVERAGE	Rs/kWh	**11.050**	**12.770**
14		**INCREASE / DERCREASE IN POWER PURCHASE COST - TOTAL**			
	a	Averge Monthly cost of Power Purchase - Fuel Cost (Item 13r	Rs/kWh	11.050	12.770
	b	Reference Rate - Previous Month	Rs/kWh	10.232	11.050
	c	Increase / Decrease in Average Rate of Power Purchase (a-b)	Rs/kWh	0.819	1.720
	d	Total Power Purchase (Item 1m)	Mill kWh	576.653	573.982
	e	Increase / Decrease in Total Cost of Power Purchase (c*d)	Mill Rs	**471.999**	**987.336**

Gas Purchase during the month of Jan' 2013

Description	Cubic Meters	GCV AS PER BILLS	MMCF	MMCFD	BTU/CF	MMBTUs	Amount excluding Meter rent	GID-CESS Rs.	Meter rent	Total SSGC	Gas Price Rs. / MMBTU
BIN QASIM											
Bin Qasim Power Station (1)	5,026,722	945.250	178.418	5.755	5,986.034	168,650	82,339,942	4,553,547	2,500	86,895,989	515 24
Bin Qasim Power Station (2)	5,278,194	945.250	187.344	6 043	6,285 497	177,087	86,459,165	4,781,348	2,500	91,243,013	515.24
Bin Qasim Power Station (3)	5,183,680	945 250	183.989	5 935	6,172 946	173,916	84,910,984	4,695,731	2,500	89,609,215	515.24
Bin Qasim Power Station (4)	5,150,821	945 250	182.823	5.898	6,133.816	172,813	84,372,739	4,665,965	2,500	89,041,204	515.24
Bin Qasim Power Station (5)	5,227,404	945.250	185.541	5 985	6,225 014	175,383	85,627,202	4,735,339	2,500	90,365,041	515 24
Bin Qasim Power Station (6)	5,240,840	945 250	186.018	6.001	6,241 014	175,833	85,847,290	4,747,510	2,500	90,597,300	515 24
										-	
Total	31,107,661	945 2500	1,104.13	35 62	37,044.322	1,043,681	509,557,322	28,179,440	15,000	537,751,762	515.24
BIN QASIM COMBINED CYCLE POWER PLANT											
Bin Qasim Power Station (7)	11,978,000	945.250	425.146	13.714	14,263.910	401,869	196,204,967	10,850,489	2,500	207,057,956	515.2362
Bin Qasim Power Station (8)	12,100,632	945 250	429.499	13.855	14,409 946	405,984	198,213,734	10,961,577	2,500	209,177,811	515 2362
Bin Qasim Power Station (9)	12,559,512	945.250	445.786	14.380	14,956.399	421,379	205,730,393	11,377,262	2,500	217,110,155	515.2359
Bin Qasim Power Station (10)	12,929,560	945.250	458.921	14.804	15,397 068	433,795	211,791,943	11,712,477	2,500	223,506,920	515.2358
Bin Qasim Power Station (11)	13,632,180	945.250	483.859	15.608	16,233 778	457,368	223,301,171	12,348,958	2,500	235,652,629	515 2355
Total	63,199,884	945.250	2,243.2108	72 362	75,261.102	2,120,395	1,035,242,208	57,250,763	12,500	1,092,505,471	515.24
										-	
KORANGI THERMAL POWER STATION										-	
Korangi Thermal Power Station	-	1,002.700	-	-	-	-	16,463	-	3,000	19,463	#DIV/0!
										-	
KORANGI OWN GAS TURBNE-II										-	
Korangi Town Gas Turbine	1,290,872	920.060	45 818	1 478	1,496.260	42,155	20,581,484	1,138,193	3,000	21,722,677	515.30
										-	
SITE GAS TURBINE-II											
Site Gas Turbine	98,288	932.500	3 489	0.113	115.467	3,253	1,588,287	87,835	3,000	1,679,122	516.15
Site Gas Turbine - 2	84,468	932 500	2 998	0.097	99.231	2,796	1,364,963	75,485	2,500	1,442,948	516 12
Total	182,756	932 500	6.4867	0.209	214.698	6,049	2,953,250	163,320	5,500	3,122,070	516 14
KORANGI COMBINED CYCLE										-	
Korangi Thermal Power Station (KTPS 1)	937,381	1,002 700	33 271	1.073	1,184 117	33,361	16,287,965	900,754	2,500	17,191,219	515 30
Korangi Thermal Power Station (KTPS 2)	960,264	1,002 700	34.084	1 099	1,213.024	34,176	16,685,581	922,743	2,500	17,610,824	515.30
Total	1,897,645	1,002.700	67.3548	2 173	2,397.141	67,537	32,973,546	1,823,497	5,000	34,802,043	515.30
										-	
Grand Total	**97,678,818**	**946.009**	**3,467.0028**	**111.839**	**116,413.5220**	**3,279,817**	**1,601,324,273**	**88,555,213**	**44,000**	**1,689,923,486**	**515.25**

F. Oil Jan' 2013

Vendor	Pstng Date	Mat. Doc.	Plnt	EUn	Quantity	Amount in LC	Rate/M.Ton
BYCO	31.01.2013	5000115616	BQ04	MT	993	64,943,937	65,388
BYCO	28.01.2013	5000115121	BQ04	MT	987	64,526,433	65,388
BYCO	28.01.2013	5000115124	BQ04	MT	994	64,969,046	65,388
BYCO	23.01.2013	5000114649	BQ04	MT	988	64,579,594	65,388
BYCO	22.01.2013	5000114380	BQ04	MT	988	64,598,948	65,388
BYCO	21.01.2013	5000114277	BQ04	MT	979	64,012,481	65,388
BYCO	17.01.2013	5000113649	BQ04	MT	988	63,033,297	63,784
BYCO	17.01.2013	5000113650	BQ04	MT	993	63,310,567	63,784
BYCO	17.01.2013	5000113651	BQ04	MT	996	63,511,551	63,784
BYCO	17.01.2013	5000113652	BQ04	MT	989	63,083,751	63,784
					9,894	**640,569,604**	**64,745**

PSO & BYCO				Rate/M.Ton		M.Ton	PKR
Opening				62,973		9,168.79	577,386,634
Purchases F. Oil Jan' 2013				**64,745**		**9,893.69**	**640,569,604**
	16.01.2013	BQPS	M.Ton	62,973	-	1,611.34	(101,470,977)
	16.01.2013	BQPS	M.Ton	62,973	-	884.16	(55,678,242)
	16.01.2013	BQPS	M.Ton	62,973	-	360.55	(22,704,929)
	16.01.2013	BQPS	M.Ton	62,973	-	4,599.01	(289,613,637)
	31.01.2013	BQPS	M.Ton	64,484	-	637.82	(41,128,946)
	31.01.2013	BQPS	M.Ton	64,484	-	619.06	(39,919,233)
	31.01.2013	BQPS	M.Ton	64,484	-	6,208.89	(400,371,734)
Consumption F. Oil Jan' 2013				**63,729**	**-**	**14,920.83**	**(950,887,698)**
Closing as at F. Oil Jan' 2013				64,484		4,141.65	267,068,541