



National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

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No. NEPRA/R/DG(Trf)/TRF-301/EPTPL-2015/ 19226-30

July 25, 2023

Chief Executive Officer
Engro Powergen Thar (Pvt.) Ltd.
16th Floor, The Harbor Front Building,
HC-3, Marine Drive, Block-4,
Clifton, Karachi
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Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for Engro Powergen Thar (Pvt.) Ltd. (EPTPL)** [Case # NEPRA/TRF-301/EPTPL-2015]

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charges at Annex-I for the month of **June 2023** (total 02 pages) regarding the adjustment in fuel portion of energy charge part of tariff on account of variation in Coal price(s) in respect of Engro Powergen Thar (Pvt.) Ltd. (EPTPL).

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Copy to: (alongwith copy of subject Decision):

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.

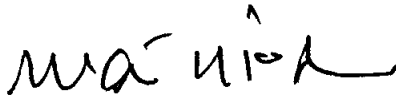
DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR THE MONTH OF JUNE 2023 FOR ENGRO POWERGEN THAR (PVT.) LIMITED

1. Pursuant to the decision of the Authority dated March 13, 2015, in the matter of approval of Thar Coal Upfront Tariff for 2 x 330 MW Coal Power Plant of Engro Powergen Thar (Private) Limited (hereinafter refer as "EPTPL") and based on the documentary evidence and information submitted by EPTPL, the variable and fixed fuel cost components of the energy charge part of EPTPL's tariff are adjusted for variation in Thar coal price(s) for the month of June 2023. The revised energy charge part of EPTPL's tariff relating to fuel indicated hereunder shall be immediately applicable to the units delivered during the month:

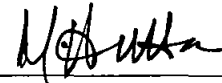
Period	Fuel Cost Component			
	Reference (Mar 13, 2015)		Revised	
	Variable Rs. /kWh	Fixed Rs./ kW/h	Variable Rs. /kWh	Fixed Rs./ kW/h
June 2023	1.1677	2.5132	3.5494	6.2547

2. The Authority vide its decision dated June 15, 2022 approved the tariff at COD stage. EPTPL filed a petition before the Honorable Sindh High Court (hereinafter refer as "SHC") against the decision of the Authority dated June 15, 2022. The SHC through its Order dated July 20, 2022 suspended the decision dated June 15, 2022. Accordingly, the revised fuel cost components have been worked out in pursuance of decision dated March 13, 2015.
3. Thar Coal and Energy Board (TCEB) vide its decision dated December 29, 2022 notified in the Official Gazette in March 2023 in the matter of Financial Close Stage Tariff for Phase-II of Block-II did not allow transportation charges of mine-mouth coal power plants, and subsequently, vide its letter dated April 28, 2023 issued clarification to SECMC to invoice transportation cost in-line with what was authorized in Phase-I COD Stage Tariff during the interim period till the time Phase-II COD Stage Tariff is determined. However, it is noted that TCEB also did not allow transportation charges in COD Stage Tariff dated Dec 29, 2022, therefore, US\$ 1.45/ton has not been included in the price (s) of coal purchases from March 2023 and onwards.
4. The above referred revised fuel cost component along with Annex-I 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 tariff determination(s).

AUTHORITY



Mathar Niaz Rana (nsc)
Member



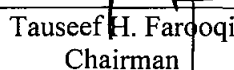
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member

—

Amina Ahmed
Member


Tauseef H. Farooqi
Chairman

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Engro Powergen Thar (Private) Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Thar Coal Price Variation for the month of June 2023

Fixed Fuel Price				
Description	Invoiced Price	Fixed Coal Price		
	Rs.	US\$/ Ton	Exchange Rate (Rs./ US\$)	Rs. /Ton
Fixed Fuel Price For 316,666.667 Tons	2,704,712,700	29.88	285.85	8,541.20
Total	2,704,712,700	29.88	285.85	8,541.20

Variable Fuel Price				
Description	Quantity	Variable Coal Price*		
	Tons	US\$/Ton	Exchange Rate (Rs./US\$)	Rs. / Ton
Coal Consumption:				
Consumption from Purchases During May 2023	81,563	14.44	284.30	4,105.29
Consumption from Purchases During June 2023	255,414	14.44	285.85	4,127.67
Total Consumption:	336,977	14.44	285.47	4,122.26

Fuel Cost Component					
Description	Units	Reference (March 13, 2015)		Revised	
		Variable	Fixed	Variable	Fixed
Avg. price of stock consumed/Fixed Fuel Price	Rs./ Ton	1,393.44	3,528.12	4,122.26	8,541.20
Heat Rate	Btu/kWh	9,222	9,222	9,222.00	-
Heating Value of Thar Coal	MMBtu/ton	11.005	11.005	10.71	-
Capacity for the month	Gwh	-	-	-	432.4320
Fuel Cost Component		Rs. 1.1677/kWh	Rs. 2.5132/kWh	Rs. 3.5494/kWh	Rs. 6.2547/kWh

Reference heating value as per TCEB determination Dec 29, 2022, for years 1 - 8 is 11.30 MJ/KG (LHV)

Reference heating value shall be adjusted annually as per TCEB determination dated Dec 29, 2022.

The Coal Consumption is for the period of 1st June 2023 to 30th June 2023.

As per phase-II decision dated Dec 29, 2022, TCEB did not allow the transportation charges of mine-mouth coal power plants, therefore, US\$ 1.45/ton has not been included in the price(s) of coal purchases from March 2023 onwards.

TCEB vide letter dated April 28, 2023 issued clarification to SECMC to invoice transportation cost in-line with what was authorized in Phase-I COD Stage Tariff during the interim period till the time Phase-II COD stage tariff is determined. However, it is noted that TCEB did not allow transportation charges in COD stage Tariff, therefore, the same has not been included in the price(s) of coal.

Provisional, Subject to final decision of the Honorable Sindh High Court.

Based on data declared by Engro Powergen Thar (Private) Limited.

