



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/24298-02

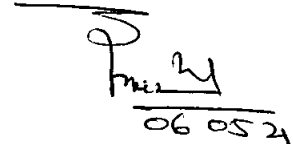
May 6, 2021

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

Enclosure: As above


(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.

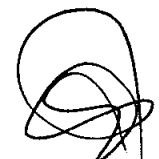
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT
FOR HUANENG SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED.**

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\$ 159.07/Ton for coal consumed during the month of April 2021. HSRPEL requested fuel cost component of Rs. 9.5896/kWh for April 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.

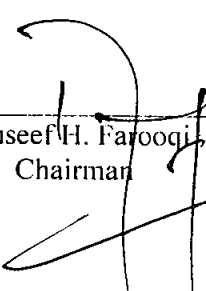
Period	Fuel Cost Component (Rs./kWh)	
	Reference	Revised
April 2021	4.9135	9.3710

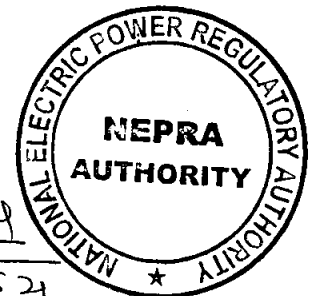
2. Marine freight has been worked out on the basis of 42,300 tons and 50,000 tons or actual ship quantity whichever is higher for ships unloaded at PQA Marginal Wharf 3&4 and PIBTL/KPT respectively. PDA charges have also been worked out on the same basis of respective quantities.
3. The above referred 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


27/8/21
Rehmatullah Baloch
Member


27/8/21
Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman

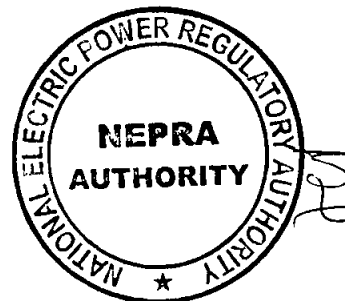


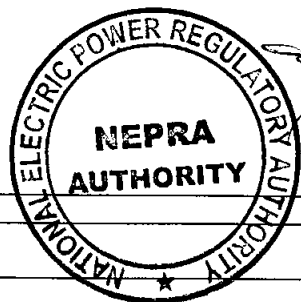
Huaneng Shandong Ruyi Energy (Private) Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of April 2021

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 248	1,834	5,711	148.42	23,734	159.91
Consumption from Shipment No. HSR 249	43,506	5,636	145.52	23,266	159.88
Consumption from Shipment No. HSR 250	43,554	5,821	153.53	24,546	159.88
Consumption from Shipment No. HSR 251	43,535	5,962	164.97	25,881	156.88
Consumption from Shipment No. HSR 252	53,861	5,849	160.40	25,163	156.88
Consumption from Shipment No. HSR 253	43,554	5,589	159.40	25,006	156.88
Consumption from Shipment No. HSR 254	43,542	5,724	162.11	25,432	156.88
Consumption from Shipment No. HSR 255	38,867	5,793	164.21	25,761	156.88
Total Consumption	312,253	5,770	158.51	24,995	157.69

Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	23,680	24,995
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,672	5,770
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,510	22,896
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
Revised Fuel Cost Component	Rs./kWh	4.9135	9.0304	9.3710

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.





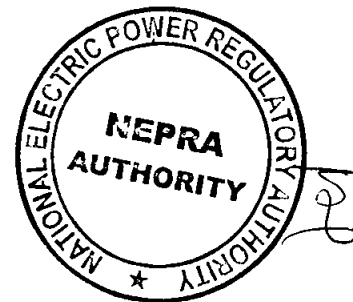
Huaneng Shandong Ruyi Energy (Private) Company Limited
Details of Shipmets
For the Month of April 2021

Shipment Number		HSR 249	HSR 250	HSR 251	HSR 252	HSR 253	HSR 254	HSR 255
Vessel Name		SBI THALIA	NORD PEAK	GREAT LINK	SSI INVINCIBLE II	MEDI PERTH	JOSCO RUNZHOU	AFRICAN SANDERLING
Bill of Lading (B/L) Date		19-Feb-21	28-Feb-21	5-Mar-21	6-Mar-21	10-Mar-21	12-Mar-21	16-Mar-21
L/C / TT Number		ICBC/LHE/RGC/2 0210302-01	ICBC/LHE/RGC/2 0210311-01	ICBC/LHE/RGC/ 20210316-01	ICBC/LHE/RGC/2 0210317-02	ICBC/LHE/RGC/2 0210322-01	ICBC/LHE/RGC/2 0210325-01	ICBC/LHE/RGC/2 0210329-01
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		87.25	87.25	94.73	94.73	94.73	94.73	94.73
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,636	5,821	5,962	5,849	5,589	5,724	5,793
Quantity	MT	43,954	43,999	43,984	54,416	43,998	44,000	43,816
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	81.96	84.65	94.13	92.35	88.24	90.37	91.46
Discount	US\$/Ton	-	-	-	-	-	-	-
Marine Freight Charges	US\$/Ton	20.51	25.58	26.57	20.52	27.07	27.42	28.33
Marine Insurance	US\$/Ton	0.10	0.10	0.10	0.10	0.10	0.10	0.11
CIF Coal Price	US\$/Ton	102.56	110.33	120.80	112.97	115.42	117.90	119.90
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	102.56	110.33	120.80	112.97	115.42	117.90	119.90
Other Charges:	US\$/Ton	15.51	15.67	16.03	19.33	15.89	16.10	16.24
(i) Port Handling Charges	US\$/Ton	4.23	4.23	4.23	4.34	4.23	4.23	4.23
(ii) Port Qasim Royalty Charge	US\$/Ton	2.40	2.40	2.40	2.26	2.40	2.40	2.40
(iii) Customs Duties & Cess	US\$/Ton	6.79	6.97	7.30	7.07	7.28	7.40	7.53
(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	0.64	0.61	0.62	0.46	0.50	0.59	0.59
(vi) PDA Charges at Discharge Port	US\$/Ton	0.99	1.00	1.02	0.83	1.02	1.02	1.03
(vii) Transportation & Loading charges	US\$/Ton	-	-	-	3.93	-	-	-
(viii) Freight Forwarding/Custom Clearance	US\$/Ton	0.05	0.05	0.05	0.05	0.05	0.05	0.05
(ix) Wharfage Charges	US\$/Ton	0.21	0.21	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	26.01	26.01	26.51	26.51	26.51	26.51	26.51
Exchange Rate Difference of Shipment Nos. 245,247,248*	US\$/Ton	-	-	-	-	-	-	(0.06)
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	144.08	152.01	163.34	158.81	157.82	160.51	162.58
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.44	1.52	1.63	1.59	1.58	1.61	1.63
Delivered Coal Price with losses at Power Plant	US\$/Ton	145.52	153.53	164.97	160.40	159.40	162.11	164.21
Exchange Rate	Rs./US\$	159.88	159.88	156.88	156.88	156.88	156.88	156.88
Delivered Coal Price with losses at Power Plant	Rs./Ton	23,265.90	24,546.18	25,880.77	25,163.37	25,006.43	25,432.30	25,761.24

*The exchange rate of Rs. 159.91/US\$ was used inadvertently for the subject shipments instead of Rs. 159.88/US\$. The difference has been accounted for in Shipment No. 255

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

Description		HSR 249	HSR 250	HSR 251	HSR 252	HSR 253	HSR 254	HSR 255
		SBI THALIA	NORD PEAK	GREAT LINK	SSI INVINCIBLE II	MEDI PERTH	JOSCO RUNZHOU	AFRICAN SANDERLING
		PQA	PQA	PQA	PIBT	PQA	PQA	PQA
Delivery Days:								
Voyage	Days	27.04	27.04	27.04	27.04	27.04	27.04	27.04
At Port	Days	6.86	6.87	6.86	4.63	6.87	6.87	6.84
Total Delivery Days	Days	33.90	33.90	33.90	31.67	33.90	33.90	33.88
Average Time Charter Rate	US\$/Day	13,384	19,183	20,662	20,672	21,089	21,268	22,557
Time Charter Cost	US\$	453,691	650,381	700,484	654,584	714,999	721,074	764,223
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	34.30	34.33	34.32	23.14	34.33	34.33	34.21
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	916.92	916.95	916.94	905.76	916.95	916.95	916.83
Bunker Price 0.5%	\$/Ton	488.00	518.00	510.00	510.00	519.00	529.00	520.00
MGO Price 0.1%	\$/Ton	560.00	598.00	595.00	595.00	605.00	620.00	615.00
Bunker Cost	US\$	447,738	475,293	467,972	462,268	476,233	485,423	477,122
Total Voyage Expense	US\$	901,430	1,125,674	1,168,455	1,116,851	1,191,232	1,206,496	1,241,345
Quantity	Tons	43,954	43,999	43,984	54,416	43,998	44,000	43,816
Marine Freight	US\$/Ton	20.51	25.58	26.57	20.52	27.07	27.42	28.33
*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 April 2021

Description	Reference	Revised						
		HSR 249	HSR 250	HSR 251	HSR 252	HSR 253	HSR 254	HSR 255
	Rs/Ton/km	SBI THALIA	NORD PEAK	GREAT LINK	SSI INVINCIBLE II	MEDI PERTH	JOSCO RUNZHOU	AFRICAN SANDERLING
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	0.97	0.97	0.97	0.97	0.97	0.97	0.97
(i) Fuel	0.40	0.54	0.54	0.54	0.54	0.54	0.54	0.54
(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
Reduction*	-	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
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	3,987	3,987	3,987	3,987	3,987	3,987	3,987
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	116.08	116.08	116.08	116.08	116.08	116.08	116.08
Spurline Component:								
Spurline Component (Rs./ton)	189.82	171.80	171.80	171.80	171.80	171.80	171.80	171.80
Total Quantity Handeled (Tons)	302,087	333,769	333,769	333,769	333,769	333,769	333,769	333,769
Inland Freight Charges with Spurline (Rs/Ton)	3,933	4,159	4,159	4,159	4,159	4,159	4,159	4,159
Exchange Rate	-	159.88	159.88	156.88	156.88	156.88	156.88	156.88
Inland Freight Charges with Spurline (USD/Ton)	-	26.01	26.01	26.51	26.51	26.51	26.51	26.51
Handling Month	-	Mar-21	Mar-21	Mar-21	Mar-21	Mar-21	Mar-21	Mar-21
* The one time reduction has been made on account of identification of inadvertent application of reference variable freight O&M charges of Rs. 0.3046/ton/km instead of Rs. 0.304/ton/km for all previous shipments.								
**The reference variable freight O&M component w.e.f. 1st January 2021 shall be Rs. 0.4047/ton/km.								

