



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-100/MFPA/5532-5534

July 19, 2011

Subject: **Decision of the Authority in the matter of Fuel Charges Adjustment for the Month of May 2011 for XWDISCOs - Intimation of Decision of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)**

Please find enclosed herewith decision of the Authority along with Annex-I & Annex-II (06 pages) regarding Fuel Charges Adjustment for the month of May 2011 in respect of XWDISCOs.

2. The decision is being intimated to the Federal Government for the purpose of notification of Fuel Charges Adjustment for XWDISCOs in the official Gazette pursuant to Section 31(4) of NEPRA Act and Rule 16(11) of NEPRA (Tariff Standards and Procedure) Rules, 1998.

Encl: As above

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

CC:

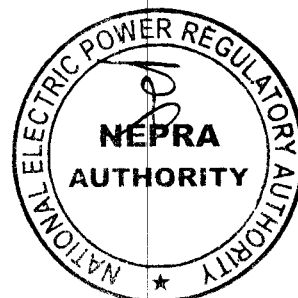
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.


(Syed Safer Hussain)



**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES ADJUSTMENT
FOR THE MONTH OF MAY 2011 FOR XW-DISCOS**

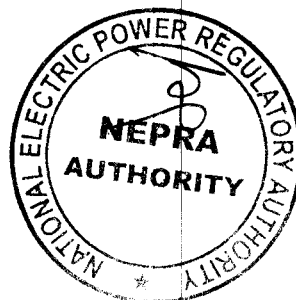
1. Pursuant to the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (XL of 1997), the Authority has to review and revise the approved tariff on account of any variation in the fuel charges on a monthly basis.
2. In order to review and revise the approved tariff of the XWDISCOs due to variations in the fuel charges for the month of May 2011, necessary information as to the details of fuel charges was obtained from Central Power Purchasing Agency (CPPA).
3. Notwithstanding the fact that the monthly adjustment on account of fuel charges variation is made in pursuance of the provisions of section 31(4) of the Act XL of 1997, yet the impact of such adjustments, if any, is passed on to the consumers of electricity, therefore, in order to meet the ends of natural justice, the Authority decided to provide an opportunity of hearing to all concerned while reviewing and revising the approved tariff on account of the variation in the fuel charges.
4. A date of hearing for the aforesaid purpose was fixed as 30th June 2011 in NEPRA Main Office; notice thereof was published in two leading national newspapers on 22nd June 2011 inviting comments/objections from the interested persons. The salient features and details of the proposed adjustment were also mentioned in the said notice.
5. On the date fixed for hearing, representatives from Central Power Purchasing Agency (CPPA), National Power Control Cell (NPCC), Wapda Private Power Organization (WPPO), Islamabad Electric Supply Company (IESCO), Ministry of Water & Power and media were present; however, no representative from Ministry of Finance attended the public hearing despite the service of notice. No written objection or comments were received regarding the proposed adjustments from any person. Further there was also no representation from the general public/consumers of electricity.
6. From the perusal of the information so provided by CPPA, it has been observed that the actual pool fuel charges of Rs. 6.2956/kWh for the month of May 2011 increased by Rs. 0.6862/kWh (Annex-I&II) as compared to the reference fuel charges, i.e. Rs. 5.6094/KWh as indicated in the Annexure-IV of the Authority's determination pertaining to the 1st Quarter of FY 2010-11.



7. The Authority noted that during May 2011 CPPA charged Rs. 455.29 million as fuel cost for Karkey Rental Power Plant for 30.2942 GWh energy delivered during May 2011. It is further noted that the fuel price adjustment request with respect to Karkey Rental Power Plant is pending before the Authority. However, under Rule 4(7) of Tariff Standards & Procedure Rules 1998, the Authority may, while admitting a petition, allow the immediate application of the proposed tariff subject to an order for refund for the protection of consumers, or for satisfactory security to be provided for refund, while the proceedings are pending before the Authority. In view thereof, the Authority has decided to pass on, provisionally, to the consumers the fuel cost regarding energy generated by Karkey Rental Power Plant subject to the condition that the fuel cost will be adjusted in the succeeding period, if required, in accordance with the decision of the Authority regarding the pending fuel price adjustment of Karkey Rental Power Plant.
8. The Authority also noted that during March 2011 NTDC claimed 3.61% transmission losses against the determined losses of 2.50% as per the Authority's determination dated 6th January 2006 (Case No. NEPRA/TRF-45/NTDC-2005). The Authority considers that the claimed transmission losses by NTDC are not consistent with the Authority's determination hence cannot be passed on to the consumers. The Authority has, therefore, decided to restrict the NTDC losses to 2.50% in accordance with its determination; accordingly the impact of Rs. 0.0720/kWh on this account is being disallowed to be passed on to the consumers.
9. The Authority has reviewed and assessed an increase of Rs. 0.6142/kWh in the applicable tariff for EX-WAPDA DISCOS on account of variations in the fuel charges for the month of May 2011 as per the following details:

Actual Fuel Charges Component for May 2011	Rs. 6.2236kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 5.6094/kWh
Fuel Charges Variation for the month of May 2011 (Increase)	Rs. 0.6142/kWh

10. The assessed fuel charges adjustment of Rs. 0.6142/kWh for the month of May 2011 is lower by Rs. 0.4580/kWh than the adjustment of Rs. 1.0722/kWh for the month of

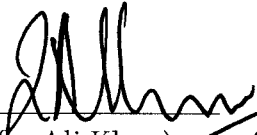


April 2011; therefore, effectively there will be a decrease of Rs. 0.4580/kWh in the bill of the consumers on account of fuel charges adjustment as compared to the month of April 2011.


11. The adjustment as referred to in Para 9 above ;


- i) shall be applicable to all the consumer categories except lifeline consumers of all the DISCOs;
- ii) shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of May 2011. L

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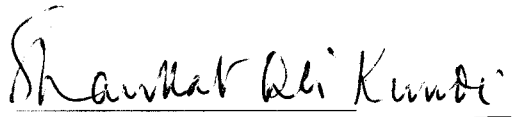

(Zalar Ali Khan)
Member

8/7/11

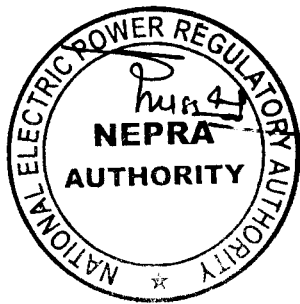

(Maqbool Ahmad Khawaja)
Member

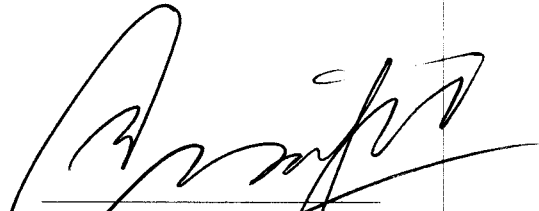

(Ghiasuddin Ahmed)
Member

14/7



(Shaukat Ali Kundi)
Member/Vice Chairman

18.07.11




(Khalid Saeed)
Chairman

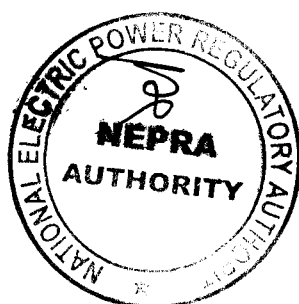
(*) Due to less generation by 13/5 MW against the available capacity of 232 MW because of non-arrangement of fuel, overall cost of unit i.e., capacity charges will be almost Rs 37 plus which is serious situation & needs resolving of problem on emergent basis by PERCO/GOP


M.A. KHALID
Member (S)

CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
May, 2011

Annex-I

S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)	
1	WAPDA	Hydel	6,444.00	3,083,161,590	181,906,534	
	Jagran	Hydel	30.00	(1,393,880)	-2,784,972	
	Pehure	Hydel	17.90	3,864,600	18,611,527	
	Khan Khawar	Hydel	72.00	33,728,970	162,435,347	
	Malakund-III SHYDO	Hydel	81.46	36,468,500	245,291,429	
	Hydel Total:			6,645.36	3,155,829,780	605,459,864
2	GENCO-I					
	Jamshoro Block 1	RFO		80,550,000	1,332,852,709	
	Jamshoro Block 2	RFO		51,292,603	980,400,129	
	Unit 2-4	Gas	798.5	10,272,397	50,783,649	
	Kotry 3-7	Gas		43,250,980	179,167,185	
	Kotry 1-2	Gas		715,020	5,936,811	
	Jamshoro Total			798.50	186,081,000	2,549,140,482
	GENCO-II					
	Central Block 1	RFO				
	Guddu CC 11-13	Gas	390.00	163,879,516	545,686,013	
	Guddu CC 5-10	Gas	530.00	199,941,112	738,182,586	
	Central Block 3	RFO		36,449,536	644,346,376	
	Guddu Steam 3-4	Gas	340.00	103,370,057	456,544,194	
	Guddu Steam 1-2	Gas	140.00	11,558,179	54,635,513	
	Central Total			1,400.00	515,198,400	2,439,394,681
	GENCO-III					
	Northern Block 1	RFO		136,960,943	2,330,902,254	
	MG Unit 1-3	Gas		1,136,459	4,856,202	
	Northern Block 2	RFO		63,525,250	1,068,282,885	
	MG Unit 4	GAS		364,749	1,544,858	
	Northern Block 3	RFO		22,655,132	428,583,958	
	MG Unit 5-6	Gas		-	0	
	Northern Block 4	F.O.		-	0	
	GTPS FSD 5-9	GAS		650,127	2,216,348	
		HSD		-	0	
	Northern Block 5	RFO	1,568	15,946,000	349,727,959	
	SPS FSD 1-2	GAS		-	0	
	Northern Block 6	RFO		-	0	
	GTPS FSD 1-4	GAS		(32,127)	-195,200	
		HSD		-	0	
Northern Block 7	RFO		(225,800)	-4,046,946		
NGPS Multan 1-4	GAS		-	0		
Northern Block 8	F.O.		-	0		
Shahdra	Gas		(67,990)	-408,377		
Gulf Rental	RFO	62.00	39,778,054	606,513,444		
Rental Summandari	Gas	60.00	-	0		
Reshman	RFO		-	0		
Northern Total:			1,690.00	280,690,797	4,787,977,385	
GENCO-IV						
Karkay	Coal	31.20	7,285,000	22,314,684		
	RFO	231.80	30,294,200	455,293,560		
Total:				37,579,200	477,608,244	
GENCOs Total:-			4,151.50	1,019,549,397	10,254,120,792	
3	Kot Addu Block 1					
		RFO		189,593,300	2,733,809,779	
		HSD		12,054,300	171,544,330	
	Kot Addu Block 2	RFO	1345	357,407,400	5,638,355,661	
	Kot Addu Block 3	Gas		-	0	
	HSD		-	0		
KAPCO Total			1,345.00	559,055,000	8,543,709,770	



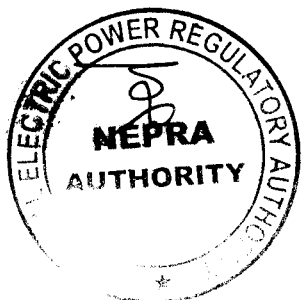
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S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)
	Hub Power	RFO	1,200.00	767,916,500	11,477,420,202
	Kohinoor Energy	RFO	124.00	69,269,000	975,754,533
	AES Lalpir	RFO	347.30	113,303,000	1,692,465,149
	Pak Gen Power Limited	RFO	348.60	158,057,329	2,368,566,997
	Southern Power	RFO	110.17	29,568,864	427,741,082
	Habibullah	Gas	129.15	78,045,593	237,531,761
	Fauji Kabirwala	Gas	151.00	105,613,000	358,126,797
	Rousch	Gas	395.00	274,924,500	813,260,058
	Saba Power	RFO	125.55	10,880,019	164,279,125
	Japan Power	RFO	107.00	34,598,510	490,815,489
	Uch	Gas	551.25	384,170,000	971,265,027
	Altern	Gas	26.40	20,776,200	74,661,929
	Liberty	Gas	211.85	139,953,000	1,017,472,834
	Chashma Nuclear	Nucl.	300.00	214,949,000	240,549,426
	Chashma Nuclear-II	Nucl.	315.00	160,454,000	179,564,071
	Tavanir Iran	Import	96.00	23,681,123	100,940,787
Sub-Total:			5,883.27	3,145,214,638	30,134,125,037
1	Attock-Gen	RFO	156.18	105,649,649	1,428,474,515
2	Atlas-Honda	RFO	213.86	129,373,776	1,777,157,033
3	Nishat Power	RFO	195.31	115,399,006	1,548,621,715
4	Foundation Power	Gas	177.00	112,459,400	289,144,363
5	Orient	Gas	212.74	126,105,507	378,171,744
6	Nishat Chunian	RFO	195.72	119,869,953	1,725,169,306
7	Saif Power	Gas	209.00	134,612,623	346,325,001
8	Engro Energy	Gas	217.30	141,387,061	431,577,519
9	Sapphire Power	Gas	212.11	128,196,927	313,561,632
10	Hubco Narowal	RFO	213.82	116,772,521	1,763,677,095
11	Liberty Power	RFO	196.14	138,105,018	1,862,192,726
12	Halmore	Gas	209.00	76,804,228	170,505,386
Sub-Total:			2,408.17	1,444,735,669	12,034,578,035
IPP,s Total:-			8,291.44	4,589,950,307	42,168,703,072
4	TPS-Quetta	Gas	25.00	14,721,652	110,412,390
	Zorlu	Wind		632,000	5,764,662
	SPPs	Mixed	151.00	34,911,772	401,485,378
Others Total			176.00	50,265,424	517,662,430
G-Total:			19,264.30	8,815,594,908	53,545,946,158
Summary					
1	Hydel			3,155,829,780	605,459,864
2	Coal			7,285,000	22,314,684
3	HSD			12,054,300	171,544,330
4	F.O.			2,932,989,763	44,267,356,734
5	Gas			2,272,808,170	7,550,966,222
6	Nuclear			375,403,000	420,113,497
7	Import from Iran			23,681,123	100,940,787
8	Wind Power			632,000	5,764,662
9	Mixed			34,911,772	401,485,378
Grand Total				8,815,594,908	53,545,946,158

Energy Sale Price

Energy Cost (Rs.)	53,545,946,158
EPP charged to IPPs (Rs.)	73,702,342
EPP (Chargable) (Rs.)	53,472,243,816
Energy Sold (KWh)	8,493,613,806
Avg. Rate (Rs./KWh)	6.295582



Annex-II

Source Wise Generation

Sources	Reference		Actual	
	May 2011			
	GWh	%	GWh	%
Hydel	2,665.81	30.58%	3,155.83	35.80%
Coal	8.19	0.09%	7.29	0.08%
HSD	-	0.00%	12.05	0.14%
RFO	3,424.78	39.29%	2,932.99	33.27%
Gas	2,323.96	26.66%	2,272.81	25.78%
Nuclear	223.20	2.56%	375.40	4.26%
Import Iran	23.11	0.27%	23.68	0.27%
Mixed	48.71	0.56%	34.91	0.40%
Wind	-	0.00%	0.63	0.01%
Total	8,717.77	100.00%	8,815.59	100.00%
Sale to IPPs	-	0.00%	(3.34)	-0.04%
Transmission Losses	(217.94)	-2.50%	(318.64)	-3.61%
Net Delivered	8,499.82	97.50%	8,493.614	96.35%

Source Wise Fuel Cost/Energy Purchase Price

Sources	Reference		Actual	
	May 2011			
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	302.75	0.1136	605.46	0.1919
Coal	22.10	2.6975	22.31	3.0631
HSD	-		171.54	14.2310
RFO	38,249.56	11.1685	43,190.73	14.7258
Gas	8,364.28	3.5991	7,539.11	3.3171
Nuclear	113.72	0.5095	420.11	1.1191
Import Iran	115.33	4.9894	100.94	4.2625
Mixed	511.43	10.5000	401.49	11.5000
Wind	-		5.76	9.1213
Total	47,679.17	5.4692	52,457.47	5.9505
Supplemental Charges		-	1,088.48	0.1235
Sale to IPPs		-	(73.70)	(22.0350)
Grand Total	47,679.17	5.4692	53,472.24	6.0656
Transmission Losses	-	0.1402		0.2299
Net Total	47,679.17	5.6094	53,472.24	6.2956

