



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/TRF-100/MFPA/8264-26

July 18, 2013

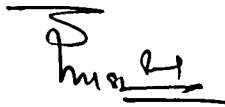
1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO, Peshawar.
8. Chief Executive Officer, QESCO, Quetta
9. Chief Executive Officer, SEPCO, Sukkur.

Subject: Decision of the Authority in the matter of Fuel Charges Adjustment for the Month of June 2013 for XWDISCOs and Notification (S.R.O. 671(I)/2013 dated 16.07.2013) Thereof

Enclosed please find herewith a copy of decision of the Authority (06 pages) regarding fuel charges adjustment for the month of June 2013 in respect of Ex-WAPDA Distribution Companies and Notification (S.R.O. 671(I)/2013 dated 16.07.2013) thereof. This is for information and further necessary action.

2. DISCOs are directed that while affecting the fuel charge adjustment from their consumers, the Order of the Honourable Court(s), if any, be kept in mind and ensure compliance with the Order(s) of the Court(s), whatsoever, in this regard. In case of non-compliance of Courts Order the concerned DISCO shall be held responsible for violating / defying the orders of the Honourable Court(s).

Enclosure: As above.

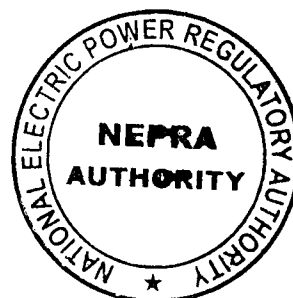

(Syed Safer Hussain)

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Water & Power, 'A' Block, Pak Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Managing Director, PEPCO, WAPDA House, Lahore.
5. Member (Power), WAPDA, WAPDA House, Lahore.
6. Managing Director, NTDC, 414 WAPDA House, Lahore.
7. Chief Operating Officer, CPPA, WAPDA House, Lahore.
8. General Manager, WAPDA Power Privatization Organization (WPPO) of NTDC, Lahore.
9. All Pakistan Textile Mills Association (APTMA) through Rashid Law Associates Attorneys & Corporate Consultants, 5th Floor, Ajmal House, 27-Egerton Road, Lahore.

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES ADJUSTMENT
FOR THE MONTH OF JUNE 2013 FOR EX-WAPDA 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) read with the mechanism/formula determined by the Authority in the tariff determinations for Ex-WAPDA DISCOs for the Financial Year 2012-13, the Authority has to make adjustments in the approved tariff on account of any variations in the fuel charges on a monthly basis.
2. In order to make adjustments in the approved tariff of the XWDISCOs due to variations in the fuel charges for the month of June 2013, necessary information as to the details of fuel charges etc 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 as well as on the basis of a mechanism/formula already determined by the Authority in its annual tariff determinations for ex-WAPDA DISCOS, yet the impact of such adjustments, if any, is to be paid by the consumers of electricity, therefore, the salient features and details of the proposed adjustments in the approved tariff were advertised in the national newspapers for information of all concerned. In order to provide an opportunity of hearing to all concerned and to meet the ends of natural justice, it was also decided to conduct a public hearing on 10th July 2013 in NEPRA Main Office, G-5/2, Islamabad and the date of hearing was also specified in the advertisement dated 9th July 2013 whereby participation in the hearing and filing of comments/objections from any interested person was invited.
4. On the date fixed for the hearing, representatives from Central Power Purchasing Agency (CPPA), Wapda Private Power Organization (WPPO), National Power Control Cell (NPCC) and media were present; however, no representative from Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. Neither any objection/comments were filed by any interested person/consumer nor any one from the consumers attended the hearing
5. Notwithstanding non-filing of any objections as to the information provided by CPPA seeking monthly fuel adjustments, the Authority has gone through the information so provided and due diligence is also done accordingly. From the perusal of the information so provided by CPPA, it has been observed that the actual pool energy

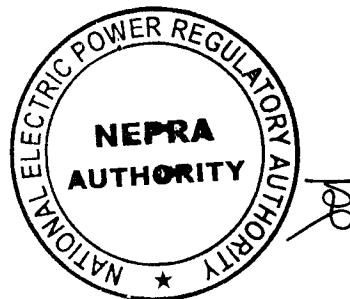


charge for the month of June 2013 is Rs. 6.5652/kWh out of which fuel cost component is Rs. 6.3670/kWh and the remaining Rs. 0.1983/kWh is variable O&M. The Authority considers that for the instant adjustment variable O&M cost is not relevant; therefore this is not being considered. Accordingly the fuel charges adjustment in the instant case is being done against the reference fuel cost component of Rs. 7.5103/kWh as indicated in the Annexure-IV of the Authority's determination pertaining to the Ex-WAPDA DISCOs for FY 2012-13. The actual fuel charges of Rs. 6.3670/kWh for the month of June 2013 decreased by Rs. 1.1434/kWh (Annex-I&II) as compared to the reference fuel charges of Rs. 7.5103/kWh.

6. As per details provided by CPPA, 83.88 GWh were purchased from small and captive power plants during June 2013. CPPA provided actual details of energy purchased from these plants. According to the details provided by CPPA, the actual cost of this energy is Rs. 652.594 million. For the purpose of calculating fuel charges adjustment, only fuel cost components of these plants have been considered. The tariffs of captive/small power plants, in respect of which power acquisition requests (PARs) are in process, have been allowed on provisional basis which will be subject to adjustment on the basis of tariff approved by the Authority. For the purpose of provisional application of tariff, those power plants have been considered in respect of whom PARs have been admitted. Since no PAR has been admitted for Ramzan Sugar Mills Limited for its captive power plant, energy and its cost from Ramzan Sugar Mills has not been considered. Accordingly for the instant adjustment, 83.565 GWh and cost of Rs. 617.89 million has been considered on account of fuel cost component of energy purchased from small and captive power plants.
7. CPPA reported NTDC transmission losses of 140.21 GWh (1.66%) during June 2013 which is within the allowed limit of 2.5%.
8. The Authority has reviewed and assessed a decrease of Rs. 1.1473/kWh in the applicable tariff for Ex-WAPDA DISCOs on account of variations in the fuel charges for the month of June 2013 as per the following details:

Actual Fuel Charges Component for June 2013	Rs. 6.3630/kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 7.5103/kWh
Fuel Charges Variation for the month of June 2013 (Decrease)	(Rs. 1.1473/kWh)

9. The assessed fuel charges adjustment (decrease) of Rs. 1.1473/kWh for the month of June 2013 is lower by Rs. 2.2682/kWh than the adjustment (increase) of Rs.

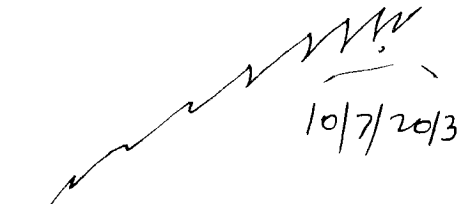


1.1209/kWh for the month of May 2013, therefore, effectively there will be a decrease of Rs. 2.2682/kWh in the bill of the consumers on account of fuel charges adjustment as compared to the previous month, i.e. May 2013.

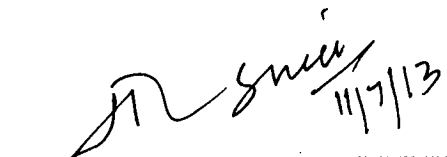
10. The adjustment as referred to in Para 8 above ;

- i) shall be applicable to all the consumer categories except lifeline and agricultural 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 June 2013.
- iii) DISCOs shall ~~recover~~ ^{recovery of} the fuel charges adjustment in respect of June 2013 in the billing month of August 2013.
- iv) While affecting the ~~recovery of~~ ^{recovery of} Fuel Adjustment Charges, the concerned DISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

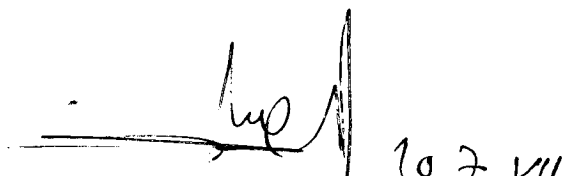
AUTHORITY


10/7/2013

(Habibullah Khilji)
Member

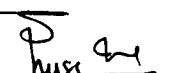

11/7/13

(Maj (R) Haroon Rashid)
Member


10 7 2013

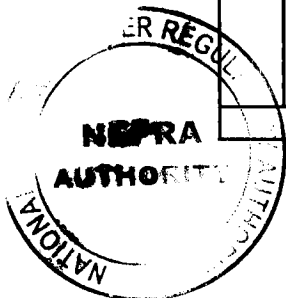
(Khawaja Muhammad Naeem)
Vice Chairman




15.07.13

CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
Jun/2013

S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)	
1	<i>Hydel</i>					
	i.	WAPDA	Hydel	6,612.00	3,349,500,888	226,794,705
	ii.	Jagran	Hydel	30.00	15,521,440	31,011,837
	iii.	Pehure	Hydel	17.90	4,541,040	1,294,196
	iv.	Malakand-III SHYDO	Hydel	81.46	51,925,700	12,981,425
	v.	Laraib	Hydel	84.00	26,277,000	4,595,847
Hydel Total:			6,825.36	3,447,766,068	276,678,011	
2	Ex-WAPDA GENCOs					
	i.	GENCO-I				
		Jamshoro Block 1 Unit 1	RFO GAS	205.00	15,715,000	278,217,868 0
		Jamshoro Block 2 Unit 2-4	RFO Gas	470.00	169,200,000	3,480,661,327 0
		Kotri 3-7	Gas	106.50	13,132,000	80,799,882
	Jamshoro Total			798.50	198,047,000	3,839,679,077
	ii.	GENCO-II				
		Guddu CC 11-13	Gas	390	55,420,095	421,076,340
		Guddu CC 5-10	Gas	530	183,579,180	1,183,532,948
		Guddu Steam 3-4	Gas	340	44,041,757	297,766,319
		Central Block 4	Gas	140	42,688,468	309,017,551
	Central Total			1,400.00	325,729,500	2,211,393,158
	iii.	GENCO-III				
		Northern Block 1	RFO	558.00	177,768,493	3,280,209,596
		MG Unit 1-3	Gas	-	-	0
		Northern Block 2	RFO	270.00	143,610,728	2,618,870,846
		MG Unit 4	Gas	-	-	0
		Northern Block 3	RFO	360.00	41,076,253	840,262,668
	Northern Total:			1,568.00	362,455,474	6,739,343,111
	iv.	GENCO-IV				
			Coal	31.20	6,361,000	23,783,143
	Total:			31.20	6,361,000	23,783,143
GENCOs Total:-			3,797.70	892,592,974	12,814,198,488	
3	IPPs					
	1	Kot Addu Block 1	RFO Gas HSD	325	164,959,100	2,836,248,748 0 5,130,456
		Kot Addu Block 2	RFO Gas HSD	762	271,615,700	5,059,279,070 - -
		Kot Addu Block 3	Gas HSD	249	-	- -
	KAPCO Total			1,336.00	436,795,000	7,900,658,274
	2	Hub Power	RFO	1,200.00	529,250,900	8,346,954,192
	3	Kohinoor Energy	RFO	124.00	71,333,000	1,055,176,389
	4	AES Lalpir	RFO	350.00	216,958,000	3,478,196,673
	5	Pak Gen Power Limited	RFO	348.60	195,815,000	3,149,120,720
	6	Southern Power	RFO	110.47	-	0
	7	Habibullah	Gas	129.15	76,237,000	395,456,568
	8	Fauji Kabirwala	Gas	151.20	101,781,000	453,487,092
	9	Rousch	Gas	395.00	275,828,606	1,184,308,723
	10	Saba Power	RFO	125.55	-	0
	11	Japan Power	RFO	107.00	-	0
	12	Uch	Gas	551.25	371,740,000	1,047,673,677
	13	Altern	Gas	27.12	18,089,900	92,695,206
	14	Liberty	Gas	211.85	66,000	688,868,849
	15	Chashma Nuclear	Nucl.	300.00	213,392,000	268,460,475
	16	Chashma Nuclear-II	Nucl.	315.00	218,280,000	379,265,192
17	Tavanir Iran	Import	96.00	38,071,078	376,142,251	
18	Davis Energen	Gas	10.00	860,000	0	
Sub-Total:			5,888.19	2,764,497,484	28,816,272,881	



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CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
Jun/2013

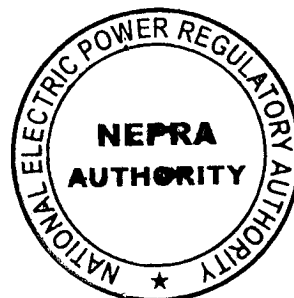
S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)
1	Attock-Gen	RFO	156.18	97,055,959	1,405,299,344
2	Atlas Power	RFO	213.86	124,151,664	1,815,570,860
3	Nishat Power	RFO	195.31	109,855,073	1,716,408,617
4	Foundation Power	Gas	171.75	108,450,854	537,313,106
5	Orient	Gas	212.70	112,663,457	534,286,038
		HSD		3,998,988	84,887,570
6	Nishat Chunian	RFO	195.72	107,322,509	1,663,252,478
7	Saif Power	Gas	205.27	105,833,041	512,759,281
		HSD		5,812,603	122,861,470
8	Engro Energy	Gas	213.56	147,125,025	503,015,420
		HSD		-	-
9	Saphire Power	Gas	212.11	108,691,246	526,451,898
		HSD		10,440,877	210,339,839
10	Hubco Narowal	RFO	213.82	-	-4,853
11	Liberty Power	RFO	196.14	122,342,720	1,812,644,642
		Gas		63,989,568	318,176,172
12	Halmore	HSD	206.81	8,019,061	170,546,781
Sub-Total:			2,393.22	1,235,752,645	11,933,614,664
IPP,s Total:-			8,281.41	4,000,250,129	40,749,887,544
4	Others				
	i. TPS-Quetta	Gas	25.00	12,426,000	93,195,000
	ii. Zorlu	Wind	0.75	-	0
	iii. FFCEL	Wind	49.50	14,513,000	0
	iv. SPPs	Mixed	256.90	83,876,052	652,586,131
Others Total			176.00	110,815,052	745,781,131
G-Total:			19,080.47	8,451,424,223	54,586,545,174

Summary

1	Hydel			3,447,766,068	276,678,011
2	Coal			6,361,000	23,783,143
3	HSD			28,491,729	593,566,117
4	F.O.			2,558,030,099	42,830,375,785
5	Gas			1,842,643,197	9,179,680,070
6	Nuclear			431,672,000	647,733,667
7	Import from Iran			38,071,078	376,142,251
8	Wind Power			14,513,000	-
9	Mixed			83,876,052	652,586,131
	Prev. Adjustment			-	-
Grand Total:				8,451,424,223	54,586,545,174

Energy Sale Price

Energy Cost (Rs.)	54,586,545,174
Cost not charge to DISCOs (Rs.)	33,619,234
EPP (Chargeable) (Rs.)	54,552,925,940
Energy Sold (KWh)	8,309,347,119
Avg. Rate (Rs./KWh)	6.565248



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Source Wise Generation

Sources	Actual		Reference		Actual	
	June 2012		June 2013			
	GWh	%	GWh	%	GWh	%
Hydel	2,895.17	36.18%	3,086.78	36.82%	3,447.77	40.80%
Coal	11.10	0.14%	11.10	0.13%	6.36	0.08%
HSD	76.91	0.96%	152.38	1.82%	28.49	0.34%
RFO	2,454.91	30.67%	2,633.43	31.41%	2,558.03	30.27%
Gas	2,035.17	25.43%	2,055.02	24.51%	1,842.64	21.80%
Nuclear	430.47	5.38%	384.25	4.58%	431.67	5.11%
Import Iran	33.71	0.42%	37.93	0.45%	38.07	0.45%
Mixed	64.95	0.81%	21.30	0.25%	83.88	0.99%
Wind	0.62	0.01%	0.63	0.01%	14.51	0.17%
Total	8,003.00	100.00%	8,382.82	100.00%	8,451.42	100.00%
Sale to IPPs	(2.50)	-0.03%	-	0.00%	(1.87)	-0.02%
Transmission Losses	(263.41)	-3.29%	(209.57)	-2.50%	(140.21)	-1.66%
Net Delivered	7,737.09	96.68%	8,173.25	97.50%	8,309.35	98.32%

Source Wise Fuel Cost/Energy Purchase Price

Sources	Actual		Reference		Actual	
	June 2012		June 2013			
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	504.42	0.1742	-	-	-	-
Coal	34.65	-	40.10	3.6118	22.97	3.6118
HSD	1,563.56	20.3306	3,155.53	20.7079	579.96	20.3554
RFO	40,491.80	16.4942	46,085.87	17.5004	40,463.73	15.8183
Gas	9,491.85	4.6639	11,062.79	5.3833	8,705.46	4.7244
Nuclear	487.70	1.1329	438.78	1.1419	570.96	1.3227
Import Iran	316.90	9.4000	398.28	10.5000	376.14	9.8800
Mixed	844.30	13.0000	202.38	9.5000	652.59	7.7804
Wind	5.62	9.1213	-	-	-	-
Total	53,740.79	6.7151	61,383.72	7.3226	51,371.82	6.0785
Supplemental Charges	574.91	0.0718	-	-	1,567.07	0.1854
Sale to IPPs	(61.31)	(24.5372)	-	-	(33.62)	(17.9642)
Grand Total	54,254.40	6.7793	61,383.72	7.3226	52,905.27	6.2599
Transmission Losses	(429.87)	0.1774	-	0.1878	-	0.1070
Net Total	53,824.53	6.9567	61,383.72	7.5103	52,905.27	6.3670



National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the July 16, 2013

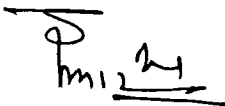
S.R.O. 671 (I)/2013: – Pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended through Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act 2011, the National Electric Power Regulatory Authority makes and notifies the following adjustment in the approved tariff on account of variation in fuel charge for the month of June 2013 in respect of WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for June 2013	Rs. 6.3630/kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 7.5103/kWh
Fuel Charges Variation for the month of June 2013 (Decrease)	(Rs.1.1473/kWh)

Note: The assessed fuel charges adjustment (decrease) of Rs.1.1473/kWh for the month of June 2013 is lower by Rs.2.2682/kWh than the adjustment (increase) of Rs.1.1209/kWh for the month of May 2013; therefore, effectively there will be a decrease of Rs.2.2682/kWh in the bill of the consumers on account of fuel charges adjustment as compared to the previous month, i.e. May, 2013.

2. The above adjustment (decrease) of Rs.1.1473/kWh shall be applicable to all the consumer categories except lifeline and agricultural consumers of all the XWDISCOs. The said adjustment shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of June 2013 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of June 2013 in the billing month of August 2013.

3. While affecting the Fuel Adjustment Charges, the concerned DISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.


(Syed Safer Hussain)
Registrar

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