

## **National Electric Power Regulatory Authority**

## Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-106/NPGCL-2008/4867-4869 July 1, 2011

Subject: Decision of the Authority with respect to Energy Charge Part of Tariff Relating to Fuel of Northern Power Generation Company Ltd. (62 MW Gulf Rental Power Plant) on account of Fuel Price Variation (Case No. NEPRA/TRF-106/NPGCL-2008)

Dear Sir,

Please find enclosed herewith the decision of the Authority with respect to Energy Charge Part of Tariff relating to fuel of Northern Power Generation Company Ltd.'s 62 MW Gulf Rental Power Plant on account of fuel price variation in Case No. NEPRA/TRF-106/NPGCL-2008, for information.

Enclosure: As above

(Syed Safeer Hussain)

Secretary, Ministry of Water & Power, Government of Pakistan Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad

2. Secretary, Ministry of Finance, Islamabad.





## DECISION OF THE AUTHORITY WITH RESPECT TO ENERGY CHARGE PART OF TARIFF RELATING TO FUEL OF NORTHERN POWER GENERATION COMPANY LIMITED (62 M GULF RENTAL POWER PLANT) ON ACCOUNT OF FUEL PRICE VARIATION. (CASE NO. NEPRA/TRF-106/NPGCL-2008)

In accordance with the decision of the Authority dated 13th April 2009 notified vide SRO No. 669(1)/2010 dated 20th July 2010, Northern Power Generation Company Ltd. (NPGCL) requested the Authority for adjustment of the fuel cost component of 62 MW Gulf Rental Power Project based on fuel price of Rs. 65,488.13/M.Ton (including freight amount of Rs. 4,885/ M.Ton) as indicated by the fuel supplier i.e. Attock Petroleum Ltd., for 1st fortnight of May 2011. Accordingly the fuel cost component was revised and decision in the matter was issued on 20th May 2011.

- NPGCL vide letter No. FD/NPGCL/TRF-106/3418 dated 3<sup>rd</sup> June 2011 requested for revision/ indexation 2. in energy part of tariff for 1st fortnight of May 2011 due to increase in freight rates. NPGCL submitted that Oil Companies Advisory Committee (OCAC) on 5th May 2011 decided to increase the base rate of freight. Accordingly Attock Petroleum Ltd. issued revised invoice for supply of 2,601.281 M.Ton fuel on revised freight of Rs. 5,800/- M.Ton. The additional cost on this account worked out as Rs. 2,380,172.115. NPGCL in support of its claim provided copy of the Oil Company Advisory Committee (OCAC) notification for increase in freight base rates, copies of the sales invoices, quantity supplied and evidence of payments.
- Having examined the documentary evidence, the Authority considers that NPGCL's claim is 3. legitimate. However at this belated stage when NPGCL has already raised the energy invoices to Central Power Purchasing Agency (CPPA) on the basis of the Authority's decision 20th May 2011. The earlier decision with respect to adjustment of fuel cost component cannot be revised. In view thereof, the Authority has decided to allow NPGCL differential amount of Rs. 2,380,172.115 in the next monthly energy invoice as arrears.

**AUTHORITY** 

(Zafar Member

(Ghiasuddin Ahmed)

Member

(Maqbool-Ahmad Khawaja) Member

(Shaukat Ali Kundi) Vice Chairman 29 16 . 20 11

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