



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-301/EPTPL-2015/ 559-63

April 16, 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 months of December 2023 to February 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 Annex-I, II & III regarding the adjustment in the fuel portion of the energy charge part of tariff on account of variation in Coal price(s) in respect of Engro Powergen Thar (Pvt.) Ltd. (EPTPL) for the months of **December 2023 to February 2024** (total 05 pages).

Enclosure: As above

(Syed Zavar Haider)

Copy to: (along with 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 (CPPAG-L), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.

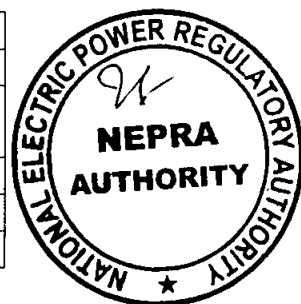
DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENTS FOR THE MONTHS OF DECEMBER 2023 TO FEBRUARY 2024 FOR ENGRO POWERGEN THAR (PVT.) LIMITED

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 component 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 months of December 2023 to February 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 |
| December 2023 | 1.1677 | 2.5132 | 4.0117 | 6.0993 |
| January 2024 | | | 4.0110 | 6.0277 |
| February 2024 | | | 3.9639 | 6.3921 |

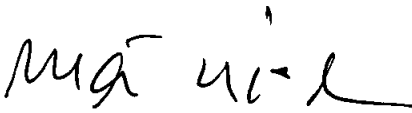


4. The Authority vide its decision dated June 15, 2022 approved the tariff at COD stage. EPTPL filed a petition before the Honorable High Court of Sindh (hereinafter refer as "SHC") against the decision of the Authority dated June 15, 2022. The SHC through its Order dated July 20, 2022 suspended the 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 notified in the official Gazette in March 2023 in the matter of Financial Close Stage Tariff for Phase-II of Block-II which 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.

6. This decision along with **Annex-I to III** 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



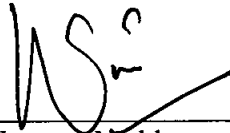
Engr. Maqsood Anwar Khan
Member



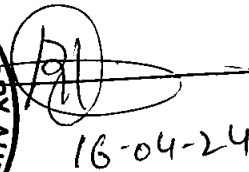
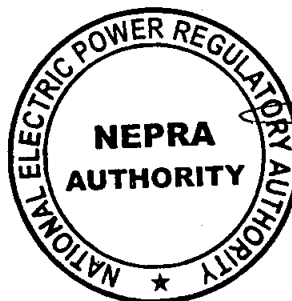
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



16-04-24

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 December 2023

| Fixed Fuel Price | | | | |
|---------------------------------------|----------------------|------------------|---------------------------|-----------------|
| Description | Invoyed Price | Fixed Coal Price | | |
| | Rs. | US\$/ Ton | Exchange Rate (Rs./ US\$) | Rs. /Ton |
| Fixed Fuel Price For 316,666.667 Tons | 2,725,434,287 | 30.13 | 285.65 | 8,606.63 |
| Total | 2,725,434,287 | 30.13 | 285.65 | 8,606.63 |

| Variable Fuel Price | | | | |
|---|----------------|---------------------|--------------------------|-----------------|
| Description | Quantity | Variable Coal Price | | |
| | Tons | US\$/Ton | Exchange Rate (Rs./US\$) | Rs./ Ton |
| Coal Consumption: | | | | |
| Consumption from Purchases During November 2023 | 111,949 | 16.38 | 282.10 | 4,620.80 |
| Consumption from Purchases During December 2023 | 216,224 | 16.38 | 285.65 | 4,678.95 |
| Total Consumption: | 328,173 | 16.38 | 284.44 | 4,659.11 |

| 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 | 4,659.11 | 8,606.63 |
| 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 | - | - | - | 446.8464 |
| Fuel Cost Component | | Rs. 1.1677/kWh | Rs. 2.5132/kWh | Rs. 4.0117/kWh | Rs. 6.0993/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.

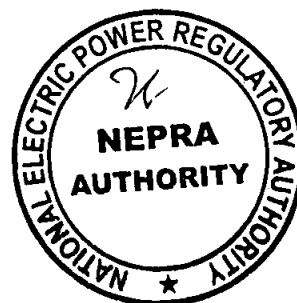
The Coal Consumption is for the period of 1st to 31st December 2023.

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.



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 January 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 | 2,693,471,378 | 30.13 | 282.30 | 8,505.70 |
| Total | 2,693,471,378 | 30.13 | 282.30 | 8,505.70 |

| Variable Fuel Price | | | | |
|---|----------------|---------------------|--------------------------|-----------------|
| Description | Quantity | Variable Coal Price | | |
| | Tons | US\$/Ton | Exchange Rate (Rs./US\$) | Rs./ Ton |
| Coal Consumption: | | | | |
| Consumption from Purchases During December 2023 | 103,836 | 16.38 | 285.65 | 4,678.95 |
| Consumption from Purchases During January 2024 | 62,314 | 16.38 | 282.30 | 4,624.07 |
| Total Consumption: | 166,150 | 16.38 | 284.39 | 4,658.37 |

| 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 | 4,658.37 | 8,505.70 |
| 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 | - | - | - | 446.8464 |
| Fuel Cost Component | | Rs. 1.1677/kWh | Rs. 2.5132/kWh | Rs. 4.011/kWh | Rs. 6.0277/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 31st January 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.



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 February 2024

| Fixed Fuel Price | | | | |
|---------------------------------------|----------------------|------------------|---------------------------|-----------------|
| Description | Invoyced Price | Fixed Coal Price | | |
| | Rs. | US\$/ Ton | Exchange Rate (Rs./ US\$) | Rs. /Ton |
| Fixed Fuel Price For 316,666.667 Tons | 2,672,003,753 | 30.13 | 280.05 | 8,437.91 |
| Total | 2,672,003,753 | 30.13 | 280.05 | 8,437.91 |

| Variable Fuel Price | | | | |
|---|----------------|---------------------|--------------------------|-----------------|
| Description | Quantity | Variable Coal Price | | |
| | Tons | US\$/Ton | Exchange Rate (Rs./US\$) | Rs./ Ton |
| Coal Consumption: | | | | |
| Consumption from Purchases During January 2024 | 68,902 | 16.38 | 282.30 | 4,624.07 |
| Consumption from Purchases During February 2024 | 85,628 | 16.38 | 280.05 | 4,587.22 |
| Total Consumption: | 154,530 | 16.38 | 281.05 | 4,603.65 |

| 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 | 4,603.65 | 8,437.91 |
| 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 | - | - | - | 418.0176 |
| Fuel Cost Component | | Rs. 1.1677/kWh | Rs. 2.5132/kWh/h | Rs. 3.9639/kWh | Rs. 6.3921/kWh/h |

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 29th February 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.

