



Registrar

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/5665-69

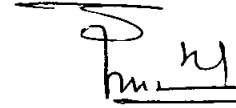
February 3, 2021

Chief Executive
Huaneng Shandong Ruyi (Pakistan) Energy (Pvt.) Ltd.
House No. 4, A, Street No.20,
F-8/2, Islamabad
Phone: (03000 805869, 0310 7878539)

Subject: Decision of the Authority in the matter of Fuel Price Adjustment for Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited (HSR) [Case No. NEPRA/R/TRF-308/HSRPEL-2015]

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charge (Annex-I), Details of Shipments (Annex-II), Marine Freight Calculation (Annex-III) and Inland Freight Charges (Annex-IV) (05 pages) in the matter of fuel price adjustment on account of Coal price variation for the month of **January 2021** in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited.

Enclosure: As above



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(Syed Safeer Hussain)

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 HUANENG SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED.**


1. Pursuant to the Authority's decision dated March 31, 2015 in the matter of Approval of Upfront Coal Tariff for 2x660 MW coal power plant of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited (hereafter "HSRPEL"), decision dated September 23, 2016 regarding Suo Moto Review Proceedings in the Fuel Price Adjustment Mechanism, decision dated February 15, 2018 regarding inland freight charges, decision dated January 17, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of HSRPEL and decision dated August 22, 2019 in the matter of motion for leave for review regarding fuel price adjustment, the fuel portion of the energy charge part of HSRPEL's tariff has been adjusted for variation in coal price(s). HSRPEL requested weighted average coal price of US\$ 125.51/Ton for coal consumed during the month of January 2021. HSRPEL requested fuel cost component of Rs. 7.7952/kWh for January 2021. The requested coal price and fuel cost component was found on higher side. In accordance with the prescribed mechanism, the revised coal prices for each shipment have been worked out and are attached as Annexure to this decision. The revised fuel cost component of energy charge part of HSRPEL's tariff indicated hereunder shall be immediately applicable to units delivered during the month.

Period	Fuel Cost Component (Rs./kWh)	
	Reference	Revised
January 2021	4.9135	7.4421


2. Marine freight has been worked out on the basis of 42,300 tons and 50,000 tons or actual ship quantity whichever is higher for ships unloaded at PQA Marginal Wharf 3&4 and PIBTL/KPT respectively. PDA charges have also been worked out on the same basis of respective quantities.
3. The above referred revised fuel cost component along with revised coal prices, revised marine freight charges and revised inland freight charges attached as **Annex-I, Annex-II, Annex-III & Annex-IV** respectively 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.
4. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

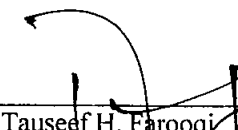
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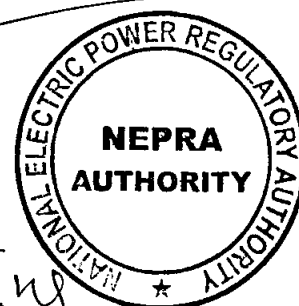

Saif Ullah Chattha
Member 26.1.2021

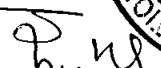

Rehmatullah Baloch
Member


Engr. Rafique Ahmed Shaikh
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



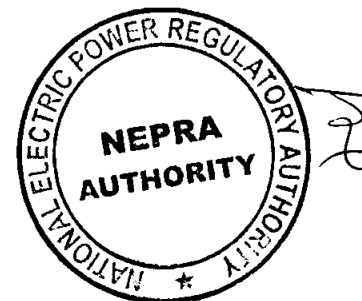

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Huaneng Shandong Ruyi Energy (Private) Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of January 2021

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. HSR 231	29,278	5,788	112.48	18,385	163.45
Consumption from Shipment No. HSR 232	43,372	5,750	111.88	18,286	163.45
Consumption from Shipment No. HSR 233	43,537	5,830	122.32	19,551	159.84
Consumption from Shipment No. HSR 234	40,015	5,516	118.86	18,999	159.84
Consumption from Shipment No. HSR 235	41,983	5,757	122.60	19,597	159.84
Consumption from Shipment No. HSR 236	43,551	5,647	120.71	19,295	159.84
Consumption from Shipment No. HSR 237	41,862	5,708	143.76	23,110	160.76
Total Consumption	283,598	5,712	122.18	19,652	160.85

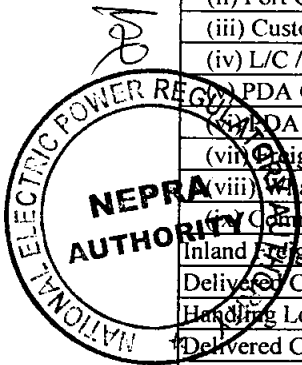
Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	18,432	19,652
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,811	5,712
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	23,061	22,667
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
Revised Fuel Cost Component	Rs./kWh	4.9135	6.8608	7.4421

Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



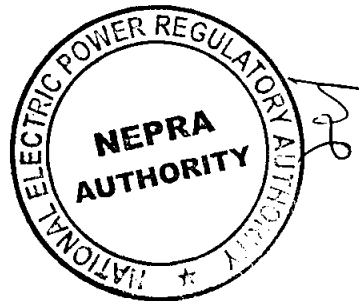
Huaneng Shandong Ruyi Energy (Private) Company Limited
Details of Shipments
For the month of January 2021

Shipment Number		HSR 232	HSR 233	HSR 234	HSR 235	HSR 236	HSR 237
Vessel Name		AFRICAN WAGTAIL	AFRICAN HORNBILL	RHL MARTA	ZHE HAI 520	PACIFIC TALENT	AFRICAN TERN
Bill of Lading (B/L) Date		31-Oct-20	8-Nov-20	10-Nov-20	20-Nov-20	21-Nov-20	3-Dec-20
L/C / TT Number		ICBC/LHE/RGC/2 0201109-01	ICBC/LHE/RGC/2 0201119-03	ICBC/LHE/RGC/2 0201124-02	ICBC/LHE/RGC/2 20201201-05	ICBC/LHE/RGC/2 0201203-01	ICBC/LHE/RGC/2 0201214-01
Origin		South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
API-4 Index for the month of B/L Date		59.19	68.97	68.97	68.97	68.97	90.35
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,750	5,830	5,516	5,757	5,647	5,708
Quantity	MT	43,815	43,981	40,423	42,411	44,000	43,682
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	56.72	67.02	63.41	66.18	64.91	85.95
Discount	US\$/Ton	-	-	-	-	-	-
Marine Freight Charges	US\$/Ton	15.39	14.65	15.09	15.54	15.22	16.60
Marine Insurance	US\$/Ton	0.07	0.07	0.07	0.07	0.08	0.08
CIF Coal Price	US\$/Ton	72.18	81.73	78.56	81.79	80.21	102.63
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	72.18	81.73	78.56	81.79	80.21	102.63
Other Charges:	US\$/Ton	13.46	13.69	13.44	14.15	13.87	14.40
(i) Port Handling Charges	US\$/Ton	4.23	4.23	4.23	4.23	4.23	4.23
(ii) Port Qasim Royalty Charge	US\$/Ton	2.40	2.40	2.40	2.40	2.40	2.40
(iii) Customs Duties & Cess	US\$/Ton	4.76	4.97	4.88	5.31	5.38	5.92
(iv) L/C / TT Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10	0.10
(v) PDA Charges at Load Port	US\$/Ton	0.55	0.47	0.57	0.58	0.59	0.59
(vi) PDA Charges at Discharge Port	US\$/Ton	1.08	1.16	0.90	1.19	0.81	0.82
(vii) Freight Forwarding/Custom Clearance	US\$/Ton	0.05	0.05	0.05	0.05	0.05	0.05
(viii) Warpage Charges	US\$/Ton	0.21	0.21	0.21	0.21	0.21	0.21
(ix) Commodity & Ash Fusion Temperature Inspection	US\$/Ton	0.09	0.09	0.09	0.09	0.09	0.09
Inland Freight Charges	US\$/Ton	25.12	25.69	25.69	25.44	25.44	25.30
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	110.77	121.11	117.69	121.39	119.52	142.33
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.11	1.21	1.18	1.21	1.20	1.42
Delivered Coal Price with losses at Power Plant	US\$/Ton	111.88	122.32	118.86	122.60	120.71	143.76
Exchange Rate	Rs./US\$	163.45	159.84	159.84	159.84	159.84	160.76
Delivered Coal Price with losses at Power Plant	Rs./Ton	18,286.19	19,551.19	18,999.23	19,596.57	19,294.71	23,110.14



Huaneng Shandong Ruyi Energy (Private) Company Limited
Marine Freight Calculation
For the month of January 2021

Description		HSR 232	HSR 233	HSR 234	HSR 235	HSR 236	HSR 237
		AFRICAN WAGTAIL	AFRICAN HORNBILL	RHL MARTA	ZHE HAI 520	PACIFIC TALENT	AFRICAN TERN
		PQA	PQA	PQA	PQA	PQA	PQA
Delivery Days:							
Voyage	Days	27.04	27.04	27.04	27.04	27.04	27.04
At Port	Days	6.84	6.86	6.64	6.65	6.87	6.82
Total Delivery Days	Days	33.88	33.90	33.68	33.69	33.90	33.86
Average Time Charter Rate	US\$/Day	10,696	10,146	9,827	9,766	10,061	11,198
Time Charter Cost	US\$	362,375	343,966	330,949	329,039	341,110	379,184
Bunker Consumption:							
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	34.21	34.32	33.20	33.27	34.33	34.12
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	916.83	916.94	915.82	915.89	916.95	916.74
Bunker Price 0.5%	\$/Ton	340.00	327.00	335.00	360.00	358.00	377.00
MGO Price 0.1%	\$/Ton	432.00	436.00	430.00	440.00	440.00	445.00
Bunker Cost	US\$	312,081	300,264	307,170	330,033	328,589	345,876
Total Voyage Expense	US\$	674,456	644,230	638,119	659,072	669,698	725,060
Quantity	Tons	43,815	43,981	42,300	42,411	44,000	43,682
Marine Freight	US\$/Ton	15.39	14.65	15.09	15.54	15.22	16.60
*PDA Charges both at Load and Discharge Ports have been included in Other Charges.							



Huaneng Shandong Ruyi Energy (Private) Company Limited

Inland Freight Charges

For the month of January 2021

Description	Reference Rs/Ton/km	Revised					
		HSR 232 AFRICAN WAGTAIL	HSR 233 AFRICAN HORNBILL	HSR 234 RHL MARTA	HSR 235 ZHE HAI 520	HSR 236 PACIFIC TALENT	HSR 237 AFRICAN TERN
Fixed Freight Charges (FFC)	1.33	1.77	1.77	1.77	1.77	1.77	1.77
Variable Freight Charges (VFC)	0.71	0.88	0.88	0.88	0.90	0.90	0.90
(i) Fuel	0.40	0.47	0.47	0.47	0.50	0.50	0.50
(ii) O&M	0.30	0.41	0.41	0.41	0.41	0.41	0.41
Other Freight Charges Component	0.72	0.72	0.72	0.72	0.72	0.72	0.72
Profit Margin	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Total Freight Charges (Rs/Ton/km)	2.99	3.60	3.60	3.60	3.62	3.62	3.62
Distance (Km)	1,060	1,060	1,060	1,060	1,060	1,060	1,060
Total Freight Charges (Rs/Ton)	3,170	3,819	3,819	3,819	3,842	3,842	3,842
Indexation Values:							
Consumer Price Index (General)	200.89	267.45	267.45	267.45	267.45	267.45	267.45
HSD Price (Rs./Liter)	87.12	102.33	102.33	102.33	106.98	106.98	106.98
Spurline Component:							
Spurline Component (Rs./ton)	189.82	287.13	287.13	287.13	225.19	225.19	225.19
Total Quantity Handeled (Tons)	302,087	199,711	199,711	199,711	254,644	254,644	254,644
Inland Freight Charges with Spurline (Rs/Ton)	3,360	4,106	4,106	4,106	4,067	4,067	4,067
Exchange Rate	-	163.45	159.84	159.84	159.84	159.84	160.76
Inland Freight Charges with Spurline (USD/Ton)	-	25.12	25.69	25.69	25.44	25.44	25.30
Handling Month	-	Nov-20	Nov-20	Nov-20	Dec-20	Dec-20	Dec-20

