



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/DG(Tariff)/TRF-271/NPGCL-2014/9065-9069

April 18, 2023

Chief Executive Officer  
Northern Power Generation Co. Ltd.  
Thermal Power Station, Mahmood Kot Road  
Muzaffar Garh

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for Pre-Cod Period of May 2014 to July 2015 for Northern Power Generation Company Ltd (NPGCL) for its Nandipur Power Project [Case No. NEPRA/TRF-271/NPGCL-2014]**

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charge Adjustment on account of Fuel Price Variation for HSD (**Annex-I**), Schedule of Fuel cost Part of Energy Charge Adjustment on account of Fuel Price Variation for Furnace Oil for Pre-COD Period (**Annex-II**), Dissent Note of Mr. Rafique Ahmed Shaikh, Member NEPRA and Additional Note of Mr. Tauseef H. Farooqi, Chairman (**total 06 pages**) applicable w.e.f. May 2014 to July 2015 in the matter of fuel price adjustment, on account of fuel price variation in respect of Northern Power Generation Company Ltd. for its Nandipur Power Project.

Enclosure: As above

  
( Engr. Mazhar Iqbal Ranjha )

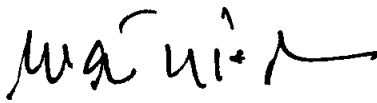
CC:

1. Secretary, Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR PRE-COD PERIOD OF MAY 2014 TO JULY 2015 FOR NORTHERN POWER GENERATION COMPANY LIMITED (NPGCL) FOR ITS NANDIPUR POWER PROJECT.**


1. Pursuant to the decisions of the Authority dated January 27, 2016 notified vide S.R.O. No. 634(I)/2017 dated July 10, 2017 and dated April 11, 2022 notified vide S.R.O. No. 743(I)/2022 dated May 27, 2022 for NPGCL's combined cycle power plant at Nandipur Gujranwala (hereinafter "NPGCL-Nandipur"), based on the information submitted, the fuel portion of the energy charge part of tariff for Pre-COD sale has been adjusted for variation in RFO price(s) for the respective periods.
2. NPGCL-Nandipur has also requested fuel cost components for Pre-COD sale on HSD operation during May to October 2014, December 2014 to April 2015, June - July 2015. The request of NPGCL-Nandipur is not in line with the decision of the Authority dated April 11, 2022 wherein the Authority decided to assess the units delivered on HSD on the basis of RFO prices. Accordingly, the units delivered on HSD have been assessed on the basis of applicable RFO prices. The revised energy charge part of tariff relating to fuel during Pre-COD period attached as Annex-I and Annex-II shall be immediately applicable.
3. NPGCL-Nandipur also requested FCCs on open cycle rate of 1.5 times of combined cycle. The request of NPGCL-Nandipur is not in line with decision of the Authority, therefore, the same has not been considered.
4. The revised fuel cost components attached as **Annex-I** and **Annex-II** are to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
5. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

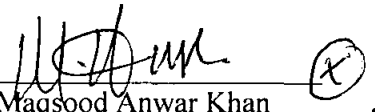


Mathar Niaz Rana (nsc)  
Member

My dissent is attached herewith.

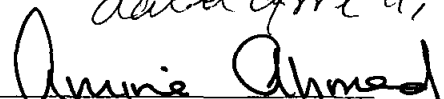


Engr. Rafique Ahmed Shaikh  
Member



Engr. Maqsood Anwar Khan  
Member

I re-iterated  
my previous decision  
dated April 11, 2022



Amina Ahmed  
Member

Tauseef H. Farooqi  
Chairman

\* My additional  
note attached.



18/04/23

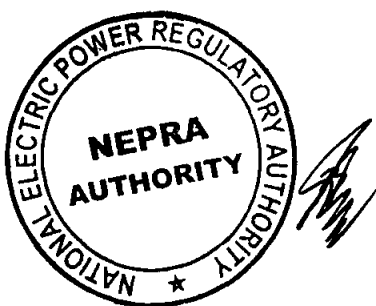
**Northern Power Generation Company Limited-Nandipur Power Plant**  
**Schedule of Fuel Cost Part of Energy Charge**

**Adjustment on account of Fuel Price Variation for HSD on the basis of RFO Price  
for Pre-COD Period**

<b>Period</b>	<b>Reference Price Rs./M.Ton</b>	<b>Revised Price Rs./M.Ton</b>	<b>Reference FCC Rs./kWh</b>	<b>Revised FCC Rs./kWh</b>
w.e.f. May 16, 2014	38,265	67,436.00	7.5247	13.2611
w.e.f. June 1, 2014	38,265	70,674.00	7.5247	13.8978
w.e.f. July 1, 2014	38,265	70,812.00	7.5247	13.9250
w.e.f. July 16, 2014	38,265	70,607.00	7.5247	13.8847
w.e.f. August 1, 2014	38,265	70,056.00	7.5247	13.7763
w.e.f. August 16, 2014	38,265	69,955.00	7.5247	13.7564
w.e.f. September 1, 2014	38,265	73,464.00	7.5247	14.4465
w.e.f. October 1, 2014	38,265	71,655.00	7.5247	14.0907

Note: Based on data declared by Northern Power Generation Company Limited-Nandipur Power Plant.

*[Handwritten signature]*



## Northern Power Generation Company Limited - Nandipur Power Plant

## Schedule of Fuel Cost Part of Energy Charge

## Adjustment on account of Fuel Price Variation for Furnace Oil for Pre-COD Period

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
November 2014	38,265.00	-	70,607.00*	7.5247	-	13.8847

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) July 16, 2014	1,225.870	70,607.00	86,555,003
	<u>1,225.870</u>		<u>86,555,003</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>70,607.00</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
December 2014	38,265.00	70,607.00	71,122.38*	7.5247	13.8847	13.9860

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) July 16, 2014	1,968.05	70,607.00	138,958,106
PSO Ex-ZOT (imported) Aug 16, 2014	5,145.59	69,955.00	359,959,748
PSO Ex-ZOT (imported) Sep 1, 2014	1,651.10	73,464.00	121,296,410
PSO Ex-ZOT (imported) Sep 16, 2014	607.57	76,315.00	46,366,705
	<u>9,372.31</u>		<u>666,580,970</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>71,122.38</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
January 2015	38,265.00	71,122.38	76,315.00*	7.5247	13.9860	15.0071

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Sep 16, 2014	2,499.46	76,315.00	190,746,290
	<u>2,499.46</u>		<u>190,746,290</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>76,315.00</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
February 2015	38,265.00	76,315.00	74,929.33*	7.5247	15.0071	14.7346

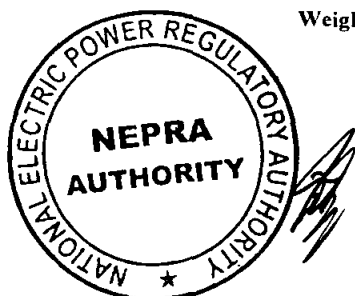
\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Sep 16, 2014	2,768.46	76,315.00	211,275,025
PSO Ex-ZOT (imported) Oct 1, 2014	998.56	71,655.00	71,551,817
PSO Ex-ZOT (imported) Oct 16, 2014	117.37	70,102.29	8,227,906
	<u>3,884.39</u>		<u>291,054,747</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>74,929.33</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
March 2015	38,265.00	74,929.33	60,924.10*	7.5247	14.7346	11.9805

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Oct 16, 2014	1,922.40	70,102.29	134,764,642
PSO Ex-ZOT (imported) Nov 1, 2014	2,035.13	60,712.47	123,557,769
PSO Ex-ZOT (imported) Nov 16, 2014	4,834.38	57,363.47	277,316,812
	<u>8,791.91</u>		<u>535,639,223</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>60,924.10</u></u>



9 10 11 12

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
April 2015	38,265.00	60,924.10	54,789.22*	7.5247	11.9805	10.7741

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Nov 16, 2014	3,408.05	57,363.47	195,497,574
PSO Ex-ZOT (imported) Dec 1, 2014	7,019.24	53,539.35	375,805,547
	<u>10,427.29</u>		<u>571,303,121</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>54,789.22</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
May 2015	38,265.00	54,789.22	48,368.54*	7.5247	10.7741	9.5115

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Dec 1, 2014	1,115.94	53,539.35	59,746,702
PSO Ex-ZOT (imported) Jan 1, 2015	1,001.36	41,830.56	41,887,450
PSO Ex-ZOT (imported) Mar 1, 2015	6,260.20	48,492.59	303,573,312
	<u>8,377.50</u>		<u>405,207,464</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>48,368.54</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
June 2015	38,265.00	48,368.54	48,492.59*	7.5247	9.5115	9.5359

\* Revised price is calculated in accordance with the details of consumption provided as under:

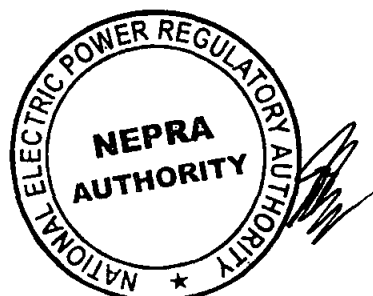
Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Mar 1, 2015	8,163.98	48,492.59	395,892,535
	<u>8,163.98</u>		<u>395,892,535</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>48,492.59</u></u>

Period	Reference Price Rs./M.Ton	Previous Price Rs./M.Ton	Revised Price Rs./M.Ton	Reference FCC Rs./kWh	Previous FCC Rs./kWh	Revised FCC Rs./kWh
July 2015	38,265.00	48,492.59	45,923.52*	7.5247	9.5359	9.0307

\* Revised price is calculated in accordance with the details of consumption provided as under:

Fuel Source	Quantity (M.Ton)	Fuel Rate (Rs./M.Ton)	Total Amount (Rs.)
PSO Ex-ZOT (imported) Mar 1, 2015	6,577.83	48,492.59	318,976,013
PSO Ex-ZOT (imported) Mar 16, 2015	5,173.56	46,541.59	240,785,708
PSO Ex-ZOT (imported) Apr 1, 2015	5,288.64	42,123.59	222,776,503
	<u>17,040.03</u>		<u>782,538,225</u>
<b>Weighted Average Revised Price (Rs./ M.Ton)</b>			<u><u>45,923.52</u></u>

Note: Based on data declared by Northern Power Generation Company Limited-Nandipur Power Plant.



Handwritten signature/initials.

Subject: **Dissent on passing pre-COD fuel cost for Nandipur Power Plant for the period from 2014-2015**

- i. I reiterate my earlier comments provided vide tariff determination of Nandipur dated April 11, 2022 (copy attached).
- ii. Furthermore, the Honorable Chairman in his additional note (which was written in response to the dissent of the undersigned) on tariff determination of April 11, 2022 has stated *"first type of costs are those which have no openers and are not allowed in the instant decision such as ..... pre-COD operating cost."* (copy attached)
- iii. The Authority vide its decision issued on August 03, 2021 has already decided that no claim for the period beyond 180 days shall be entertained by NEPRA in future unless the petitioner provides complete details/justification to the satisfaction of the Authority. Whereas, the instant case pertains to adjustments of pre-COD costs for July 2014 – May 2015, which is beyond the 180 day period as decided by the Authority.
- iv. In view of the above, I am of the considered opinion that the said amount should not be allowed by the Authority.

1  
26/05/23



## ★ Additional Note

1. Reference Honourable Member (Technical) observation at Para (ii), the pre-COD operating costs (cost of pre cod units delivered to the system) were neither requested nor discussed in original decisions in 2015/2016, therefore, had no opener. The cost was not allowed because this was a periodic nature of cost against units delivered to the system in the respective period and cannot be capitalized. Being legitimate cost and in line with other power plants, the Petitioner was directed to approach NEPRA for approval of fuel cost component for each such period/month which has been complied and accordingly approval is being granted.
2. Regarding Honourable Member (Technical) observation at Para (ii), the referred decision pertained to monthly fuel charges adjustment submitted by CPPA-G and says that no claim for the period beyond 180 days shall be entertained by NEPRA in future unless the Petitioner provides complete details/justification to the satisfaction of the Authority. Nevertheless, the Petitioner claimed the cost within 6 months of the notification of the decision dated 11-4-2022. The requested cost is legitimate, justified and is in line with other power plants, therefore, the same is being allowed.

Tauseef H. Farooqi  
Chairman

