



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

Registrar

NEPRA Tower, Ataturk Avenue(East), G-5/1, Islamabad
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Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/TRF-100/MFPA/ 2769-81

March 4, 2014⁵

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 December 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 December 2014 alongwith its Notification i.e. SRO 185(I)/2015 dated 04.03.2015.

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)

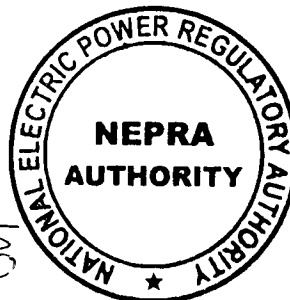
CC:

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, 5th 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 DECEMBER 2014 FOR EX-WAPDA DISCOS**

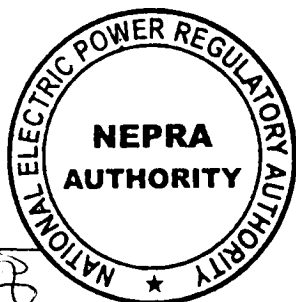
1. Pursuant to the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (XL of 1997) read with the mechanism/formula determined by the Authority in the tariff determinations for Ex-WAPDA DISCOs for the Financial Year 2013-14, the Authority 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 December 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, the Authority decided to conduct a public hearing on the issue on 29th January 2015. The date of hearing was mentioned in the advertisement published in newspapers and on NEPRA's website whereby participation in the hearing and filing of comments/objections from any interested person were invited. However, due to other unavoidable commitments of the Authority, the hearing was rescheduled on February 15, 2015 at NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad and a revised advertisement in this regard was published in the Newspapers and also uploaded on NEPRA's website.
4. On the date fixed for the hearing, representatives from Central Power Purchasing Agency (CPPA), National Power Control Cell (NPCC), Sui Southern Gas Company Limited (SSGCL), WAPDA Power Privatization Organization (WPPO), Federation of Pakistan Chambers of Commerce & Industry (FPCCI), Consumers and media were present; however, no representative from, Sui Northern Gas Pipelines Limited (SNGPL), Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. During the hearing, Mr. Anwar ul Haq, representing Sitara Chemicals, submitted that for calculation of the current adjustment, reference





component should be the tariff being charged from the consumers. The Authority noted that the instant adjustment was only on account of variation in fuel prices and accordingly, reference fuel cost component of the Energy Purchase price is used as basis to work out the adjustment.

5. The Authority has gone through the information provided by CPPA seeking monthly fuel adjustments 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 December 2014 is Rs. 6.3241/kWh against the reference fuel cost component of Rs. 9.5328/kWh as indicated in the Annexure-IV of the Authority's determination pertaining to the Ex-WAPDA DISCOs for FY 2013-14. The actual fuel charges for the month of December 2014 decreased by Rs. 3.2087/kWh (Annex-I&II) as compared to the reference fuel charges.
6. However, it was observed by the Authority during the hearing that price of the electricity purchased by CPPA from Guddu and Nandipur power plants currently on test running was not being accounted for. The same was considered by the Authority and after due diligence, CPPA was directed to submit a detailed report with all relevant record on the cost of energy delivered to the consumers during the test period for consideration and appropriate decision and adjustment in the subsequent monthly adjustments. This would benefit in protecting the consumers from any sudden price hike in cost of electricity.
7. As per details provided by CPPA, 130.05 GWh were purchased by DISCOs from small and captive power plants during December 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. 1,124.56 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, 61.86 GWh and cost of Rs. 473.61 million has been considered on account of fuel cost component of energy purchased from small and captive power plants.
8. CPPA reported NTDC transmission losses of 202.73 GWh (2.99%) during December 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. 202.73 GWh (2.99%) incurred by CPPA, being lower than the Authority assessed losses, have been taken into account for the purpose of current adjustment.



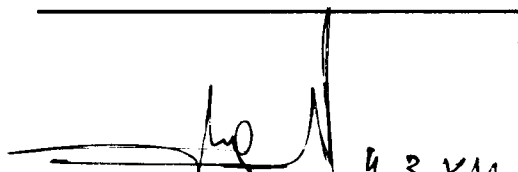



9. The Authority, after incorporating the adjustment referred in Paragraph 7 above, has reviewed and assessed a decrease of Rs. 3.2426/ kWh in the applicable tariff for Ex-WAPDA DISCOs on account of variations in the fuel charges for the month of December 2014 as per the following details:

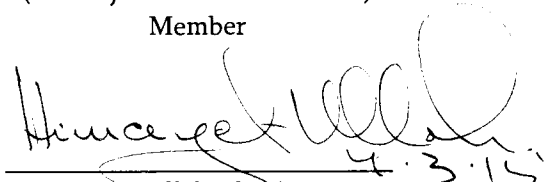
Actual Fuel Charges Component for December 2014	Rs. 6.2902/kWh
Corresponding Reference Fuel Charges Component	Rs. 9.5328/kWh
Fuel Price Variation for the month of December 2014 - Decrease	(Rs. 3.2426/kWh)

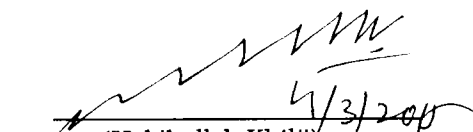
10. The adjustment as referred to in Para 9 above ;
- i) shall be applicable to all the consumer categories except lifeline and Agriculture Consumers of all the DISCOs;
 - ii) shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of December 2014.
 - iii) DISCOs shall reflect the fuel charges adjustment in respect of December 2014 in the billing month of March 2015.
 - 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.

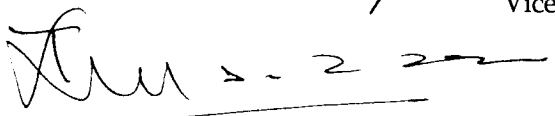
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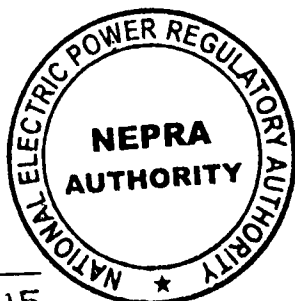

(Khawaja Muhammad Naeem)
Member

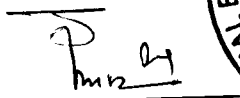

(Maj. (R) Haroon Rashid)
Member


(Himayat Ullah Khan)
Member


(Habibullah Khilji)
Vice Chairman


(Brig. (R) Tariq Sadozai)
Chairman



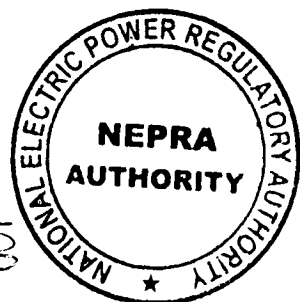

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Source Wise Generation

Sources	DECEMBER 2013		DECEMBER 2014			
	Actual		Reference		Actual	
	GWh	%	GWh	%	GWh	%
Hydel	1,917.84	27.62%	1,655.77	25.67%	1,907.41	28.11%
Coal	-	0.00%	2.52	0.04%	14.47	0.21%
HSD	66.25	0.95%	171.52	2.66%	52.70	0.78%
RFO	2,940.26	42.35%	2,677.25	41.51%	2,658.56	39.18%
Gas	1,436.52	20.69%	1,512.13	23.44%	1,575.33	23.22%
Nuclear	434.45	6.26%	287.75	4.46%	384.92	5.67%
Import Iran	28.70	0.41%	24.10	0.37%	31.31	0.46%
Mixed	104.27	1.50%	107.10	1.66%	130.05	1.92%
Wind	15.00	0.22%	12.00	0.19%	29.97	0.44%
Total	6,943.29	100.0%	6,450.14	100.00%	6,784.722	100.0%
Sale to IPPs	(3.17)	-0.05%	-	0.00%	(4.56)	-0.07%
Transmission Losses	(240.03)	-3.46%	(193.50)	-3.00%	(202.73)	-2.99%
Net Delivered	6,700.09	96.50%	6,256.63	97.00%	6,577.434	96.94%

Source Wise Fuel Cost/Energy Purchase Price

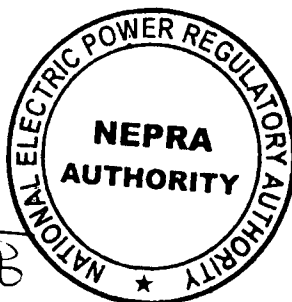
Sources	DECEMBER 2013		DECEMBER 2014			
	Actual		Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-	-	-
Coal	-	-	9.0837	3.6118	65.09	4.4998
HSD	1,556.93	23.5016	3,178.4068	18.5309	1,005.68	19.0831
RFO	49,261.44	16.7541	45,670.3863	17.0587	32,436.85	12.2009
Gas	6,141.38	4.2752	9,095.4322	6.0150	5,765.88	3.6601
Nuclear	573.85	1.3209	336.2626	1.1686	455.08	1.1823
Import Iran	302.80	10.5500	228.9408	9.500	319.41	10.2000
Mixed	1,020.36	9.7861	1,124.5825	10.500	1,124.56	8.6473
Wind	-	-	-	-	-	-
Total	58,856.76	8.4768	59,643.09	9.2468	41,172.56	6.0684
Supplemental Charges	938.54	0.1352	-	-	528.83	0.0779
Sale to IPPs	(74.35)	(23.4205)	-	-	(105.33)	(23.1026)
Grand Total	59,720.95	8.6012	59,643.09	9.2468	41,596.05	6.1308
Transmission Losses	(281.47)	0.2702	-	0.2860	-	0.1932
Net Total	59,439.48	8.8714	59,643.09	9.5328	41,596.05	6.3241



Amir X

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

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)
1	Hydel						
i.	WAPDA	Hydel	6,902.00	1,837,739,295	-	214,491,742	214,491,742
ii.	Jagran	Hydel	30.00	1,213,010	-	2,423,594	2,423,594
iii.	Pehure	Hydel	17.90	4,899,600	-	1,396,386	1,396,386
iv.	Malakand-III SHYDO	Hydel	81.46	15,679,000	-	3,919,750	3,919,750
v.	Laraib	Hydel	84.00	47,881,000	-	9,609,717	9,609,717
	Hydel Total:		7,115.36	1,907,411,905	-	231,841,189	231,841,189
	Ex-WAPDA GENCOs						
	GENCO-I						
	Jamshoro Block 1	RFO	205.00	58,826,000	801,475,960	5,441,405	806,917,365
	Jamshoro Block 2	RFO	470.00	52,051,000	749,068,225	4,814,718	753,882,943
	Kotri 3-7	Gas	106.50	2,929,000	19,224,808	270,933	19,495,741
	Jamshoro Total		798.50	113,806,000	1,569,768,993	10,527,055	1,580,296,048
	GENCO-II						
	Central Block 2	Gas	390	108,924,205	607,448,506	7,504,878	614,953,384
	Guddu CC 5-10	Gas	530	30,232,598	252,901,729	2,083,026	254,984,755
	Guddu Steam 3-4	Gas	340	8,024,397	53,700,067	552,881	54,252,948
	Central Block 4	Gas	140	11,682,000	83,759,940	804,890	84,564,830
	Central Total		1,400.00	158,863,200	997,810,242	10,945,674	1,008,755,916
	GENCO-III						
	Northern Block 1	RFO	558.00	153,447,170	2,200,041,941	3,836,179	2,203,878,120
	Northern Block 2	RFO	270.00	23,919,185	327,319,347	597,980	327,917,326
	Northern Block 3	RFO	360.00	45,594,957	710,600,935	1,139,874	711,740,809
	Northern Total:		1,568.00	222,961,312	3,237,962,223	5,574,033	3,243,536,256
	GENCO-IV						
		Coal	31.20	14,466,000	65,094,106	1,838,629	66,932,735
	Total:		31.20	14,466,000	65,094,106	1,838,629	66,932,735
	GENCOs Total:-		3,797.70	510,096,512	5,870,635,564	28,885,391	5,899,520,955
3	IPPs						
1	Kot Addu Block 1	RFO	325	253,427,800	2,610,649,224	110,103,301	2,720,752,525
	Kot Addu Block 2	RFO	762	191,045,200	2,163,320,391	116,834,343	2,280,154,734
	KAPCO Total		1,336.00	444,473,000	4,773,969,615	226,937,644	5,000,907,259
2	Hub Power	RFO	1,200.00	615,294,800	7,828,788,229	106,782,487	7,935,570,716
3	KohInoor Energy	RFO	124.00	77,222,000	862,406,313	43,616,333	906,022,646
4	AES Lalpir	RFO	350.00	199,185,300	2,559,806,777	32,226,389	2,592,033,166
5	Pak Gen Power Limited	RFO	348.60	187,645,800	2,352,144,419	30,359,402	2,382,503,821
6	Southern Power	RFO	110.47	-	-	-	0
7	Habibullah	Gas	129.15	23,131,890	92,016,346	9,831,052	101,847,398
8	Fauji Kabirwala	Gas	151.20	52,954,000	185,571,737	37,593,788	223,165,525
9	Rousch	Gas	395.00	-	-	-	0
10	Saba Power	RFO	125.55	810,247	12,029,819	130,369	12,160,188
11	Japan Power	RFO	107.00	-	-	-	0
12	Uch	Gas	551.25	393,774,000	991,110,661	88,796,037	1,079,906,698
13	Altern	Gas	27.12	9,970,760	45,767,159	6,455,070	52,222,229
14	Liberty	Gas	211.85	124,607,200	1,464,323,777	39,008,649	1,503,330,626
15	Oavis Energen	Gas	10.00	6,342,000	29,056,081	3,079,041	32,135,122
16	Chashma Nuclear	Nucl.	300.00	191,715,000	237,726,600	-	237,726,600
17	Chashma Nuclear-II	Nucl.	315.00	193,206,000	217,356,750	-	217,356,750
18	Tavanir Iran	Import	96.00	31,314,373	319,406,605	-	319,406,605
	Sub-Total:		5,888.19	2,551,646,370	21,971,480,888	624,814,461	22,596,295,349



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

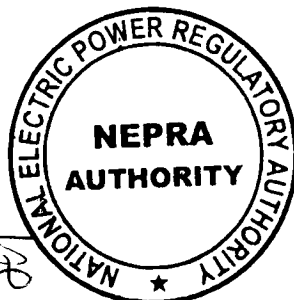
S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)	
1	Attock-Gen	RFO	156.18	108,669,324	1,081,799,774	98,204,488	1,180,004,242	
2	Atlas Power	RFO	213.86	133,266,288	1,549,925,083	118,500,383	1,668,425,466	
3	Nishat Power	RFO	195.31	133,567,531	1,671,813,348	118,768,249	1,790,581,597	
4	Foundation Power	Gas	171.48	87,898,238	350,137,197	31,968,589	382,105,786	
5	Orient	Gas	212.70	-	-	-	-	
		HSD		22,493,624	424,230,797	7,674,825	431,905,622	
6	Nishat Chunian	RFO	195.72	134,724,995	1,634,448,904	119,514,543	1,753,963,447	
7	Saif Power	Gas	205.27	-	-	-	-	
		HSD		-	-	4,181,809	4,181,809	
8	Engro Energy	Gas	212.98	146,074,253	612,786,522	46,875,228	659,661,750	
9	Sapphire Power	Gas	203.17	-	-	-	-	
		HSD		18,744,592	344,329,483	11,760,842	356,090,325	
10	Hubco Narowal	RFO	213.82	114,593,934	1,513,864,349	96,625,602	1,610,489,951	
11	Liberty Power	RFO	198.14	136,263,844	1,807,349,729	135,010,217	1,942,359,946	
12	Halmore	Gas	199.24	-	-	-	-	
		HSD		11,461,911	237,122,052	5,885,691	243,007,743	
13	Uch-II	Gas	380.75	249,402,217	978,385,453	34,766,669	1,013,152,122	
14	JDW-I	Bagasse	26.35	14,835,310	85,602,705	6,374,733	91,977,438	
15	JDW-III	Bagasse	26.35	13,965,900	80,586,038	6,001,147	86,587,183	
Sub-Total:			2,375.87	1,325,961,961	12,372,381,432	842,112,995	13,214,494,427	
IPP,s Total:-			8,264.06	3,877,608,331	34,343,862,320	1,466,927,456	35,810,789,776	
4	Others							
	i.	TPS-Quetta	Gas	25.00	(36,000)	(309,600)	(2,480)	-312,080
	ii.	Zorlu	Wind	56.40	7,969,000	-	22,439	22,439
	iii.	FFCEL	Wind	49.50	8,479,000	-	-	-
	iv.	TFG	Wind	49.50	8,680,200	-	-	-
	v.	Foundation	Wind	49.50	4,844,000	-	-	-
	vi.	SPPs	Mixed	256.90	101,245,635	958,371,348	-	958,371,348
Others Total			486.80	131,181,835	958,061,748	19,958	958,081,706	
G-Total:			19,663.92	6,426,298,583	41,172,559,633	1,727,673,994	42,900,233,626	

Summary

1	Hydel			1,907,411,905	-	231,841,189	231,841,189
2	Coal			14,468,000	65,094,106	1,838,629	68,932,735
3	HSD			52,700,127	1,005,682,332	29,503,167	1,035,185,499
4	F.O.			2,619,555,375	32,436,852,768	1,142,506,241	33,579,359,008
5	Gas			1,255,910,758	5,765,880,383	309,586,450	6,075,466,833
6	Nuclear			384,921,000	455,083,350	-	455,083,350
7	Import from Iran			31,314,373	319,408,605	-	319,408,605
8	Wind Power			29,972,200	-	22,439	22,439
9	Bagasse			28,801,210	166,188,741	12,375,880	178,564,621
10	Mixed			101,245,635	958,371,348	-	958,371,348
Total For The month				6,426,298,583	41,172,559,633	1,727,673,994	42,900,233,626
Prev. Adjustment				-	528,829,148	17,095,616	545,924,764
Grand Total:				6,426,298,583	41,701,388,780	1,744,769,610	43,446,158,390

Energy Sale Price

Energy Cost (Rs.)	41,701,388,780	1,744,769,610	43,446,158,390
Cost not chargeable to DISCOs (Rs.)	105,334,395		105,334,395
EPP (Chargeable) (Rs.)	41,596,054,385	1,744,769,610	43,340,823,995
Energy Sold (KWh)	6,577,434,333	6,577,434,333	6,577,434,333
Avg. Rate (Rs./KWh)	6.324055	0.265266	6.589321



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National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the March 4, 2015

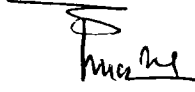
S.R.O. ⁵ 185 (I)/2014: - Pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended through Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act 2011, the National Electric Power Regulatory Authority makes and notifies the following adjustment in the approved tariff on account of variation in fuel charge for the month of December 2014 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for December 2014	Rs.6.2902/kWh
Corresponding Reference Fuel Charges Component	Rs.9.5328/kWh
Fuel Price Variation for the month of December 2014 (Decrease)	(Rs.3.2426/kWh)

Note: The Authority has reviewed and assessed a decrease of (Rs.3.2426/kWh) in the applicable tariff for EX-WAPDA DISCOs on account of variation in the fuel charges for the month of December 2014 as per the above details.

2. The above adjustment a decrease of (Rs.3.2426/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 December 2014 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of December 2014 in the billing month of March 2015.

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.


04.03.15
(Syed Safer Hussain)
Registrar



