



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-301/EPTPL-2015/ *7961-65*

May 24, 2024

Chief Executive Officer,
Engro Powergen Thar (Pvt.) Ltd.,
16th Floor, The Harbor Front Building,
HC-3, Marine Drive, Block-4,
Clifton, Karachi
Tele: 021 – 3529 7875 - 84

Subject: **Decision of the Authority in the matter of Fuel Price Adjustments for the month of April 2024 for Engro Powergen Thar (Pvt.) Limited (EPTPL) [Case # NEPRA/TRF-301/EPTPL-2015]**

Enclosed please find herewith the subject decision of the Authority along with the Schedule of Fuel Cost Part of Energy Charges at **Annex-I** for the month of **April 2024** (total 03 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:

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 (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad

DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR THE MONTH OF APRIL 2024 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"), the variable and fixed fuel cost components are subject to adjustment on the basis of coal price variation which determined by Thar Coal Energy Board (TCEB) and notified in the Official Gazette.
2. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which shall be hereafter called as decision of the Authority in the matter:-

"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 for the month of April 2024 are adjusted for variation in Thar coal price(s). The revisions in fuel cost components are provisional and subject to adjustment in the light of final Mine COD Tariff and applicable indexations decisions by TCEB for Phase-II of Block-II."

3. The revised energy charge part of EPTPL's tariff relating to fuel indicated hereunder shall be immediately applicable to the units delivered during the months:

Period	Fuel Cost Component			
	Reference (Mar 13, 2015)		Revised	
	Variable Rs. /kWh	Fixed Rs./ kW/h	Variable Rs. /kWh	Fixed Rs./ kW/h
April 2024	1.1677	2.5132	3.9380	6.1448

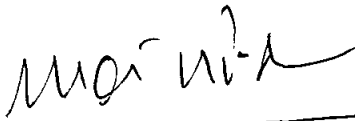


4. The Authority vide its decision dated June 15, 2022 approved the tariff at COD stage. EPTPL filed a petition before the Honorable High Court of Sindh (hereinafter refer as "SHC") against the decision of the Authority dated June 15, 2022. The SHC through its Order dated July 20, 2022 suspended the decision dated June 15, 2022. Accordingly, the revised fuel cost components have been worked out in pursuance of decision dated March 13, 2015.
5. Thar Coal and Energy Board (TCEB) vide its decision dated December 29, 2022 determined Financial Close Stage Tariff for Phase-II of Block-II which did not allow transportation charges of mine-mouth coal power plants. Subsequently, vide its letter dated April 28, 2023 TCEB 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 also not allow transportation charges in COD Stage Tariff dated Dec 29, 2022, therefore,

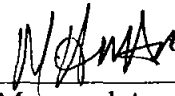
US\$ 1.45/ton has not been included in the price (s) of coal purchases from March 2023 and onwards.

6. This decision 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.
7. CPPA(G) to ensure that all payments are consistent with tariff determination(s).

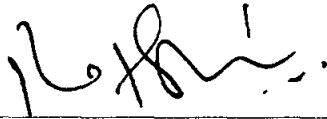
AUTHORITY



Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



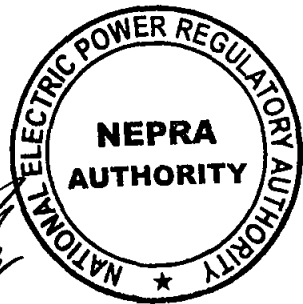
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



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 April 2024

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	2,657,214,945	30.13	278.50	8,391.21
Total	2,657,214,945	30.13	278.50	8,391.21

Variable Fuel Price				
Description	Quantity	Variable Coal Price		
	Tons	US\$/Ton	Exchange Rate (Rs./US\$)	Rs./ Ton
Coal Consumption:				
Consumption from Purchases During March 2024	165,301	16.38	279.60	4,579.85
Consumption from Purchases During April 2024	88,899	16.38	278.50	4,561.83
Total Consumption:	254,200	16.38	279.22	4,573.55

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	4,573.55	8,391.21
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. 3.938/kWh	Rs. 6.1448/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 to 30th April 2024.

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.

