



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

Registrar

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Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/TRF-100/MFPA/ 4,363-83

March 30, 2015

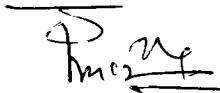
1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO, 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 January 2015 for XWDISCOs along with Notification Thereof**

Enclosed please find herewith copy of the decision of the Authority (07 pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of January 2015 alongwith its Notification i.e. SRO 250(I)/2015 dated 27.03.2015.

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. (Decision along Notification is also available on NEPRA's website)


(Syed Safer Hussain)

CC:

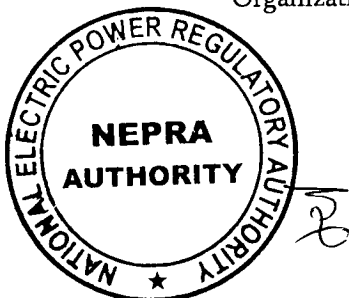
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Water & Power, 'A' Block, Pak Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Managing Director, PEPCO, WAPDA House, Lahore.
5. Member (Power), WAPDA, WAPDA House, 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 JANUARY 2015 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 January 2015, 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 March 18, 2015 at NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad. The date of hearing was mentioned in the advertisement published in newspapers and also uploaded on NEPRA's website whereby participation in the hearing and filing of comments/objections from any interested person were invited.
4. On the date fixed for the hearing, representatives from Central Power Purchasing Agency (CPPA), National Power Control Cell (NPCC), WAPDA Power Privatization Organization (WPPO), All Pakistan Textile Mills Association (APTMA), Consumers

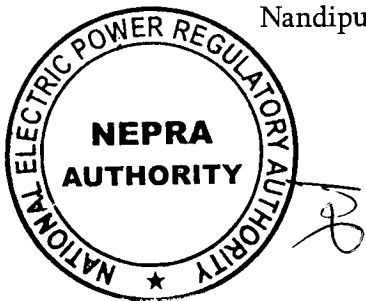
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and media were present; however, no representative from Sui Southern Gas Company Limited (SSGCL), Sui Northern Gas Pipelines Limited (SNGPL), Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. Comments from the following were also received;

- i. All Pakistan Textile Mills Association (APTMA)
 - ii. Ashiana Cotton Products Limited, Lahore.
 - iii. Saritow Spinning Mills Limited, Lahore.
5. The Authority noted that the points highlighted through written comments and during the course of hearing, were related to the impact of 2.81% transmission losses (173.67 GWh), which was shown as Rs. 1.86/ kWh in the advertisement published in the newspaper and also regarding the inclusion of provisional amount of Rs.9,815.939 million in the total cost, on account of Test energy delivered by Guddu and Nandipur in the current and previous months.
6. The Authority observed that the impact of transmission losses of 173.67 GWh, which works out to be Rs. 0.2198 / kWh, was correctly accounted for while working out Fuel Price Adjustment for the current month, however, the same was inadvertently clubbed together, with the impact of provisional cost of Nandipur and Guddu i.e. Rs. 1.6337 / kWh, and was shown as Rs. 1.8535/kWh in the published advertisement.
7. Regarding inclusion of provisional cost of Rs. 9,815.939 on account of Test energy delivered by Guddu and Nandipur in the total cost, the Authority observed that this being done in order to protect the consumers from any sudden price hike in the cost of electricity.
8. The Authority has gone through the information provided by CPPA seeking monthly fuel adjustment 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 January 2015 is Rs. 9.2792/kWh, including the impact of provisional cost of Rs.9,815.939 for the test energy delivered by Nandipur and Guddu, against the reference fuel cost component of Rs.11.3605/kWh

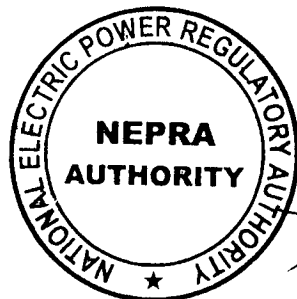


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as indicated in the Annexure-IV of the Authority's determination pertaining to the Ex-WAPDA DISCOs for FY 2013-14. The actual fuel charges for the month of January 2015 decreased by Rs. 2.0813/kWh (Annex-I&II) as compared to the reference fuel charges.

9. The Authority, however, took serious notice of the non maintenance of furnace oil stocks by IPPs as per their PPAs , which resulted in increased generation on HSD, an expensive alternate fuel, the burden of which has to shared by the consumers. The Authority directed CPPA to impose fine on IPPs for not maintaining Fuel Stocks as per their agreements.
10. As per details provided by CPPA, 130.05 GWh were purchased by DISCOs from small and captive power plants during January 2015. 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. 1,068.98 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, 63.25 GWh and cost of Rs. 432.07 million has been considered on account of fuel cost component of energy purchased from small and captive power plants. The Authority directed CPPA to work out the financial effect of those plants whose cases are pending in the courts, based on the rates determined by the Authority for its consideration.
11. CPPA reported NTDC transmission losses of 173.67 GWh (2.81%) during January 2015, 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. 173.67 GWh (2.81%) incurred by CPPA, being lower than the Authority assessed losses, have been taken into account for the purpose of current adjustment.
12. The Authority, after incorporating the adjustment referred in Paragraph 10 above, has reviewed and assessed a decrease of Rs. 2.0841/ kWh in the applicable tariff for





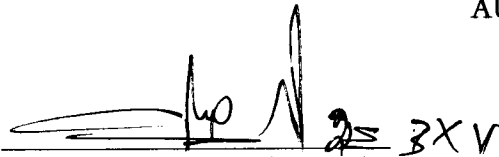
Ex-WAPDA DISCOs on account of variations in the fuel charges for the month of January 2015 as per the following details:

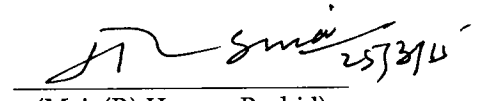
Actual Fuel Charges Component for January 2015	Rs. 9.2763/kWh
Corresponding Reference Fuel Charges Component	Rs. 11.3605/kWh
Fuel Price Variation for the month of January 2015 - Decrease	(Rs. 2.0841 /kWh)

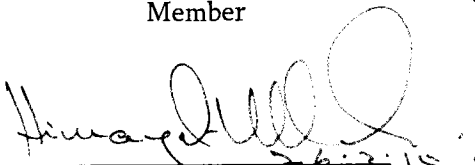
13. The adjustment as referred to in Para 12 above ;

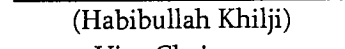
- i) shall be applicable to all the consumer categories except lifeline and Agriculture Consumers of all the DISCOs;
- ii) shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of January 2015.
- iii) DISCOs shall reflect the fuel charges adjustment in respect of January 2015 in the billing month of April 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.

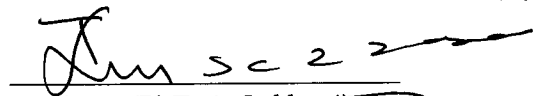
AUTHORITY

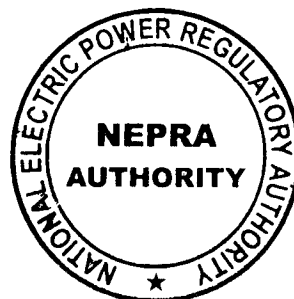

(Khawaja Muhammad Naeem)
Member

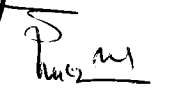

(Maj. (R) Haroon Rashid)
Member


(Himayat Ullah Khan)
Member


(Habibullah Khilji)
Vice Chairman


(Brig. (R) Tariq Sadozai)
Chairman

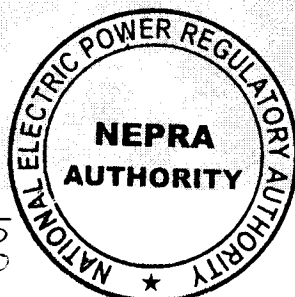



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CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
Jan-2015

ANNEX-I

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)	
1	Hydel							
	WAPDA	Hydel	6,902.00	783,938,924	-	91,497,432	91,497,432	
	Jagren	Hydel	30.00	(7,830)	-	(16,644)	-16,644	
	Pishure	Hydel	17.80	2,166,120	-	817,344	817,344	
	Malakand-M SHYDO	Hydel	81.45	5,026,000	-	1,266,600	1,266,600	
	Larsib	Hydel	84.00	18,747,000	-	3,278,880	3,278,880	
Hydel Total:			7,115.36	809,870,214	-	96,634,482	96,634,482	
2	Ex-WAPDA GENCOs							
	GENCO-I							
	Jamshoro Block 1	RFO	205.00	54,905,000	604,174,760	6,078,713	609,253,473	
	Jamshoro Block 2	RFO	470.00	131,124,266	1,642,920,149	12,128,994	1,568,049,143	
	Kohli 3-7	Gas	106.80	49,064,200	309,897,334	4,637,614	314,134,848	
	Jamshoro Total:			798.50	241,540,200	2,501,375,494	22,342,489	2,523,717,963
	GENCO-II							
	Central Block 2	Gas	390	189,907,685	1,088,077,178	13,084,839	1,072,161,817	
	Quddus CC 6-10	Gas	530	22,476,150	188,617,490	1,648,607	189,566,097	
	Central Block 3	RFO	340	-	-	-	0	
	Quddus Steam 3-4	Gas	-	39,112,161	261,742,493	2,694,828	254,437,321	
	Central Block 4	Gas	140	23,956,604	171,768,861	1,650,810	173,419,461	
	Quddus Steam 1-2	Gas	0	-	-	-	0	
	Block-4	Gas	-	-	-	-	0	
	Central Total:			1,400.00	275,452,600	1,680,806,012	18,978,884	1,699,584,896
	GENCO-III							
	Northern Block 1	RFO	558.00	274,882,339	3,129,201,669	6,872,058	3,136,073,727	
	Northern Block 2	RFO	270.00	7,182,410	83,481,366	179,560	83,660,919	
	Northern Block 3	RFO	380.00	109,382,837	1,438,540,307	2,734,671	1,439,274,978	
	Northern Block 5 (SPS)	RFO	97.00	568,000	13,756,392	14,200	13,770,592	
	Northern Total:			1,568.00	382,016,586	4,661,978,726	9,800,389	4,671,780,116
	GENCO-IV							
		Coal	31.20	1,560,000	7,019,688	198,278	7,217,964	
	Total:			31.20	1,560,000	7,019,688	198,278	7,217,964
GENCOs Total:-			3,797.70	910,568,386	8,850,980,920	61,319,818	8,902,300,738	
3	PPPs							
	1	Kaf Addu Block 1	RFO	-	146,294,196	1,628,130,846	70,890,712	1,599,021,358
			HSD	328	109,947,480	1,148,487,391	83,277,952	1,201,745,343
	2	Kaf Addu Block 2	RFO	-	238,666,894	2,482,914,438	118,647,494	2,609,561,333
			HSD	782	7,162,430	74,815,878	3,470,744	78,286,622
	KAPCO Total			1,336.00	502,061,000	5,244,328,353	243,286,903	5,487,616,256
	2	Hub Power	RFO	1,200.00	578,044,800	5,808,470,047	105,209,037	5,713,679,084
	3	Kahliner Energy	RFO	124.00	79,804,000	704,284,362	46,820,062	750,113,414
	4	ABB Lalpur	RFO	380.00	239,312,400	2,250,447,144	39,366,411	2,289,813,555
	5	Pak Gen Power Limited	RFO	348.60	199,766,900	1,849,586,833	32,858,940	1,882,445,773
	6	Southern Power	RFO	110.47	-	-	-	0
	7	Mahbullah	Gas	129.15	29,989,283	119,294,248	14,613,764	133,908,012
	8	Fauji Kadirwala	Gas	161.20	60,706,000	212,737,924	43,800,308	256,538,230
	9	Rausch	Gas	398.00	-	-	-	0
	10	Saba Power	RFO	125.55	-	-	-	0
	11	Japan Power	RFO	107.00	-	-	-	0
	12	Uch	Gas	551.25	376,886,000	871,146,596	86,382,271	1,057,528,867
	13	Altam	Gas	27.12	16,693,480	71,454,823	10,169,989	81,614,782
	14	Liberty	Gas	211.66	110,128,200	1,218,613,839	35,020,788	1,254,634,607
	15	Devis Energen	Gas	16.00	6,074,000	23,246,831	2,483,427	25,709,988
	16	Chashma Nuclear	Nuel.	300.00	146,508,000	180,429,920	-	180,429,920
	17	Chashma Nuclear-II	Nuel.	316.00	204,076,000	229,588,600	-	229,588,600
	18	Tavanir Iran	Import	98.00	29,973,246	305,727,109	-	305,727,109
	Sub-Total:			6,886.19	2,578,014,979	18,987,352,219	668,991,848	19,646,344,067



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CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
Jan-2015

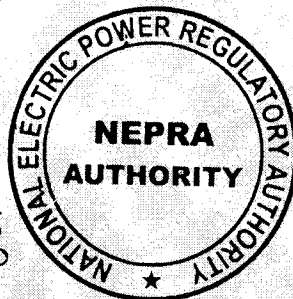
S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)
1	Attock-Gen	RFO	186.18	88,679,327	684,167,408	84,688,772	768,856,180
2	Atlas Power	RFO	213.88	143,312,987	1,427,800,213	124,782,818	1,552,582,831
3	Nisbat Power	RFO	196.37	121,909,168	1,348,030,322	106,146,311	1,454,176,633
4	Foundation Power	Gas	171.48	96,274,633	402,326,060	33,878,889	436,205,709
5	Orient	Gas	212.70	122,847,348	1,946,462,343	40,708,646	1,987,168,989
6	Mahat Churian	RFO	198.73	118,314,348	1,215,827,693	101,030,844	1,316,858,337
7	Self Power	Gas	268.27	107,802,032	1,732,927,818	53,588,390	1,786,516,008
8	Engro Energy	Gas	212.98	130,982,313	646,600,838	40,838,977	688,336,913
9	Sapphire Power	Gas	203.17	124,393,740	2,036,954,852	61,139,526	2,098,194,378
10	Hubco Narowal	RFO	213.82	130,360,289	1,424,943,287	106,242,869	1,531,186,126
11	Liberty Power	RFO	196.14	130,734,981	1,478,632,661	127,022,108	1,605,654,769
12	Halmora	Gas	199.24	110,918,054	1,758,709,443	56,392,476	1,814,101,919
13	Uch-e	Gas	380.78	141,744,044	571,599,678	19,759,120	591,358,788
14	JCW-I	Bagasse	28.38	12,363,800	71,340,446	5,312,639	76,653,084
15	JCW-II	Bagasse	28.38	13,914,860	80,291,626	5,979,216	86,270,741
Sub-Total:			2,375.87	1,897,451,700	16,722,804,435	988,503,970	17,881,108,408
IPP's Total:			8,264.06	4,172,468,679	36,708,956,654	1,827,495,818	37,337,452,472
Others							
i.	TPS-Quetta	Gas	25.00	(39,000)	(335,400)	(2,687)	-338,087
ii.	Zarbi	Wind	56.40	8,388,000	.	23,902	23,902
iii.	FFCEL	Wind	49.50	8,793,000	.	.	.
iv.	TPG	Wind	49.50	8,618,300	.	.	.
v.	Foundation	Wind	49.50	6,190,000	.	.	.
vi.	SPPs	Mixed	256.90	103,771,439	917,350,561	.	917,350,561
Others Total			488.80	136,888,739	917,015,161	21,215	917,036,386
G-Total:			19,883.92	6,029,808,018	46,477,962,726	1,776,471,333	47,283,424,058

Summary

1	Hydel			809,870,214		96,634,482	96,634,482
2	Coal			1,560,000	7,019,688	188,276	7,217,984
3	HSD			582,871,081	8,696,437,825	287,578,736	8,983,913,260
4	P.O.			2,798,216,811	28,822,296,639	1,088,721,074	29,911,019,713
5	Gas			1,296,812,487	6,168,471,822	311,028,011	6,479,497,832
6	Nuclear			349,584,000	410,016,420	.	410,016,420
7	Import from Iran			29,973,246	308,727,109	.	308,727,109
8	Wind Power			32,967,300	.	23,902	23,902
9	Bagasse			28,278,480	161,631,971	11,291,654	182,923,626
10	Mixed			103,771,439	917,350,561	.	917,350,561
Total For The month				6,029,808,018	46,477,962,726	1,776,471,333	47,283,424,058
Prev. Adjustment				.	584,088,608	(237)	584,088,371
Grand Total:				6,029,808,018	46,032,041,333	1,776,471,096	47,807,512,426

Energy Sale Price

Energy Cost (Rs.)	46,032,041,333	1,776,471,096	47,807,512,426
Cost not chargeable to DISCOs (Rs.)			93,587,928
Cost on a/c of Nandipur & 747 Guddu (Rs.)	9,815,939,540		9,815,939,540
EPP (Chargeable) (Rs.)	56,251,101,873	1,776,471,096	57,927,572,969
Energy Sold (KWh)	6,008,636,460	6,008,636,460	6,008,636,460
Avg. Rate (Rs./KWh)	9.279202	0.295491	9.574693



Source Wise Generation

Sources	JANUARY 2014		JANUARY 2015			
	Actual		Reference		Actual	
	GWh	%	GWh	%	GWh	%
Hydel	865.91	13.53%	1,101.57	17.82%	809.87	13.09%
Coal	6.79	0.11%	-	0.00%	1.56	0.03%
HSD	196.45	3.07%	163.20	2.64%	582.87	9.42%
RFO	3,487.89	54.51%	2,998.94	48.50%	2,806.66	45.37%
Gas	1,227.66	19.19%	1,672.69	27.05%	1,442.89	23.32%
Nuclear	452.45	7.07%	84.73	1.37%	349.58	5.65%
Import Iran	31.03	0.48%	26.22	0.42%	29.97	0.48%
Mixed (Including Baggase)	110.10	1.72%	122.94	1.99%	130.05	2.10%
Wind	20.28	0.32%	13.00	0.21%	32.97	0.53%
Total	6,398.55	100.0%	6,183.30	100.00%	6,186.425	100.0%
Sale to IPPs	(3.26)	-0.05%	-	0.00%	(4.21)	-0.07%
Transmission Losses	(198.73)	-3.11%	(185.50)	-3.00%	(173.67)	-2.81%
Net Delivered	6,196.56	96.84%	5,997.80	97.00%	6,008.536	97.12%

Source Wise Fuel Cost/Energy Purchase Price

Sources	JANUARY 2014		JANUARY 2015			
	Actual		Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-	-	-
Coal	24.53	3.6118	-	-	7.02	4.4998
HSD	4,532.56	23.0723	3,073.9745	18.8351	8,695.44	14.9183
RFO	5,586.12	17.0837	54,246.2896	18.0885	28,822.30	10.2692
Gas	5,375.58	4.3787	9,205.6064	5.5035	6,168.47	4.2751
Nuclear	598.40	1.3226	72.0197	0.8500	410.02	1.1729
Import Iran	327.36	10.5500	249.1105	9.500	305.73	10.2000
Mixed (Including Baggase)	971.11	8.8203	1,290.8659	10.500	1,068.98	8.2198
Wind	-	-	-	-	-	-
Total	71,415.67	11.1612	68,137.87	11.0197	45,477.95	7.3512
Supplemental Charges	1,699.20	0.2656	-	-	554.09	0.0896
Sale to IPPs	(61.48)	(18.8847)	-	-	(93.56)	(22.1972)
Grand Total	73,053.39	11.4172	68,137.87	11.0197	45,938.48	7.4257
Transmission Losses	(79.22)	0.3594	-	0.3408	-	0.2198
Net Total	72,974.17	11.7766	68,137.87	11.3605	45,938.48	7.6455
Provisional Cost of Nandipur & Guddu	-	-	-	-	9,815.94	1.6337
Net Total	72,974.17	11.7766	68,137.87	11.3605	55,754.42	9.2792

National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the March 27, 2015

S.R.O. *250* (I)/2015: – 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 January 2015 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for January 2015	Rs.9.2763/kWh
Corresponding Reference Fuel Charges Component	Rs.11.3605/kWh
Fuel Price Variation for the month of January 2015 (Decrease)	(Rs.2.0841/kWh)

Note: The Authority has reviewed and assessed a decrease of (Rs.2.0841/kWh) in the applicable tariff for EX-WAPDA DISCOs on account of variation in the fuel charges for the month of January 2015 as per the above details.

- The above adjustment a decrease of (Rs.2.0841/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 January 2015 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of January 2015 in the billing month of April 2015.
- 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
27.03.15
(Syed Safer Hussain)
Registrar

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