



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/TRF-100/MFPA/ 9573-91

June 30, 2016

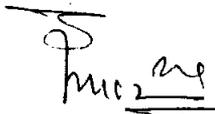
1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO, 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 May 2016 for XWDISCOs along with Notification Thereof**

Enclosed please find herewith copy of the decision of the Authority (17 pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of May 2016 alongwith its Notification i.e. S.R.O 575(I)/2016 dated 29.06.2016.

2. XWDISCOs are directed that while charging the fuel charges 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 (Decision alongwith Notification is also available on NEPRA's website)

  
30.06.16  
( 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 Executive Officer, Central Power Purchasing Agency Guarantee Limited 6<sup>th</sup> Floor, Shaheed-e-Millat Secretariat, Jinnah Avenue, Blue Area, Islamabad
9. General Manager, WAPDA Power Privatization Organization (WPPO) of NTDC, Lahore.

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**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES  
ADJUSTMENT FOR THE MONTH OF MAY 2016 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, (NEPRA Act) read with the mechanism/formula determined by the Authority in the tariff determinations for Ex-WAPDA DISCOs for the Financial Year 2014-15, 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 Ex-WAPDA DISCOs due to variations in the fuel charges for the month of May 2016, necessary information as to the details of the actual fuel charges etc. was obtained from Central Power Purchasing Agency Guarantee Limited (CPPA-G).
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 NEPRA Act 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 on June 16, 2016 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, a public hearing was also conducted on June 21, 2016 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. Separate notices were also sent to the interested / affected parties.
4. On the date fixed for the hearing, representatives from CPPA-G, National Power Control Center (NPCC), NTDC and media were present; however, no representative

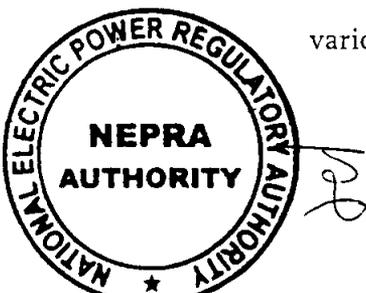




from WAPDA Power Privatization Organization (WPPO), Sui Southern Gas Company Limited (SSGCL), Sui Northern Gas Pipelines Limited (SNGPL), Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. Written Comments were received from M/s Anwar Kamal Law Associates (AKLA).

5. A brief of the points raised by AKLA, *inter alia*, relevant to monthly Fuel Charges Adjustment (FCA) are as under;

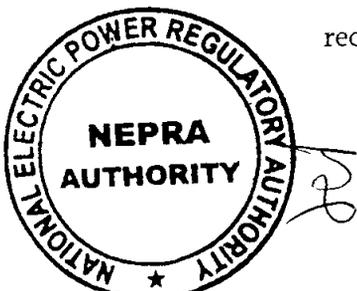
- i. The projections of Fuel Prices are on the higher side while setting up of reference fuel price in consumer end tariff to favor the distribution companies to enable them to over recover from the consumers and enjoy the benefits of over-recovered amount with impunity and with no return to the consumers. AKLA in this regard has suggested to introduce the same FCA mechanism as is provided in the K-Electric Consumer end-tariff. AKLA, in support of its argument with regard to projection of NEPRA to determine higher Reference Fuel Cost component in consumer-end Tariff, submitted a comparison of the plant wise actual generation vis a vis projection by NEPRA for the period from January 2014 to April 2016.
- ii. NEPRA has failed to determine the consumer end tariff of DISCOs in timely manner. The late determination and notification of tariff means that the previously determined higher Tariff, which is continuously decreasing for the last three years due to decrease in oil prices in the International Market, is causing loss to the consumers and gain to the DISCOs on the principle of time value of money. NEPRA should have amended the Schedule-IV, which is same for all DISCOs, and Generation Mix, which is prepared at one CPPA -G level, forthwith. AKLA in support of its submissions also provided a year wise detail of dates of consumer-end Tariff determination by NEPRA for various DISCOs for the last five years.



NA



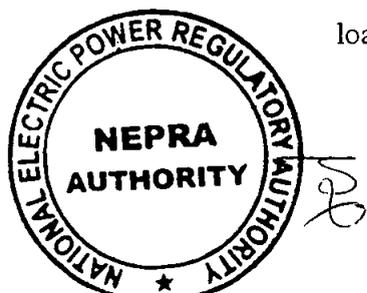
- iii. There is delay in deciding the monthly FCAs by the Authority. The processing of FCA for the month of May 2016 beyond 7<sup>th</sup> of June 2016 is gross violation of the provisions of NEPRA Law (Section 31(4)) and is against the interest of the consumers and favors the power purchaser when DISCOs have to refund the over recovered amount to the consumers. There is no reason for non-submission of data by CFFA-G by 5<sup>th</sup> of every month as it has the reading of electricity at 24:00 hours on the last day of the respective month and Fuel Cost Component (FCC) of each power plant has already been determined by NEPRA.
- iv. That NEPRA has allowed adjustment of RLNG price without having notified mechanism.
- v. That NEPRA allowed cost of test electricity supplied by Nandipur Power Plant without financial, legal and technical scrutiny.
- vi. That NEPRA allowed the amount of GIDC in advance of its payment by the Power Purchaser to Power Producers.
- vii. That NEPRA allowed DISCOs or the Power Purchaser to retain extra amount by not extending the benefit of FCA to consumers using electricity up-to 300 units. Not passing-on this benefit to consumers means an illegal collection of the amount from their consumers, by DISCOS, over and above their allowed Revenue Requirement. To implement the Government Policy of not passing-on the benefit of negative FCA to consumers using electricity up to 300 units, needs modification in the consumer-end Tariff because implementation of this Policy will result in over-recovery by the DISCOs, however, NEPRA implemented the same without any modification in the Tariff Determinations. NEPRA, through tariff determination of 2015-16, decided that the over-recovered amount on this head must be adjusted by GOP, against the overall





burden of the Tariff Differential Subsidy, which is not justified as it is a favor to someone at the consumers' expense.

- viii. AKLA also highlighted the issue of underutilization of power plants by mentioning that Non-operation of available Electricity Generation Capacity and giving preference to load-shedding to unduly protect electricity suppliers against losses due to their in-efficiencies is illegal, immoral and un-ethical. AKLA also stated that now it is an admitted position that available power plants were not utilized to their full capacity. Wind and Solar Power Plants have also supplied electricity to the system as shown in the generation data sheets. The cost of electricity supplied by Wind and Solar Plants is higher than the cost of electricity of the power plants (except few) which were not utilized or under-utilized due to fuel constraints. The non-utilized or under-utilized power plants will get capacity payments as the nature of their PPA is take or pay, which is against the interest of the consumers on account of load shedding and is also against the interest of Country's economy.
- ix. AKLA further submitted that giving dispatch to costlier plants like solar and wind without using comparatively cheaper underutilized plants is against the principle of Economic Merit Order. AKLA in support of its claim submitted a plant wise utilization factor for the last forty months.
- x. AKLA has also submitted that few plants have supplied electricity beyond their dependable capacity meaning thereby that these plants were over-utilized.
- xi. AKLA has mentioned that huge amounts are appearing under the head of Previous Adjustments, but details of these adjustments are not given.
- xii. AKLA has also submitted its concern regarding operation of plants on partial load and open cycle.



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- xiii. Non-supply of electricity from Saba, SEPCOL and Japan Power despite the fact that consumers have already paid the loan amount.
  - xiv. Supply of energy from Plants without having Generation Licenses from NEPRA.
  - xv. The economic merit order was not observed and some observations of Authority Members as published in the newspapers were also referred. As per AKLA, the violation of economic merit order has resulted in overburdening the consumers of electricity. AKLA also desired for conducting an audit to ascertain the extra amounts so recovered from the consumers owing to non-observance of economic merit order.
6. The concerns so raised by AKLA have been considered by the Authority and it is of the view that Fuel Price projections for determining of reference fuel cost component in consumer end tariff of Distribution companies, are made on the best estimates keeping in view the past trends and available national / international reports for future projections of oil prices. Since the variation in fuel prices depends upon many factors and it is not possible to apprehend and foresee all of them. In view of the aforesaid reason, the fuel price adjustment mechanism is prescribed so that neither the consumers nor the DISCOs suffer on account of downward or upward variation in fuel prices since the Authority cannot change its projection on mark to mark basis and in case of any variation in fuel prices with that of reference prices, the same is either recovered from the consumers or benefit of the same is passed on to the consumers through monthly FCA. Therefore, the Authority considers that the AKLA's observation in this regard having no bearing on the consumers is not valid. The Authority being cognizant of the declining trend of fuel prices has already taken into account this reduction while setting up the reference fuel prices pertaining to FY 2015-16. The actual average RFO prices during the FY



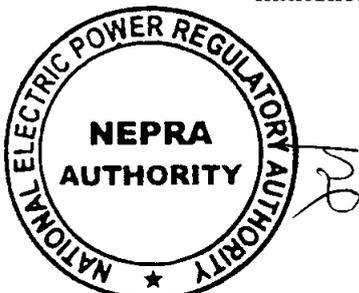


2014-15 remained at around Rs. 56,121 [excluding Sales Tax and including freight] per metric ton and came to a lower level of Rs. 40,411 per metric ton. The RFO prices in Pakistan are not only affected by the international market but also by the exchange rate parity. Based on the international market condition, it can be presumed that this lower trend shall continue in the future as well, consequently, for the FY 2015-16, RFO prices have been assumed on an average of Rs.47,981 per metric ton [excluding Sales Tax and including freight] after incorporating the possible determinants of RFO prices. Similarly the HSD prices for the FY 2015-16, have been assumed on an average of Rs.61.29 per litre [excluding Sales Tax], keeping in view the declining trend of HSD price in FY 2014-15, which remained on average Rs.76.89 per litre during the FY 2014-15.

7. The Authority also noted that monthly adjustment on account of Fuel Cost variations is done in accordance with the mechanism / formula prescribed by the Authority and notified in the official gazette and impact of such adjustment either increase or decrease, is passed on to the consumers of electricity. The mechanism / formula is determined by the Authority through a detailed and comprehensive determination and prior to such determination, replies, comments, objections etc. were invited from any interested persons, however, the commentator did not contest on the issue, in those proceedings, therefore, now the commentator is estopped to raise those concerns at the time of adjustment being done in accordance with the formula already settled through legal proceedings.
8. The Authority, on the issue of late determination of tariff observed that rule 16 (2) of the NEPRA Tariff Standard & Procedure Rules 1998 provides;

*"The Authority shall decide a petition within four months of the date of admission of the petition:*

*Provided that the Authority may, only for causes beyond its control including, without limitation, the failure by any person to comply with the provisions of these rules or the*





*orders and directions of the Authority, extend the aforesaid four months period by a further period of one month:*

*Provided further that, the Authority shall not extend the time for its final determination in proceedings beyond an aggregate period of four months."*

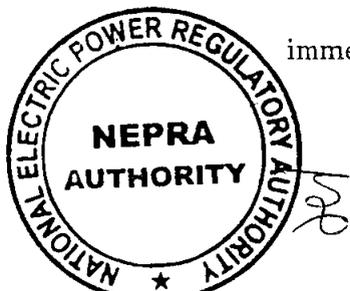
9. The Authority has observed that all the determinations in respect of XWDISCOs have been issued within the timelines prescribed under the Rules. Therefore the point of AKLA for delay on part of NEPRA in determination of tariff is not justified.
10. The Authority also considers that the Tariff Standard & Procedures Rules 1998 (The Rules) do not provide any time frame for submission of the Tariff Petitions. The Intervener has rightly stated that the tariff for any particular year should be determined prior to start of the year, therefore, in order to ensure timely determination of consumer end tariff, the Authority has issued the NEPRA guidelines for determination of consumer-end tariff (Methodology & Process) notified vide SRO. 34(I) 2015 dated 16.01.2015, wherein, timelines for the submission of Tariff Petitions have been prescribed.
11. The Authority has observed that there is no delay on the part of NEPRA in processing of the monthly FCA. The decision in the matter of FCA for the month of April 2016 was issued on May 31, 2016 within three working days of the conduct of hearing. Similarly for the month of May 2016, the decision is being issued without any delay to ensure that benefit of reduction in fuel prices is passed on to the consumers in the month of July 2016.
12. The Authority also understands that neither conduct of hearing nor filing of intervention requests etc. is a pre-requisite for the purposes of making fuel charges adjustments, however, the same is being done in pursuance of the Orders of the Honorable Lahore High Court, wherein, the question pertaining to "fuel adjustments" was settled as under:-





*"There can be no escape from the fact that any adjustment would affect the rights of the consumers. Even if the provisions for publication of notice, intervention or participation of commentators, were not directly applicable, yet the principle of natural justice necessarily be read in every statute, and no order could be passed without affording opportunity of hearing to the persons likely to be affected."*

13. Since the impact of any adjustment is to be passed on to the consumers, therefore, in order to meet the ends of natural justice, public hearing is held and written / oral comments or objections are invited from the interested / affected parties before making any adjustments, which requires additional time. Thus, no unnecessary delay is involved in processing of the monthly FCA on the part of the Authority.
14. At the same time, the Authority is also cognizant of the late submission of FCA requests by CPPA-G and had issued a show cause notice to CPPA/ NTDC on August 27, 2015 under Rule 4 (8) & (9) of the NEPRA (Fines) Rules, 2002, based on the analysis of data provided by CPPA / NTDC for the period from January 2014 to April 2015. Consequent to the unsatisfactory response of CPPA/ NTDC to the show cause notice, the Authority declared NTDC/CPPA a delinquent for deliberately violating the explicit directions of the Authority regarding submission of the Fuel Price Adjustment data in the specified time period and has imposed a fine of Rs.1,000,000/- (Rupees One Million Only) on CPPA/ NTDC.
15. On the point of AKLA for modification in the existing mechanism of Fuel Cost Component of Gas/ HSD base IPPs, the Authority observed that modification in the existing mechanism of Fuel Cost Component of Gas / HSD based IPPs on account of Re-gasified Liquefied Natural Gas has been prescribed by the Authority vide its determination dated May 03, 2016. The Authority, however, during the finalization of proceedings in this regard had decided to treat request of such IPPs regarding revision of their Fuel Cost Component, based on RLNG price, as a Petition and initiated proceedings in this regard. While admitting these petitions, the Authority also decided to allow immediate application for adjustment in the Fuel Cost Component on the basis of

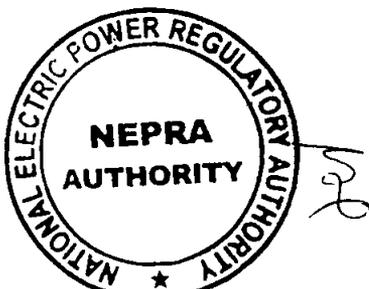


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RLNG Price (Provisional), as notified by OGRA, in terms of Rule 4(7) of Tariff Standards & Procedures Rules 1998, subject to the order of refund for the protection of the consumers, while the proceedings for devising the fuel price adjustment were pending before the Authority. It is to be noted that NEPRA has to protect the interest of consumers as well as the investors in terms of Section 7 (6) of the NEPR Act. Since the Fuel cost has huge financial impact, therefore, delaying the adjustment would have been unjust to the power producers and would have resulted in shut down of the plants, which would have been against the consumers' interest.

16. The Authority noted that the issue regarding adjustment of fuel cost of energy delivered by Nandipur has been discussed in detail and with reasonable clarity in the Authority's monthly FCA decision of February 2016, which is available on NEPRA's website, therefore, need not to be repeated here again.
17. On the issue of deduction of GIDC amount from Fuel Charges Adjustment, the Authority noted that it has already issued its detailed decision in the matter of GIDC vide No. NEPRA/TRF-72/EPQL-2007/9672-9674 dated June 25, 2015, which is available on NEPRA's website, therefore, need not to be discussed again.
18. The Authority on the point of not passing on the benefit of negative monthly FCA to the domestic consumers using up-to 300 units of electricity, observed that although the Authority has already discussed this issue in detail in its monthly FCA decision for the month of March 2015, under para 17 to 20, wherein complete reasons / justification for the same have been provided, however, for information of the stakeholders it is again mentioned that as per the previous practice, the impact of any decrease in (negative) monthly FCA, was not passed on to the Life line and Agriculture Consumers of XWDISCOs. The same relief was adjusted by the Authority in the annual tariff determinations of XWDISCOs, through the Prior





Year Adjustment mechanism, whereby the impact of such amount is adjusted in the tariff design across all the consumer categories.

19. Government of Pakistan, through Ministry of Water & Powervide its letter No.5-PF/02/2013-Subsidy dated May 21, 2015 issued the policy guidelines under Section 7(6) of the NEPRA Act, 1997 with regard to the Fuel Charge Adjustments and subsidy rationalization of Ex-WAPDA Distribution Companies.

20. Government of Pakistan (GoP) in its aforementioned policy guidelines, inter alia, mentioned that ECC of the Cabinet has been pleased to approve the issuance of the following Policy Guidelines under Section 31 (4) of the NEPRA Act, 1997 on 21.05.2015 i.e. that

*"Any negative adjustment on account of monthly FCA will not be passed on to the Domestic consumers who have subsidized electricity tariff."*

21. The Authority considered the policy guidelines of the GoP with respect to the Fuel Price Adjustment being consistent with the GoP Policy for phasing out the subsidy which are also consistent with the standards and guidelines as per Rule 17 of Tariff Standards and Procedure Rules -1998.

22. Accordingly, the Authority decided that any negative monthly FCA shall not be applicable to lifeline consumers, domestic consumers consuming up to 300 units and Agriculture Consumers of all the XWDISCOs, who are already getting subsidy from the Government.

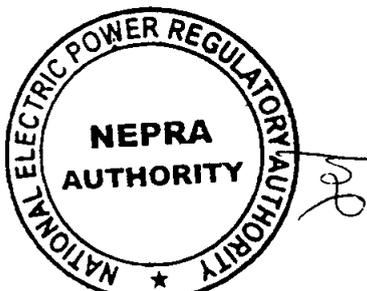
23. The Authority in view of the above referred policy guidelines of GoP regarding rationalization of subsidy in the matter of XWDISCOs, has decided not to adjust the impact of negative FCA across different consumer categories, as it was doing in the past. Thus, the negative FPA impact on lifeline consumers, domestic consumers (consuming upto 300 units) and Agriculture Consumers, must be adjusted by GoP,





against the overall Tariff Differential Subsidy claim, eventually reducing GOP's overall Tariff Differential Subsidy burden.

24. The Authority being already cognizant of the issues of plant utilization, economic merit order had issued certain directions to CPPA-G / NTDC in its previous FCA decisions regarding Economic Merit Order, Underutilization of Plants and provision of real time access of NPCC's data. The Authority observed that these issues have been taken up by the Authority with CPPA-G / NTDC separately and proceedings in this regard are under process.
25. The Authority on the issue regarding details of amount appearing under head "previous adjustment" observed that generator wise detail of amount charged under the head "previous adjustments" as submitted by CPPA-G is presented during the hearing, therefore, the point raised by AKLA does not merit consideration.
26. The Authority on the issue of partial load adjustment charges noted that NPCC (NTDC) has provided a certificate to the effect that claimed Partial Loading Adjustment Charges (PLAC) are due to less demand in the system and system constraints, meaning thereby that there is no load shedding in the country, which however, is not the actual state of affairs.
27. The Authority noted that other issues highlighted by AKLA like payment of Capacity Charges, induction of non-base load high cost solar & wind power plants, grant of generation license to dual fuel (Gas & HSD) Power Plants with long term 'Take or Pay' basis contracts, without confirming that these Plants have entered into a Gas Supply Agreement for the term of their License or not, allowing conversion of old in-efficient power plants from RFO to Coal, GST, setting-up of imported coal power plants in mid country do not pertain to the Fuel Price Adjustment and therefore cannot be considered here.





28. The Authority has gone through the information provided by CPPA-G seeking monthly fuel adjustment and due diligence is also done accordingly. From perusal of the information so provided by CPPA-G, the actual pool fuel charge for the month of May 2016 is Rs.3.4998/kWh, against the reference fuel cost component of Rs.6.7764/kWh as indicated in the Annexure-IV of the Authority's determination pertaining to the Ex-WAPDA DISCOs for FY 2014-15. The actual fuel charges for the month of May 2016 decreased by Rs.3.2766/kWh (Annex-I&II) as compared to the reference fuel charges.
29. The Authority noted that CPPA-G has worked out the Fuel cost of Nandipur for the month of May 2016 based on FCC of Rs.5.5483/kWh, whereas the Authority's approved FCC in respect of Nandipur w.e.f. 31<sup>st</sup> March 2016 is Rs.4.9481/kWh. Accordingly, for the instant FCA adjustment of May 2016, fuel cost of Nandipur of Rs.4.9481/kWh has been used.
30. Similarly in the matter of energy supplied by Guddu (747), the CPPA-G has used FCC of Rs.4.8560/kWh. The Authority approved a FCC of Rs.4.8560/kWh in the matter of Interim Tariff allowed to Guddu (747) dated January 01, 2016 based on gas price of Rs.700/MMBTU (600 Gas Price + 100 GIDC). However, the Authority afterwards issued the final tariff determination of Guddu 747 dated April 26, 2016 wherein the FCC was determined as Rs.4.0806/kWh based on Gas price of Rs.588.23/MMBTU (488.23 Gas Price + 100 GIDC), which is subject to adjustment on account of variation in fuel price as and when notified by the relevant Authority. Since the Authority's latest approved rate is Rs.4.0806/kWh, therefore, for the purpose of instant FCA adjustment, FCC of Rs.4.0806/kWh has been used.
31. The Authority further noted with great concern that CPPA-G has purchased 13.514 GWh from TPS Quetta in the month of May 2016 having a fuel cost of Rs.116.220 million, which is not a licensee of NEPRA. Accordingly, the Authority has decided not to include the energy as well as the fuel cost of the energy purchased from TPS





Quetta in the total cost while working out the FCA of May 2016 and also directs CPPA-G to ensure compliance of its direction with respect to the generation license of TPS Quetta.

32. As per details provided by CPPA-G, 9.11 GWh were purchased by XWDISCOs from small and captive power plants. CPPA-G provided actual details of energy purchased from these plants. According to the details provided by CPPA-G, the actual fuel cost of this energy is Rs.70.44 million, however, the same works out to be Rs.70.40 million as per NEPRA approved rates. Accordingly for the instant adjustment, cost of Rs.70.40 million has been considered on account of fuel cost component of energy purchased from small and captive power plants. Further, the fuel cost of RYK, Bagasse based Power Plants, has also been adjusted as per the Authority's approved rates.
33. CPPA-G reported NTDC transmission losses of 220.30 GWh i.e. 2.20% during May 2016, which are lower than the Authority's assessed transmission losses of 3% as per its determination dated 23.04.2015 for NTDC, notified vide SRO No. 696(I) 2015 dated 23.07.2015. Accordingly, for calculation of FCA for May 2016, actual losses of 220.30 GWh i.e. 2.20%, being lower than the Authority assessed losses, have been taken into account for the purpose of current adjustment.
34. The Authority, after incorporating the aforementioned adjustments, has reviewed and assessed a decrease of Rs.3.3218/kWh in the applicable tariff for XWDISCOs on account of variations in the fuel charges for the month of May 2016 as per the following details:

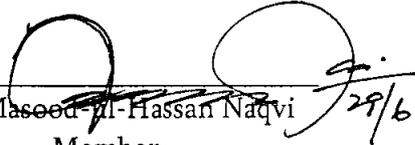
Actual Fuel Charges Component for May 2016	Rs. 3.4546 /kWh
Corresponding Reference Fuel Charges Component	Rs. 6.7764/kWh
Fuel Price Variation for the month of May 2016-Decrease	(Rs.3.3218/kWh)

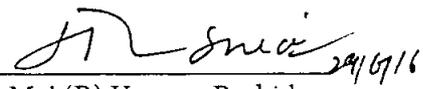


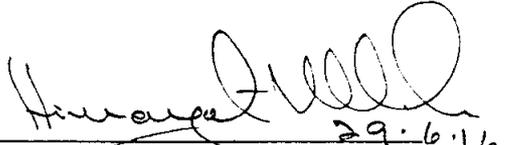


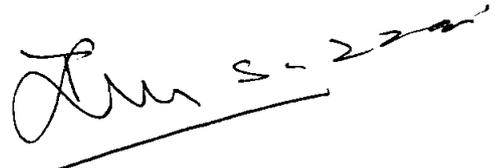
35. In view of the aforementioned, the Authority has decided that adjustment as referred to in Para 34 above:
- Shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming up-to 300 units and Agriculture Consumers of all the XWDISCOs. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.
  - Shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of May 2016.
  - XWDISCOs shall reflect the fuel charges adjustment in respect of May 2016 in the billing month of July 2016.
  - While effecting the Fuel Adjustment Charges, the concerned XWDISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

AUTHORITY

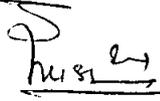
  
Syed Masood-ul-Hassan Naqvi  
Member

  
Maj (R) Haroon Rashid  
Member

  
Himayat Ullah Khan  
Vice Chairman

  
Brig (R) Tariq Saddozai  
Chairman



  
29.06.16

Source Wise Generation						
Sources	May 2015		May 2016			
	Actual		Reference		Actual	
	GWh	%	GWh	%	GWh	%
Hydel	3,377.71	35.35%	2,941.76	35.06%	3,584.26	35.83%
Coal	-	0.00%	5.98	0.07%	10.73	0.11%
HSD	114.24	1.20%	151.85	1.81%	22.56	0.23%
RFO	2,740.55	28.68%	3,025.51	36.06%	2,732.92	27.32%
Gas	2,659.95	27.84%	1,734.15	20.67%	2,963.73	29.63%
Nuclear	445.33	4.66%	373.84	4.46%	416.99	4.17%
Import Iran	42.74	0.45%	35.55	0.42%	44.74	0.45%
Mixed	84.40	0.88%	87.87	1.05%	9.11	0.09%
Wind	77.49	0.81%	31.51	0.38%	126.88	1.27%
Baggasse	-	0.00%	1.96	0.02%	61.52	0.61%
Solar	11.98	0.13%	-	0.00%	29.85	0.30%
<b>Total</b>	<b>9,554.39</b>	<b>100.00%</b>	<b>8,389.98</b>	<b>100.00%</b>	<b>10,003.30</b>	<b>100.00%</b>
Sale to IPPs	(2.68)	-0.03%	-	0.00%	(1.88)	-0.02%
Transmission Losses	(254.39)	-2.66%	(251.70)	-3.00%	(220.30)	-2.202%
<b>Net Delivered</b>	<b>9,297.32</b>	<b>97.31%</b>	<b>8,138.28</b>	<b>97.00%</b>	<b>9,781.116</b>	<b>97.78%</b>

## Source Wise Fuel Cost/Energy Purchase Price

Sources	May 2015		May 2016			
	Actual		Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-	-	-
Coal	-	#DIV/0!	21.59	3.6118	48.30	4.4998
HSD	1,586.45	13.8872	2,944.49	19.3902	263.75	11.6926
RFO	27,205.92	9.9272	41,198.78	13.6172	16,223.76	5.9364
Gas	14,823.07	5.5727	9,208.15	5.3099	15,824.83	5.3395
Nuclear	526.46	1.1822	494.27	1.3221	481.91	1.1557
Import Iran	435.93	10.2000	375.04	10.550	474.27	10.6000
Mixed	545.82	6.4669	894.57	10.18005	70.44	7.7288
Wind	-	-	-	-	-	-
Baggasse	-	-	11.3121	5.7702	361.89	5.8826
Solar	-	-	-	-	-	-
<b>Total</b>	<b>45,123.64</b>	<b>4.7228</b>	<b>55,148.20</b>	<b>6.5731</b>	<b>33,749.16</b>	<b>3.3738</b>
Supplemental Charges	(369.70)	(0.0387)	-	-	529.20	0.0529
Sale to IPPs	(45.64)	(17.0083)	-	-	(46.06)	(24.5050)
<b>Grand Total</b>	<b>44,708.30</b>	<b>4.6793</b>	<b>55,148.20</b>	<b>6.5731</b>	<b>34,232.30</b>	<b>3.4221</b>
Transmission Losses	-	0.1294	-	0.2033	-	0.0777
<b>Net Total</b>	<b>44,708.30</b>	<b>4.8087</b>	<b>55,148.20</b>	<b>6.7764</b>	<b>34,232.30</b>	<b>3.4998</b>

CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
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S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)			
1	<b>Hydel</b>									
	i.	WAPDA	Hydel	6,902.00	3,466,339,823	-	377,068,446	377,068,446		
	ii.	Jagran	Hydel	30.00	17,817,830	-	35,600,024	35,600,024		
	iii.	Pehure	Hydel	17.90	3,428,280	-	977,060	977,060		
	iv.	Maikand-III SHYDO	Hydel	81.46	55,121,000	-	13,780,250	13,780,250		
	v.	Laraib	Hydel	84.00	41,556,000	-	8,066,020	8,066,020		
	<b>Hydel Total:</b>			<b>7,115.36</b>	<b>3,584,262,933</b>	<b>-</b>	<b>435,491,800</b>	<b>435,491,800</b>		
2	<b>Ex-WAPDA GENCOs</b>									
	<b>GENCO-I</b>									
		Jamshoro Block 1	RFO	205.00	62,896,500	385,587,508	5,817,926	391,405,434		
		Jamshoro Block 2	RFO	470.00	17,775,761	131,533,374	1,644,258	133,177,632		
		Unit 2-4	Gas		151,401,739	1,296,101,729	14,004,661	1,310,106,390		
		Kotri 3-7	Gas	106.50	39,315,000	288,159,444	3,636,638	291,796,082		
		<b>Jamshoro Total:</b>		<b>798.50</b>	<b>271,389,000</b>	<b>2,101,382,055</b>	<b>25,103,483</b>	<b>2,126,485,538</b>		
		<b>GENCO-II</b>								
		Central Block 1	RFO		-	-	-	0		
		Guddu CC 11-13	Gas	390	25,684,409	234,395,917	1,769,656	236,165,573		
		Central Block 2	Gas		184,475,493	1,246,998,990	12,710,361	1,259,709,351		
		Guddu CC 5-10	Gas	530	4,926,598	49,953,240	339,443	50,292,683		
		Guddu 747	Gas	747	403,794,971	1,960,828,379	111,285,894	2,072,114,273		
		<b>Central Total:</b>		<b>2,147.00</b>	<b>618,681,471</b>	<b>3,492,176,526</b>	<b>126,105,354</b>	<b>3,618,281,880</b>		
		<b>GENCO-III</b>								
		Northern Block 1	RFO	558.00	223,871,262	1,703,139,371	29,103,264	1,732,242,635		
		MG Unit 1-3	Gas		68,861,821	533,215,726	8,952,037	542,167,763		
		Northern Block 2	RFO	270.00	75,386,798	556,514,697	9,800,284	566,314,981		
		MG Unit 4	Gas		40,774,477	312,300,327	5,300,682	317,601,009		
		Northern Block 3	RFO	360.00	81,117,079	701,747,639	10,545,220	712,292,859		
		MG Unit 5-6	Gas		8,370,572	78,177,563	1,088,174	79,265,737		
		Northern Block 4	Gas		58,418,147	351,420,205	7,594,359	359,014,564		
		SPS FSD 1-2	Gas	97.00	22,003,000	221,290,772	2,860,390	224,151,162		
		GTPS FSD 1-4	Gas	75.00	(21,147)	(227,459)	(2,749)	-230,208		
		Nandipur	RFO HSD	411.35	98,526,000	546,656,422	69,697,292	616,353,714		
	<b>Northern Total:</b>		<b>1,979.35</b>	<b>677,308,009</b>	<b>5,004,235,263</b>	<b>144,938,953</b>	<b>5,149,174,216</b>			
	<b>GENCO-IV</b>									
		Coal	31.20	10,734,000	48,300,853	1,364,291	49,665,145			
	<b>Total:</b>		<b>31.20</b>	<b>10,734,000</b>	<b>48,300,853</b>	<b>1,364,291</b>	<b>49,665,145</b>			
	<b>GENCO-V</b>									
		RFO	425.00	-	-	-	-			
	<b>Total:</b>		<b>425.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>			
	<b>GENCOs Total:-</b>		<b>5,381.05</b>	<b>1,578,312,480</b>	<b>10,646,094,698</b>	<b>297,512,081</b>	<b>10,943,606,778</b>			
3	<b>IPPs</b>									
	1	Kot Addu Block 1		RFO		217,453,100	1,033,424,053	99,010,819	1,132,434,872	
				Gas	325	-	-	-	0	
				HSD		1,274,500	14,316,224	336,401	14,652,625	
			Kot Addu Block 2		RFO		342,874,300	1,811,432,407	219,755,706	2,031,188,113
				Gas	762	-	-	-	0	
				HSD		-	-	-	0	
		Kot Addu Block 3		Gas	249	-	-	-	0	
			HSD		13,352,100	170,236,939	11,965,296	182,202,235		
		<b>KAPCO Total:</b>		<b>1,336.00</b>	<b>574,954,000</b>	<b>3,029,409,623</b>	<b>331,068,222</b>	<b>3,360,477,845</b>		
	2	Hub Power		RFO	1,200.00	603,595,800	3,592,043,616	107,125,533	3,699,169,149	
	3	Kohinoor Energy		RFO	124.00	72,001,000	432,000,308	42,614,222	474,614,530	
	4	AES Lalpir		RFO	350.00	154,127,800	1,010,088,042	31,400,203	1,041,488,245	
	5	Pak Gen Power Limited		RFO	348.60	140,932,100	913,379,241	30,100,710	943,479,951	
	6	Southern Power		RFO	110.47	-	-	-	-	
	7	Habibullah		Gas	129.15	63,876,501	371,071,367	32,078,779	403,150,146	
	8	Fauji Kabirwala		Gas	151.20	99,928,620	586,542,412	13,150,606	599,693,018	
	9	Rousch		Gas	395.00	269,695,193	1,485,978,922	78,733,828	1,564,712,750	
10	Saba Power		RFO	125.55	8,680,191	69,232,333	1,318,523	70,550,856		
11	Japan Power		RFO	107.00	-	-	-	-		
12	Uch		Gas	551.25	372,623,000	1,002,089,259	88,050,815	1,090,140,074		
13	Altern		Gas	27.12	19,173,954	127,466,186	13,211,864	140,678,050		
14	Liberty		Gas	211.85	142,590,800	906,244,316	72,213,314	978,457,630		
15	Davis Energen		Gas	10.00	7,010,000	43,505,558	3,439,807	46,945,365		
18	Chashma Nuclear		Nucl.	300.00	190,905,000	240,158,490	-	240,158,490		



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CENTRAL POWER PURCHASING AGENCY (CPPA)  
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S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)
17	Chashma Nuclear-II	Nucl.	315.00	228,081,000	241,748,413	-	241,748,413
18	Tavanir Iran	Import	96.00	44,742,792	474,273,595	-	474,273,595
Sub-Total:			5,888.19	2,990,917,551	14,525,231,681	844,506,426	15,369,738,107
1	Attock-Gen	RFO	156.18	99,710,756	504,894,280	91,753,838	596,648,118
2	Atlas Power	RFO	213.86	120,326,840	667,980,721	108,955,954	776,936,675
3	Nishat Power	RFO	195.31	102,740,143	510,848,302	93,031,199	603,879,501
4	Foundation Power	Gas	171.48	117,302,791	676,545,346	43,425,493	719,970,839
5	Orient	Gas	212.70	130,445,893	601,190,091	27,615,382	628,805,473
		HSD		2,683,625	26,799,753	931,488	27,731,241
6	Nishat Chunian	RFO	195.72	107,869,255	564,773,200	97,438,298	662,211,498
7	Saif Power	Gas	203.89	132,151,369	601,336,164	47,600,923	648,937,087
		HSD		2,114,706	21,118,300	1,099,436	22,217,736
8	Engro Energy	Gas	212.98	149,483,478	479,204,891	48,836,252	528,041,143
9	Saphire Power	Gas	203.17	121,397,575	648,725,567	43,241,816	691,967,373
		HSD		1,457,675	14,556,926	749,391	15,306,317
10	Hubco Narowal	RFO	213.82	107,418,379	595,173,799	92,315,355	687,489,154
11	Liberty Power	RFO	196.14	95,618,243	493,309,792	96,488,369	589,798,161
12	Haimore	Gas	199.24	95,298,220	520,074,989	34,488,426	554,563,415
		HSD		1,674,275	16,719,980	874,641	17,594,621
13	Uch-II	Gas	380.75	221,229,244	1,086,022,029	47,475,796	1,133,497,825
14	JDW-I	Bagasse	26.35	14,996,300	86,531,650	6,443,910	92,975,560
15	JOW-III	Bagasse	26.35	10,921,080	63,016,816	4,692,788	67,709,604
16	RYK	Bagasse	24.01	9,468,300	56,918,686	4,068,529	60,987,214
17	Chiniot Power	Bagasse	62.40	26,134,070	155,427,155	12,907,617	168,334,772
Sub-Total:			2,831.95	1,670,442,217	8,391,168,425	904,434,901	9,295,603,326
IPP's Total:-			8,720.14	4,661,359,788	22,916,400,106	1,748,941,327	24,665,341,433
<b>Others</b>							
i.	TPS-Quetta	Gas	25.00	13,514,000	116,220,400	931,115	117,151,515
ii.	Zorlu	Wind	56.40	25,071,810	-	110,316	110,316
iii.	FFCEL	Wind	49.50	21,143,880	-	-	-
iv.	TGF	Wind	49.50	23,152,200	-	-	-
v.	Foundation	Wind	49.50	33,792,520	-	-	-
vi.	Saphire Wind Power	Wind	49.50	23,720,610	-	-	-
vii.	Quid-e-Azam Solar Park	Solar	100.00	14,742,750	-	36,467,666	36,467,666
viii.	Appollo Solar Park	Solar	100.00	15,108,570	-	-	0
ix.	SPPs	Mixed	256.90	9,113,906	70,439,849	-	70,439,849
Others Total			736.30	179,360,246	186,660,249	37,509,097	224,169,346
G-Total:			21,952.85	10,003,295,427	33,749,155,053	2,519,454,306	36,268,609,358
<b>Summary</b>							
1	Hydel			3,584,262,933	-	435,491,800	435,491,800
2	Coal			10,734,000	48,300,853	1,364,291	49,665,145
3	HSD			22,556,881	263,748,121	15,956,653	279,704,774
4	F.O.			2,732,921,107	16,223,759,105	1,237,916,973	17,461,676,078
5	Gas			2,963,725,718	15,824,832,320	764,033,761	16,588,866,081
6	Nuclear			416,986,000	481,906,903	-	481,906,903
7	Import from Iran			44,742,792	474,273,595	-	474,273,595
8	Wind Power			126,881,020	-	110,316	110,316
9	Solar			29,851,320	-	36,467,666	36,467,666
10	Bagasse			61,519,750	361,894,306	28,112,844	390,007,150
11	Mixed			9,113,906	70,439,849	-	70,439,849
Total For The month				10,003,295,427	33,749,155,053	2,519,454,306	36,268,609,358
Prev. Adjustment				-	529,204,682	1	529,204,682
Grand Total:				10,003,295,427	34,278,359,734	2,519,454,306	36,797,814,040

**Energy Sale Price**

Energy Cost (Rs.)	34,278,359,734	2,519,454,306	36,797,814,040
Cost not chargeable to DISCOs (Rs.)	46,055,055	-	46,055,055
EPP (Chargeable) (Rs.)	34,232,304,679	2,519,454,306	38,751,758,985
Energy Sold (KWh)	9,781,115,540	9,781,115,540	9,781,115,540
Avg. Rate (Rs./KWh)	3.499836	0.257584	3.757420



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National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the June 29, 2016

S.R.O. **575 (I)/2016**: – 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 charges for the month of May 2016 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

Actual Fuel Charges Component for May 2016	Rs. 3.4546/kWh
Corresponding Reference Fuel Charges Component	Rs. 6.7764/kWh
<b>Fuel Price Variation for the month of May 2016 - (Decrease)</b>	<b>(Rs. 3.3218/kWh)</b>

Note: The Authority has reviewed and assessed a decrease of (Rs. 3.3218/kWh) in the applicable tariff for XWDISCOs on account of variation in the fuel charges for the month of May 2016 as per the above details.

2. The above adjustment a decrease of (Rs.3.3218/kWh) shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming upto 300 units and agriculture consumers of all the XWDISCOs. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.
3. The said adjustment shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of May 2016 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of May 2016 in the billing month of July 2016.
4. While affecting the Fuel Adjustment Charges, the concerned XWDISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

(Syed Safeer Hussain) 29.06.16  
Registrar

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