



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/27547-51

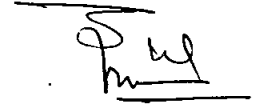
May 27, 2021

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 May 2021 in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited.

Enclosure: As above


27 05 21

(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\$ 168.56/Ton for coal consumed during the month of May 2021. HSRPEL requested fuel cost component of Rs. 9.9564/kWh for May 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
May 2021	4.9135	9.4313

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).

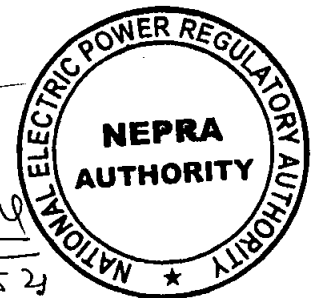
AUTHORITY

Rehmatullah Baloch
Member

Engr. Rafique Ahmed Shaikh
Member

Engr. Maqsood Anwar Khan
Member

Tauseef H. Farooqi
Chairman

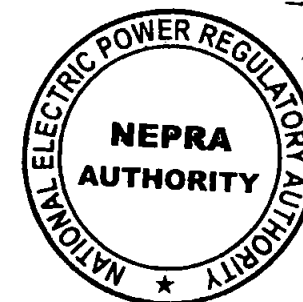


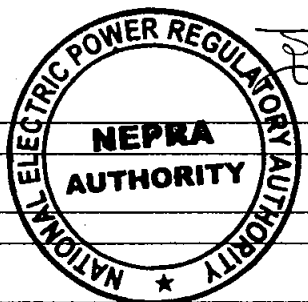
Huaneng Shandong Ruyi Energy (Private) Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of May 2021

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 255	4,502	5,793	164.21	25,761	156.88
Consumption from Shipment No. HSR 256	42,502	5,801	166.24	26,080	156.88
Consumption from Shipment No. HSR 257	42,310	5,855	166.81	26,170	156.88
Consumption from Shipment No. HSR 258	43,507	5,705	159.25	24,490	153.78
Consumption from Shipment No. HSR 259	41,010	5,880	162.61	25,007	153.78
Consumption from Shipment No. HSR 260	43,547	5,760	160.20	24,636	153.78
Consumption from Shipment No. HSR 261	43,551	5,718	161.86	24,891	153.78
Consumption from Shipment No. HSR 262	7,670	5,559	159.33	24,502	153.78
Total Consumption	268,599	5,779	162.73	25,195	154.83

Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	24,995	25,195
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,770	5,779
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,896	22,932
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
Revised Fuel Cost Component	Rs./kWh	4.9135	9.3710	9.4313

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

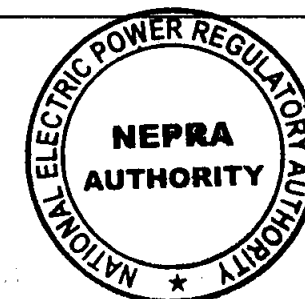
For the Month of May 2021

Shipment Number		HSR 256	HSR 257	HSR 258	HSR 259	HSR 260	HSR 261	HSR 262
Vessel Name		ADITYA	YASA EMIRHAN	AFRICAN BAZA	MOUTON	ELBABE	BRITAIN BAY	BLUE AKIHABARA
Bill of Lading (B/L) Date		20-Mar-21	22-Mar-21	5-Apr-21	10-Apr-21	18-Apr-21	26-Apr-21	28-Apr-21
L/C / TT Number		ICBC/LHE/RGC/2 0210401-01	ICBC/LHE/RGC/2 0210406-01	ICBC/LHE/RGC/ 20210415-02	ICBC/LHE/RGC/2 0210420-01	ICBC/LHE/RGC/2 0210428-01	ICBC/LHE/RGC/2 0210506-01	ICBC/LHE/RGC/2 0210506-04
Origin		South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
API-4 Index for the month of B/L Date		94.73	94.73	93.26	93.26	93.26	93.26	93.26
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,801	5,855	5,705	5,880	5,760	5,718	5,559
Quantity	MT	42,944	42,746	43,951	41,428	44,000	44,000	43,999
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	91.59	92.44	88.67	91.39	89.53	88.88	86.41
Adjustment for Sulphur Content	US\$/Ton	(0.03)	-	-	-	(0.18)	-	-
Discount	US\$/Ton	-	-	-	-	-	-	-
Marine Freight Charges	US\$/Ton	29.81	29.35	25.32	25.84	25.72	27.87	27.99
Marine Insurance	US\$/Ton	0.11	0.11	0.11	0.11	0.11	0.10	0.10
CFR Coal Price	US\$/Ton	121.48	121.90	114.10	117.35	115.17	116.85	114.49
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-
CFR Coal Price with losses at Karachi	US\$/Ton	121.48	121.90	114.10	117.35	115.17	116.85	114.49
Other Charges:	US\$/Ton	16.35	16.50	16.27	16.35	16.14	16.11	15.96
(i) Port Handling Charges	US\$/Ton	4.23	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	2.40
(iii) Customs Duties & Cess	US\$/Ton	7.83	7.90	7.60	7.81	7.49	7.43	7.28
(iv) L/C / TT Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10	0.10	0.10
(v) PDA Charges at Load Port	US\$/Ton	0.52	0.61	0.67	0.51	0.65	0.68	0.68
(vi) PDA Charges at Discharge Port	US\$/Ton	0.90	0.91	0.90	0.93	0.90	0.90	0.90
(vii) Freight Forwarding/Custom Clearance	US\$/Ton	0.05	0.05	0.05	0.05	0.05	0.05	0.05
(viii) Wharfage Charges	US\$/Ton	0.22	0.22	0.22	0.22	0.22	0.22	0.22
(ix) Commodity & Ash Fusion Temperature Inspection	US\$/Ton	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Inland Freight Charges	US\$/Ton	26.77	26.77	27.31	27.31	27.31	27.31	27.31
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	164.60	165.16	157.67	161.00	158.62	160.26	157.75
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.65	1.65	1.58	1.61	1.59	1.60	1.58
Delivered Coal Price with losses at Power Plant	US\$/Ton	166.24	166.81	159.25	162.61	160.20	161.86	159.33
Exchange Rate	Rs./US\$	156.88	156.88	153.78	153.78	153.78	153.78	153.78
Delivered Coal Price with losses at Power Plant	Rs./Ton	26,079.97	26,169.73	24,489.68	25,006.81	24,635.88	24,891.44	24,502.07

Huaneng Shandong Ruyi Energy (Private) Company Limited
Marine Freight Calculation

For the Month of May 2021

Description		HSR 256	HSR 257	HSR 258	HSR 259	HSR 260	HSR 261	HSR 262
		ADITYA	YASA EMIRHAN	AFRICAN BAZA	MOUTON	ELBABE	BRITAIN BAY	BLUE AKIHABARA
		PQA	PQA	PQA	PQA	PQA	PQA	PQA
Delivery Days:								
Voyage	Days	27.04	27.04	27.04	27.04	27.04	27.04	27.04
At Port	Days	6.73	6.70	6.86	6.64	6.87	6.87	6.87
Total Delivery Days	Days	33.76	33.74	33.90	33.68	33.90	33.90	33.90
Average Time Charter Rate	US\$/Day	23,258	23,458	20,241	19,584	19,921	22,932	23,190
Time Charter Cost	US\$	785,268	791,402	686,122	659,540	675,405	777,490	786,235
Bunker Consumption:								
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	33.63	33.50	34.30	33.20	34.33	34.33	34.33
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	916.25	916.12	916.92	915.82	916.95	916.95	916.95
Bunker Price 0.5%	\$/Ton	540.00	505.00	465.00	473.00	497.00	489.00	485.00
MGO Price 0.1%	\$/Ton	610.00	607.00	580.00	575.00	595.00	585.00	582.00
Bunker Cost	US\$	495,047	463,036	426,816	433,580	456,107	448,764	445,100
Total Voyage Expense	US\$	1,280,315	1,254,438	1,112,938	1,093,120	1,131,512	1,226,254	1,231,334
Quantity	Tons	42,944	42,746	43,951	42,300	44,000	44,000	43,999
Marine Freight	US\$/Ton	29.81	29.35	25.32	25.84	25.72	27.87	27.99
*PDA Charges both at Load and Discharge Ports have been included in Other Charges.								



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Huaneng Shandong Ruyi Energy (Private) Company Limited
Inland Freight Charges
For the Month of May 2021

Description	Reference Rs/Ton/km	Revised						
		HSR 256 ADITYA	HSR 257 YASA EMIRHAN	HSR 258 AFRICAN BAZA	HSR 259 MOUTON	HSR 260 ELBABE	HSR 261 BRITAIN BAY	HSR 262 BLUE AKIHABARA
Fixed Freight Charges (FFC)	1.77	1.87	1.87	1.87	1.87	1.87	1.87	1.87
Variable Freight Charges (VFC)	0.81	0.94	0.94	0.94	0.94	0.94	0.94	0.94
(i) Fuel	0.40	0.51	0.51	0.51	0.51	0.51	0.51	0.51
(ii) O&M	0.40	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Other Freight Charges Component	0.72	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	0.23
Total Freight Charges (Rs/Ton/km)	3.53	3.76	3.76	3.76	3.76	3.76	3.76	3.76
Distance (Km)	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060
Total Freight Charges (Rs/Ton)	3,743	3,986	3,986	3,986	3,986	3,986	3,986	3,986
Indexation Values:								
Consumer Price Index Base Year 2015-16	131.67	138.88	138.88	138.88	138.88	138.88	138.88	138.88
HSD Price (Rs./Liter)	87.12	110.76	110.76	110.76	110.76	110.76	110.76	110.76
Spurline Component:								
Spurline Component (Rs./ton)	189.82	213.30	213.30	213.30	213.30	213.30	213.30	213.30
Total Quantity Handeled (Tons)	302,087	268,831	268,831	268,831	268,831	268,831	268,831	268,831
Inland Freight Charges with Spurline (Rs/Ton)	3,933	4,199	4,199	4,199	4,199	4,199	4,199	4,199
Exchange Rate	-	156.88	156.88	153.78	153.78	153.78	153.78	153.78
Inland Freight Charges with Spurline (USD/Ton)	-	26.77	26.77	27.31	27.31	27.31	27.31	27.31
Handling Month	-	Apr-21	Apr-21	Apr-21	Apr-21	Apr-21	Apr-21	Apr-21

