



**Registrar**

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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No. NEPRA/R/TRF-100/MFPA/13021-41

October 21, 2014

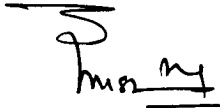
1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO,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

**Subject: Decision of the Authority in the matter of Fuel Charges Adjustment for the Month of August 2014 for XWDISCOs along with Notification Thereof**

Enclosed please find herewith copy of the decision of the Authority (06 pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of August 2014 alongwith its Notification i.e. SRO 947(I)/2014 dated 20.10.2014.

2. DISCOs are directed that while charging the fuel charge adjustment from their consumers, the Orders 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.

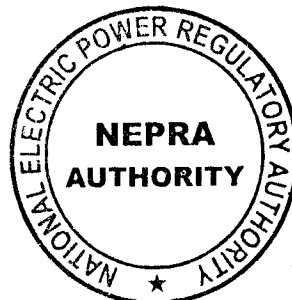
  
( Syed Safer Hussain )  
Registrar

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. Registrar, Supreme Court of Pakistan, Islamabad.
8. Chief Operating Officer, CPPA, WAPDA House, Lahore.
9. General Manager, WAPDA Power Privatization Organization (WPPO) of NTDC, Lahore.
10. All Pakistan Textile Mills Association (APTMA) through Rashid Law Associates Attorneys & Corporate Consultants, 5<sup>th</sup> Floor, Ajmal House, 27-Egerton Road, Lahore.
11. Mr. Anwar Kamal, Advocate Supreme Court, Anwar Kamal Law Associates, 1-Turner Road, Lahore.

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES  
ADJUSTMENT FOR THE MONTH OF AUGUST 2014 FOR EX-WAPDA DISCOS**

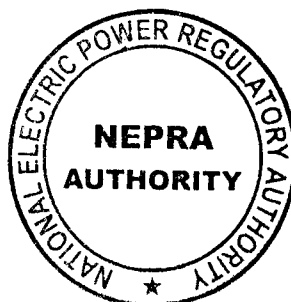
1. Pursuant to the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (XL of 1997) read with the mechanism/formula determined by the Authority in the tariff determinations for Ex-WAPDA DISCOs for the Financial Year 2012-13, the Authority 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 August 2014, necessary information as to the details of the actual 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 published in newspapers and also uploaded on NEPRA's Website 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 24<sup>th</sup> September 2014 in NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad. The date of hearing was also mentioned in the advertisement published in the newspapers and on NEPRA's website 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), National Power Control Cell (NPCC), Wapda Private Power Organization (WPPO) and media were present; however, no representative from Sui Northern Gas Pipelines Limited (SNGPL), Sui Southern Gas Company Limited (SSGCL), Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. Mr. Anwar Kamal of M/s Anwar Kamal Law Associates (herein referred to as "AKLA"), attended the hearing and inter alia stated that AKLA has carried out an analysis regarding under / non-utilization of available capacities of the power plants for which AKLA developed a month-wise data sheet (*for 48 months*) for the financial years 2010-11 to 2013-14. The commentator requested the Authority to verify and reconcile the compiled data and also requested to provide the missing information i.e. plant wise Energy and Capacity payments, approved



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- heat rates, annual dependable capacity and annual guaranteed plant factor. The Authority, however, observed that the information requested by AKLA was available on NTDC Website and therefore asked AKLA to consult NTDC for the desired information.
5. The Authority has gone through the information so provided by CPPA 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 fuel charge for the month of August 2014 is Rs. 6.7811/kWh against the reference fuel cost component of Rs. 7.0755/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 for the month of August 2014 decreased by Rs. 0.2944/kWh (Annex-I&II) as compared to the reference fuel charges.
  6. As per details provided by CPPA, 106.48 GWh were purchased by DISCOs from small and captive power plants during August 2014. CPPA provided actual details of energy purchased from these plants. According to the details provided by CPPA, the actual fuel cost of this energy is Rs. 954.93 million. For the purpose of calculation of fuel charges adjustment, fuel cost components of those plants whose cases are pending in the courts have not been considered. Accordingly for the instant adjustment, 33.97 GWh and cost of Rs. 390.23 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 104.14 GWh (1.01%) during August 2014, which are lower than the Authority's assessed transmission losses of 3% as per its determination dated 19.07.2013 in the matter of NTDC, notified vide SRO No. 886(I) 2013 dated 24.09.2013. Accordingly, actual losses i.e. 104.14 GWh (1.01%) incurred by CPPA, being lower than the Authority assessed losses, have been taken into account for the purpose of current adjustment.
  8. The Authority, after incorporating the adjustment referred in Paragraph 6 above, has reviewed and assessed a decrease of Rs. 0.3016/ kWh in the applicable tariff for Ex-WAPDA DISCOs on account of variations in the fuel charges for the month of August 2014 as per the following details:

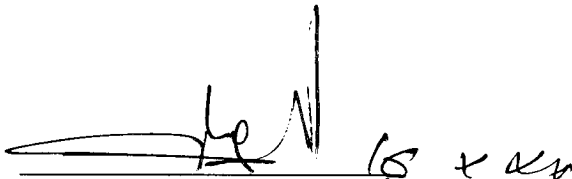
Actual Fuel Charges Component for August 2014	Rs. 6.7739/kWh
Corresponding Reference Fuel Charges Component	Rs. 7.0755/kWh
<b>Fuel Price Variation for the month of August 2014 - Decrease</b>	<b>(Rs. 0.3016/ kWh)</b>

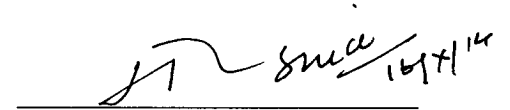


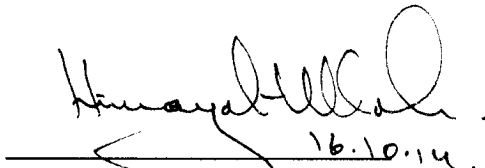
9. The adjustment as referred to in Para 8 above ;
- i) shall be applicable to all the consumer categories except lifeline and Agriculture Consumers of all the DISCOs;
  - ii) shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of August 2014.
  - iii) DISCOs shall reflect the fuel charges adjustment in respect of August 2014 in the billing month of November 2014.
  - 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.


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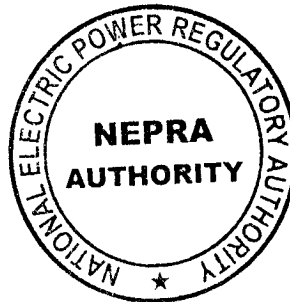
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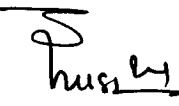
  
(Khawaja Muhammad Naeem)  
Member

  
(Maj (R) Haroon Rashid)  
Member

  
(Himayat Ullah Khan)  
Member

  
(Habibullah Khilji)  
Vice Chairman

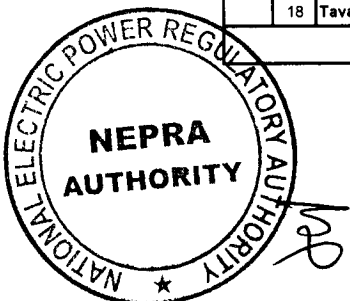


  
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CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
Aug/2014

ANNEX-I

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)	
1	<i>Hydel</i>				-	-		
	i.	WAPDA	Hydel	6,755.00	4,191,827,886	-	368,040,057	368,040,057
	ii.	Jagran	Hydel	30.00	16,861,600	-	33,689,477	33,689,477
	iii.	Pehure	Hydel	17.90	6,726,240	-	1,916,978	1,916,978
	iv.	Malakand-III SHYDO	Hydel	81.46	44,160,000	-	11,040,000	11,040,000
	v.	Laralb	Hydel	84.00	23,352,000	-	4,084,265	4,084,265
<b>Hydel Total:</b>			6,968.36	4,282,927,726	-	418,770,777	418,770,777	
2	<b>Ex-WAPDA GENCOs</b>							
	<b>GENCO-I</b>				-	-		
	i.	Jamshoro Block 1	RFO	205.00	81,317,000	1,420,402,898	11,823,492	1,432,226,390
		Jamshoro Block 2	RFO	470.00	161,558,837	3,251,370,078	23,490,655	3,274,860,733
		Unit 2-4	Gas		5,174,163	37,349,695	752,323	38,102,018
		Kotri 3-7	Gas	106.50	13,474,000	83,314,742	1,959,120	85,273,862
	<b>Jamshoro Total</b>			798.50	261,524,000	4,792,437,413	38,025,590	4,830,463,003
	<b>GENCO-II</b>							
	ii.	Central Block 2	Gas	390	89,793,296	500,759,253	6,186,758	506,946,011
		Guddu CC 5-10	Gas	530	42,271,984	353,613,601	2,912,540	356,526,141
		Guddu Steam 3-4	Gas	340	92,662,584	620,107,278	6,384,452	626,491,730
		Central Block 4	Gas	140	27,042,236	193,892,832	1,863,210	195,756,042
	<b>Central Total</b>			1,400.00	251,770,100	1,668,372,964	17,346,960	1,685,719,924
	<b>GENCO-III</b>							
	iii.	Northern Block 1	RFO	558.00	278,072,487	5,082,230,011	6,951,812	5,089,181,823
		Northern Block 2	RFO	270.00	120,245,310	2,178,048,196	3,006,133	2,181,054,329
		Northern Block 3	RFO	360.00	143,441,761	2,955,435,305	3,586,044	2,959,021,349
		Northern Block 5 (SPS)	RFO	97.00	21,346,000	521,879,816	533,650	522,413,466
	<b>Northern Total:</b>			1,568.00	563,105,558	10,737,593,327	14,077,639	10,751,670,966
	<b>GENCO-IV</b>							
iv.		Coal	31.20	4,699,000	21,144,560	597,243	21,741,803	
	<b>Total:</b>		31.20	4,699,000	21,144,560	597,243	21,741,803	
<b>GENCOs Total:-</b>			3,797.70	1,081,098,658	17,219,548,264	70,047,431	17,289,595,695	
3	<b>IPPs</b>							
1	Kot Addu Block 1	RFO	326	209,106,500	2,769,128,548	90,847,647	2,859,976,195	
		HSD		14,863,000	291,198,105	3,743,240	294,941,345	
	Kot Addu Block 2	RFO	762	439,550,200	6,392,320,452	268,808,386	6,661,128,838	
		Gas		16,349,800	83,805,313	4,789,946	88,595,259	
	Kot Addu Block 3	Gas	249	34,238,500	181,509,793	19,334,626	200,844,419	
	<b>KAPCO Total</b>			1,336.00	714,108,000	9,717,962,211	387,523,845	10,105,486,056
	2	Hub Power	RFO	1,200.00	723,739,100	11,228,168,769	125,602,658	11,353,771,427
	3	Kohinoor Energy	RFO	124.00	72,773,000	1,045,731,125	41,103,460	1,086,834,585
	4	AES Lalpir	RFO	350.00	-	-	-	0
	5	Pak Gen Power Limited	RFO	348.60	194,191,700	3,092,562,051	31,418,469	3,123,980,520
	6	Southern Power	RFO	110.47	-	-	-	0
	7	Habilullah	Gas	129.15	75,930,193	363,910,635	32,270,333	396,180,968
	8	Fauji Kabirwala	Gas	151.20	98,376,000	446,955,419	69,871,627	516,827,046
	9	Rousch	Gas	395.00	280,191,279	1,146,051,317	74,110,200	1,220,161,517
	10	Saba Power	RFO	125.55	8,602,549	135,980,488	1,384,154	137,364,642
	11	Japan Power	RFO	107.00	-	-	-	0
	12	Uch	Gas	551.25	350,593,000	897,265,393	79,058,722	976,324,115
	13	Altern	Gas	27.12	20,757,490	113,661,559	13,438,399	127,099,958
14	Liberty	Gas	211.85	141,815,400	1,634,702,892	44,393,678	1,679,096,570	
15	Davis Energen	Gas	10.00	6,933,000	38,269,467	3,365,972	41,635,439	
16	Chashma Nuclear	Nucl.	300.00	211,203,000	261,891,720	-	261,891,720	
17	Chashma Nuclear-II	Nucl.	315.00	224,723,000	252,813,375	-	252,813,375	
18	Tavanir Iran	Import	96.00	43,262,090	423,968,482	-	423,968,482	
<b>Sub-Total:</b>			5,888.19	3,167,198,801	30,799,894,903	903,541,517	31,703,436,420	



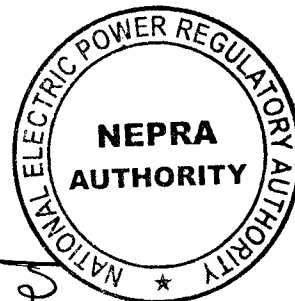
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CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
Aug/2014

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)
1	Attock-Gen	RFO	156.18	113,230,379	1,517,281,801	98,714,244	1,615,996,045
2	Atlas Power	RFO	213.86	133,586,160	1,841,573,262	114,590,208	1,956,163,470
3	Nishat Power	RFO	195.31	137,069,187	1,911,363,064	117,577,949	2,028,941,013
4	Foundation Power	Gas	171.48	110,891,691	522,066,006	38,878,627	560,944,633
5	Orient	Gas	212.70	37,237,855	140,208,591	7,455,019	147,663,610
		HSD		84,644,048	1,760,421,742	27,780,177	1,788,201,919
6	Nishat Chunian	RFO	195.72	127,376,142	1,775,279,417	108,995,765	1,884,275,182
7	Salf Power	Gas	205.27	29,963,412	136,100,378	10,202,542	146,302,920
		HSD		67,979,097	1,432,709,186	33,411,726	1,466,120,912
8	Engro Energy	Gas	213.56	95,090,410	398,513,783	29,430,482	427,944,265
9	Sapphire Power	Gas	203.17	55,150,711	248,091,482	18,172,159	266,263,641
		HSD		59,236,945	1,243,750,840	28,795,079	1,272,545,919
10	Hubco Narowal	RFO	213.82	134,442,365	1,887,699,201	109,637,749	1,997,336,950
11	Liberty Power	RFO	196.14	137,003,967	1,926,555,735	131,030,594	2,057,586,329
12	Halmore	Gas	199.24	11,296,211	51,250,811	3,864,434	55,115,245
		HSD		71,985,311	1,526,228,628	35,546,347	1,561,774,975
13	Uch-II	Gas	380.75	239,276,475	909,109,574	33,355,141	942,464,715
14	JDW	Bagasse	26.35	16,994,900	98,063,972	7,302,709	105,366,681
15	Nandipur	HSD	425.00	4,872,000			-
Sub-Total:			2,376.45	1,667,327,266	19,326,267,474	954,740,949	20,281,008,423
IPP,s Total:-			8,264.64	4,834,526,067	50,126,162,377	1,858,282,466	51,984,444,843
<b>Others</b>							
4	I. TPS-Quetta	Gas	25.00	15,472,000	133,059,200	1,066,021	134,125,221
	II. Zorlu	Wind	56.40	20,410,000	-	90,195	90,195
	III. FFCCL	Wind	49.50	16,795,000	-	-	-
	IV. SPPs	Mixed	256.90	89,484,330	856,867,112	-	856,867,112
Others Total			387.80	142,161,330	989,926,312	1,156,216	991,082,528
G-Total:			19,418.50	10,340,713,781	68,335,636,952	2,348,256,891	70,683,893,843
<b>Summary</b>							
1	Hydel			4,282,927,726	-	418,770,777	418,770,777
2	Coal			4,699,000	21,144,560	597,243	21,741,803
3	HSD			303,580,401	6,254,308,501	129,276,569	6,383,585,069
4	F.O.			3,236,652,644	50,933,010,216	1,289,103,068	52,222,113,285
5	Gas			1,889,981,690	9,233,569,015	503,116,329	9,736,685,345
6	Nuclear			435,926,000	514,705,095	-	514,705,095
7	Import from Iran			43,262,090	423,968,482	-	423,968,482
8	Wind Power			37,205,000	-	90,195	90,195
9	Mixed			106,479,230	954,931,083	7,302,709	962,233,792
Total For The month				10,340,713,781	68,335,636,952	2,348,256,891	70,683,893,843
Prev. Adjustment				-	1,111,899,593	(5)	1,111,899,588
Grand Total:				10,340,713,781	69,447,536,546	2,348,256,886	71,795,793,432

**Energy Sale Price**

Energy Cost (Rs.)	69,447,536,546	2,348,256,886	71,795,793,432
Cost not chargeable to DISCOs (Rs.)	43,079,119		43,079,119
EPP (Chargeable) (Rs.)	69,404,457,427	2,348,256,886	71,752,714,313
Energy Sold (KWh)	10,234,941,907	10,234,941,907	10,234,941,907
Avg. Rate (Rs./KWh)	6.781129	0.229435	7.010564



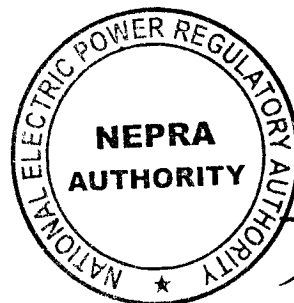
**ACTUAL**

Annex-II

Source Wise Generation						
Sources	AUGUST 2013		AUGUST 2014			
	Actual		Reference		Actual	
	GWh	%	GWh	%	GWh	%
Hydel	3,969.05	40.75%	3,443.58	38.76%	4,282.93	41.42%
Coal	13.25	0.14%	12.70	0.14%	4.70	0.05%
HSD	139.07	1.43%	157.46	1.77%	303.58	2.94%
<b>RFO</b>	<b>3,267.76</b>	<b>33.55%</b>	<b>2,730.20</b>	<b>30.73%</b>	<b>3,236.65</b>	<b>31.30%</b>
Gas	1,755.24	18.02%	2,072.52	23.33%	1,889.98	18.28%
Nuclear	430.59	4.42%	397.06	4.47%	435.93	4.22%
Import Iran	38.26	0.39%	22.01	0.25%	43.26	0.42%
Mixed	91.05	0.93%	47.98	0.54%	106.48	1.03%
Wind	35.07	0.36%	0.63	0.01%	37.21	0.36%
<b>Total</b>	<b>9,739.34</b>	<b>100.0%</b>	<b>8,884.15</b>	<b>100.0%</b>	<b>10,340.71</b>	<b>100.0%</b>
Sale to IPPs	(2.02)	-0.02%	-	0.00%	(1.64)	-0.02%
Transmission Losses	(231.91)	-2.38%	(222.10)	-2.50%	(104.14)	-1.01%
<b>Net Delivered</b>	<b>9,505.41</b>	<b>97.6%</b>	<b>8,662.05</b>	<b>97.5%</b>	<b>10,234.94</b>	<b>98.98%</b>

**Source Wise Fuel Cost/Energy Purchase Price**

Sources	AUGUST 2013		AUGUST 2014			
	Actual		Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-	-	-
Coal	47.85	3.6118	45.86	3.6118	21.14	4.4998
HSD	2,941.95	21.1540	3,358.53	21.3291	6,254.31	20.6018
<b>RFO</b>	<b>50,593.72</b>	<b>15.4827</b>	<b>45,649.73</b>	<b>16.7203</b>	<b>50,933.01</b>	<b>15.7363</b>
Gas	8,712.65	4.9638	11,067.84	5.3403	9,233.57	4.8855
Nuclear	569.12	1.3217	453.40	1.1419	514.71	1.1807
Import Iran	389.14	10.1700	209.12	9.500	423.97	9.8000
Mixed	739.70	8.1240	503.82	10.500	954.93	8.9682
Wind	-	-	-	-	-	-
<b>Total</b>	<b>63,994.12</b>	<b>6.5707</b>	<b>61,288.31</b>	<b>6.8986</b>	<b>68,335.64</b>	<b>6.6084</b>
Supplemental Charges	356.15	0.0366	-	-	1,111.90	0.1075
Sale to IPPs	(55.30)	(27.4025)	-	-	(43.08)	(26.3218)
<b>Grand Total</b>	<b>64,294.97</b>	<b>6.6016</b>	<b>61,288.31</b>	<b>6.8986</b>	<b>69,404.46</b>	<b>6.7118</b>
Transmission Losses	-	0.1625	-	0.1769	-	0.0694
<b>Net Total</b>	<b>64,294.97</b>	<b>6.7640</b>	<b>61,288.31</b>	<b>7.0755</b>	<b>69,404.46</b>	<b>6.7811</b>



# National Electric Power Regulatory Authority



## NOTIFICATION

Islamabad, the October 20, 2014

S.R.O. **947 (I)/2014**: – 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 August 2014 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for August 2014	Rs.6.7739/kWh
Corresponding Reference Fuel Charges Component	Rs.7.0755/kWh
<b>Fuel Price Variation for the month of August 2014 (Decrease)</b>	<b>(Rs.0.3016/kWh)</b>

Note: The Authority has reviewed and assessed a decrease of (Rs.0.3016/kWh) in the applicable tariff for EX-WAPDA DISCOs on account of variation in the fuel charges for the month of August 2014 as per the above details.

2. The above adjustment a decrease of (Rs.0.3016/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 August 2014 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of August 2014 in the billing month of November 2014.
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.

*M. H. H.*  
20/10/14

*Syed Safer Hussain*

(Syed Safer Hussain)  
Registrar

*Qm*