



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

Registrar

2nd Floor, OPF Building, G-5/2, Islamabad,
Ph: 051-9206500, 9207200, Fax: 9210215
E-mail: registrar@nepra.org.pk

No. NEPRA/R/TRF-100/MFPA/10865-82

September 4, 2013

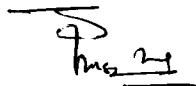
1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO, 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 July 2013 for XWDISCOs and Notification (S.R.O. 762(I)/2013 dated 29.08.2013) Thereof**

Enclosed please find herewith a copy of decision of the Authority (06 pages) regarding fuel charges adjustment for the month of July 2013 in respect of Ex-WAPDA Distribution Companies and Notification (S.R.O. 762(I)/2013 dated 29.08.2013) 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.

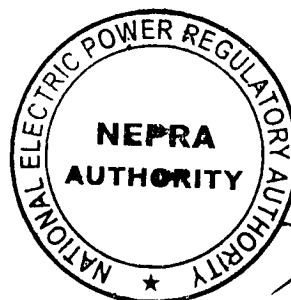

(Syed Safeer Hussain)

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.

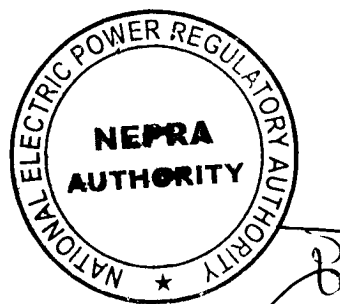
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES
ADJUSTMENT FOR THE MONTH OF JULY 2013 FOR EX-WAPDA DISCOS**

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 July 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 20th August 2013 in NEPRA Main Office, G-5/2, Islamabad and the date of hearing was also specified in the advertisement dated 13th August 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), Techno Green Associates (NGO) and media were present; however, no representative from National Power Control Cell (NPCC), 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 July 2013 is Rs. 6.9873/kWh out of which fuel cost component is Rs. 6.7685/kWh and the remaining Rs. 0.2188/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. 7.0622/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. 6.7685/kWh for the month of July 2013 decreased by Rs. 0.2937/kWh (Annex-I&II) as compared to the reference fuel charges of Rs. 7.0622/kWh.

6. As per details provided by CPPA, 91.51 GWh were purchased by DISCOs from small and captive power plants during July 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. 728.450 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, 91.437 GWh and cost of Rs. 687.637 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 278.90 GWh (2.82%) during July 2013. The Authority in the previous decisions did not allow transmission losses beyond 2.5% to be passed on to the consumers. In the recent tariff determination of NTDC for FY 2012-13, the Authority assessed transmission losses to the extent of 3%, however, it will be applicable from the date of issuance of notification in the official Gazette. The notification is still to be issued by the GOP. CPPA has already reduced the overall cost by Rs. 215 million on account of transmission losses in excess of 2.5%.



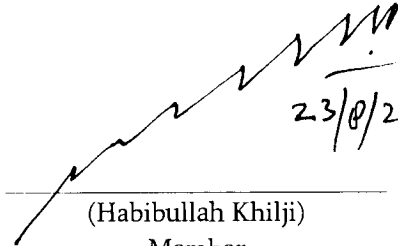
8. The Authority has reviewed and assessed a decrease of Rs. 0.2977/kWh in the applicable tariff for Ex-WAPDA DISCOs on account of variations in the fuel charges for the month of July 2013 as per the following details:

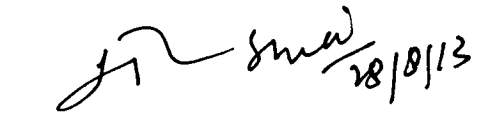
Actual Fuel Charges Component for July 2013	Rs. 6.7645/kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 7.0622/kWh
Fuel Charges Variation for the month of July 2013 (Decrease)	(Rs. 0.2977/kWh)

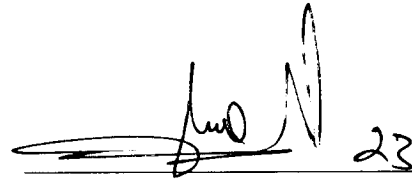
9. The adjustment as referred to in Para 8 above ;

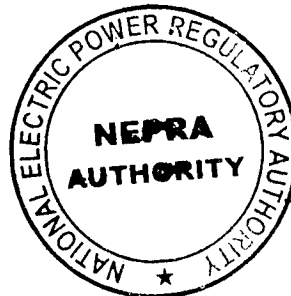
- i) shall be applicable to all the consumer categories except lifeline and agricultural consumers of all the DISCOs;
- ii) shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of July 2013.
- iii) DISCOs shall reflect the fuel charges adjustment in respect of July 2013 in the billing month of September 2013
- iv) 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.

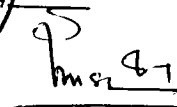
AUTHORITY


23/8/2013
(Habibullah Khilji)
Member


28/8/13
(Maj (R) Haroon Rashid)
Member


23 8 2013
(Khawaja Muhammad Naeem)
Vice Chairman




27.08.13

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

Annex-I

S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)	
1	<i>Hydel</i>					
	i. WAPDA	Hydel	6,612.00	3,860,632,813	261,403,448	
	ii. Jagran	Hydel	30.00	16,281,120	32,529,678	
	iii. Pehure	Hydel	17.90	6,450,120	1,838,284	
	iv. Malakand-III SHYDO	Hydel	81.46	66,802,700	16,700,675	
	v. Lارايب	Hydel	84.00	16,016,000	2,801,198	
Hydel Total:			6,825.36	3,966,182,753	315,273,283	
2	Ex-WAPDA GENCOs					
	GENCO-I					
	i. Jamshoro Block 1	RFO	205.00	93,515,000	1,675,442,078	
	Jamshoro Block 2	RFO	470.00	250,980,000	5,172,656,732	
	Unit 2-4	Gas			0	
	Jamshoro Total			798.50	344,495,000	6,848,098,810
	GENCO-II					
	Guddu CC 11-13	Gas	390	56,477,903	429,113,460	
	Central Block 2	RFO		71,812,661	405,432,740	
	ii. Guddu CC 5-10	Gas	530	174,826,709	1,474,505,946	
	Guddu Steam 3-4	Gas	340	73,663,579	498,039,458	
	Central Block 4	Gas	140	28,993,748	209,882,842	
	Central Total			1,400.00	405,774,600	3,016,974,446
	GENCO-III					
	iii. Northern Block 1	RFO	558.00	231,952,409	4,322,324,933	
	MG Unit 1-3	Gas			0	
	Northern Block 2	RFO	270.00	113,219,455	2,094,028,039	
	MG Unit 4	Gas			0	
	Northern Block 3	RFO	360.00	125,959,210	2,645,826,855	
	Northern Total:			1,568.00	471,131,074	9,062,179,827
GENCO-IV						
iv. Total:	Coal	31.20	10,858,000	40,596,976		
GENCOs Total:-			3,797.70	1,232,258,674	18,967,850,058	
3	IPPs					
1	Kot Addu Block 1	RFO	325	196,716,800	2,874,667,126	
		HSD		4,878,200	100,322,769	
	Kot Addu Block 2	RFO	762	404,996,600	6,523,849,819	
		HSD	249	14,079,000	335,348,889	
KAPCO Total			1,336.00	620,670,600	9,834,188,603	
2	Hub Power	RFO	1,200.00	552,085,200	8,836,154,180	
3	Kohlnoor Energy	RFO	124.00	75,118,000	1,126,495,878	
4	AES Lalpir	RFO	350.00	199,038,100	3,223,536,676	
5	Pak Gen Power Limited	RFO	348.60	202,141,384	3,280,923,855	
6	Southern Power	RFO	110.47	-	0	
7	Habibullah	Gas	129.15	77,871,219	405,015,997	
8	Fauji Kabirwala	Gas	151.20	103,617,000	430,541,779	
9	Rousch	Gas	395.00	276,347,232	1,200,567,654	
10	Saba Power	RFO	125.55	-	0	
11	Japan Power	RFO	107.00	-	0	
12	Uch	Gas	551.25	379,784,000	1,039,294,549	
13	Altern	Gas	27.12	20,274,500	104,048,643	
14	Liberty	Gas	211.85	125,612,500	1,517,416,970	
15	Chashma Nuclear	Nucl.	300.00	165,073,000	207,678,341	
16	Chashma Nuclear-II	Nucl.	315.00	194,508,000	273,797,219	
17	Tavanir Iran	Import	96.00	42,243,145	421,514,566	
18	Davis Energen	Gas	10.00	4,981,000	0	
Sub-Total:			5,888.19	3,039,364,880	31,901,174,910	



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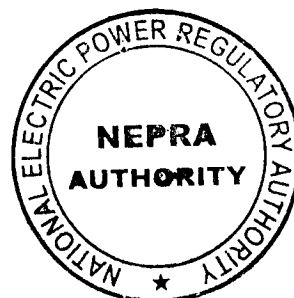
CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
Jul/2013

S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)
1	Attock-Gen	RFO	156.18	109,776,894	1,597,149,471
2	Atlas Power	RFO	213.86	132,793,440	1,976,930,828
3	Nishat Power	RFO	195.31	125,999,021	1,961,225,161
4	Foundation Power	Gas	171.75	121,733,811	604,143,509
5	Orient	Gas	212.70	110,710,928	529,251,378
6	Nishat Chunian	HSD	195.72	10,110,500	203,781,720
7	Salf Power	RFO	205.27	124,372,279	1,939,473,761
8	Engro Energy	Gas	213.56	124,168,034	601,377,998
		HSD		3,959,364	81,036,618
9	Saphire Power	Gas	207.96	156,055,646	697,669,886
		HSD		118,151,857	568,802,348
10	Hubco Narowal	HSD	213.82	14,952,158	301,926,456
11	Liberty Power	RFO	196.14	108,621,172	1,613,213,041
12	Halmore	RFO	199.24	139,445,567	2,054,569,598
		Gas		120,897,399	585,290,995
		HSD		5,813,141	118,633,266
Sub-Total:			2,381.50	1,527,561,211	15,434,476,034
IPP,s Total:-			8,269.69	4,566,926,091	47,335,650,944
Others					
4	i. TPS-Quetta	Gas	25.00	13,878,000	104,085,000
	ii. Zorlu	Wind	0.75	4,410,000	19,404
	iii. FFCEL	Wind	49.50	19,194,000	0
	iv. SPPs	Mixed	256.90	91,507,443	728,449,799
Others Total			176.00	128,989,443	832,554,203
G-Total:			19,068.75	9,894,356,961	67,451,328,489
Summary					
1	Hydel			3,966,182,753	315,273,283
2	Coal			10,858,000	40,596,976
3	HSD			53,792,363	1,141,049,718
4	F.O.			3,258,543,192	53,323,900,771
5	Gas			2,088,045,065	10,999,048,412
6	Nuclear			359,581,000	481,475,560
7	Import from Iran			42,243,145	421,514,566
8	Wind Power			23,604,000	19,404
9	Mixed			91,507,443	728,449,799
	Prev. Adjustment			-	-
Grand Total:				9,894,356,961	67,451,328,489

Energy Sale Price

Energy Cost (Rs.)	67,451,328,489
Cost not chargeable to DISCOs (Rs.)	292,089,557
EPP (Chargeable) (Rs.)	67,159,238,932
Energy Sold (KWh)	9,611,618,646
Avg. Rate (Rs./KWh)	6.987297

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Source Wise Generation

Sources	Reference		Actual	
	July 2013			
	GWh	%	GWh	%
Hydel	3,138.59	35.62%	3,966.18	40.09%
Coal	9.96	0.11%	10.86	0.11%
HSD	157.46	1.79%	53.79	0.54%
RFO	2,886.07	32.75%	3,258.54	32.93%
Gas	2,130.21	24.18%	2,088.05	21.10%
Nuclear	397.06	4.51%	359.58	3.63%
Import Iran	22.01	0.25%	42.24	0.43%
Mixed	69.57	0.79%	91.51	0.92%
Wind	0.63	0.01%	23.60	0.24%
Total	8,811.56	100.00%	9,894.36	100.00%
Sale to IPPs	-	0.00%	(3.83)	-0.04%
Transmission Losses	(220.29)	-2.50%	(278.90)	-2.82%
Net Delivered	8,591.27	97.50%	9,611.62	97.1%

Source Wise Fuel Cost/Energy Purchase Price

Sources	Reference		Actual	
	July 2013			
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-
Coal	35.96	3.6118	39.22	3.6118
HSD	3,032.46	19.2583	1,100.25	20.4537
RFO	44,785.47	15.5178	51,703.84	15.8672
Gas	11,426.33	5.3639	10,450.17	5.0048
Nuclear	453.40	1.1419	477.23	1.3272
Import Iran	209.12	9.5000	421.51	9.9783
Mixed	730.45	10.5000	728.45	7.9606
Wind	-	-	-	-
Total	60,673.20	6.8856	64,920.67	6.5614
Supplemental Charges	-	-	427.99	0.0433
Sale to IPPs	-	-	(77.04)	(20.0914)
Grand Total	60,673.20	6.8856	65,271.61	6.5969
Transmission Losses	-	0.1766	(215.04)	0.1717
Net Total	60,673.20	7.0622	65,056.56	6.7685

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National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the August 29, 2013

S.R.O. 762 (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 July 2013 in respect of Ex WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for July 2013	Rs. 6.7645/kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 7.0622/kWh
Fuel Charges Variation for the month of July 2013 (Decrease)	(Rs.0.2977/kWh)

Note: The Authority has reviewed and assessed a decrease of Rs.0.2977 kWh in the applicable tariff for EX-WAPDA DISCOs on account of variations in the fuel charges for the month of July 2013 as per the above details.

2. The above adjustment (decrease) of Rs.0.2977 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 July 2013 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of July 2013 in the billing month of September 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