



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/35880-84

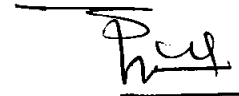
September 7, 2021

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

Enclosure: As above

  
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( Syed Safeer Hussain )

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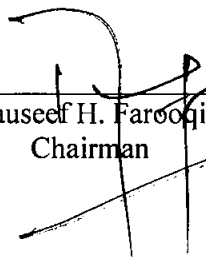
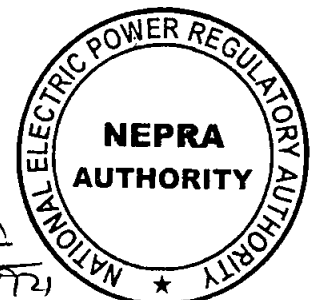
1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, 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\$ 197.29/Ton for coal consumed during the month of August 2021. HSRPEL requested fuel cost component of Rs. 11.9394/kWh for August 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
August 2021	4.9135	11.6408

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).

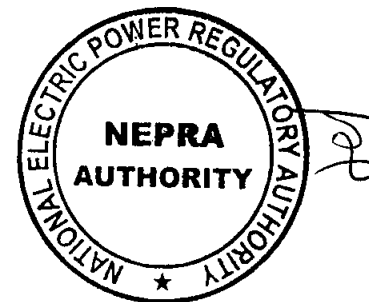
**AUTHORITY**  
Rehmatullah Baloch  
Member  
Engr. Maqsood Anwar Khan  
Member  
Engr. Rafique Ahmed Shaikh  
Member  
Tauseef H. Farooqi  
Chairman

**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 August 2021**

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Shipment No. HSR 273	7,080	5,859	195.36	30,651	156.90
Consumption from Shipment No. HSR 274	43,538	5,826	195.62	30,693	156.90
Consumption from Shipment No. HSR 275	53,497	5,642	183.10	28,728	156.90
Consumption from Shipment No. HSR 276	43,547	5,831	201.98	32,370	160.26
Consumption from Shipment No. HSR 277	42,943	5,810	201.85	32,349	160.26
Consumption from Shipment No. HSR 278	37,091	5,826	201.11	32,229	160.26
<b>Total Consumption</b>	<b>227,696</b>	<b>5,782</b>	<b>195.96</b>	<b>31,113</b>	<b>158.78</b>

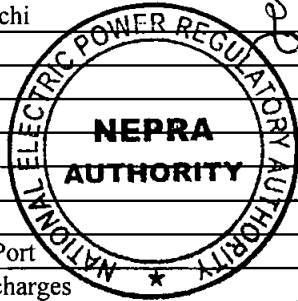
Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	29,465	31,113
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,751	5,782
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,822	22,943
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
<b>Revised Fuel Cost Component</b>	<b>Rs./kWh</b>	<b>4.9135</b>	<b>11.0828</b>	<b>11.6408</b>

**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 Shipmnets**  
**For the Month of August 2021**

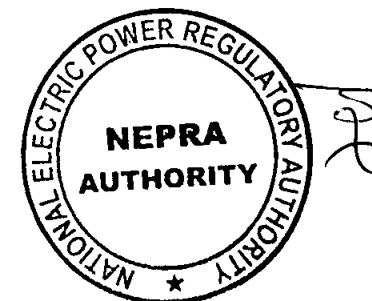
Shipment Number		HSR 274	HSR 275	HSR 276	HSR 277	HSR 278
Vessel Name		GH URBAN SEA	THOR MONADIC	BLUE AKIHABARA	IVS HIRONO	GH DESERT ORCHID
Bill of Lading (B/L) Date		30-Jun-21	6-Jun-21	5-Jul-21	14-Jul-21	21-Jul-21
L/C / TT Number		ICBC/LHE/RGC/2 0210712-01	ICBC/LHE/RGC/2 0210621-01	ICBC/LHE/RGC/2 0210714-02	ICBC/LHE/RGC/ 20210723-01	ICBC/LHE/RGC/2 0210805-01
Origin		South Africa	South Africa	South Africa	South Africa	South Africa
API-4 Index for the month of B/L Date		115.43	115.43	122.35	122.35	122.35
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,826	5,642	5,831	5,810	5,826
Quantity	MT	43,987	54,048	44,000	43,386	44,000
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	112.08	108.54	118.90	118.48	118.80
Discount	US\$/Ton	-	-	-	-	-
Marine Freight Charges	US\$/Ton	35.80	24.44	36.18	36.10	34.72
Marine Insurance	US\$/Ton	0.14	0.12	0.13	0.14	0.14
CIF Coal Price	US\$/Ton	148.02	133.10	155.22	154.71	153.66
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	148.02	133.10	155.22	154.71	153.66
Other Charges:	US\$/Ton	18.31	20.82	17.98	18.35	18.66
(i) Port Handling Charges	US\$/Ton	4.23	4.40	4.23	4.23	4.23
(ii) Port Qasim Royalty Charge	US\$/Ton	2.40	2.29	2.40	2.40	2.40
(iii) Customs Duties & Cess	US\$/Ton	9.76	8.48	9.61	9.80	10.13
(iv) L/C / TT Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10
(v) PDA Charges at Load Port	US\$/Ton	0.67	0.52	0.52	0.69	0.68
(vi) PDA Charges at Discharge Port	US\$/Ton	0.78	0.64	0.77	0.78	0.77
(vii) Transportation & Loading charges	US\$/Ton	-	4.04	-	-	-
(vii) Freight Forwarding/Custom Clearance	US\$/Ton	0.05	0.05	0.05	0.05	0.05
(viii) Wharfage Charges	US\$/Ton	0.22	0.22	0.21	0.21	0.21
(ix) Commodity & Ash Fusion Temperature Inspection	US\$/Ton	0.09	0.09	0.09	0.09	0.09
Inland Freight Charges	US\$/Ton	27.36	27.36	26.79	26.79	26.79
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	193.69	181.29	199.98	199.86	199.12
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.94	1.81	2.00	2.00	1.99
Delivered Coal Price with losses at Power Plant	US\$/Ton	195.62	183.10	201.98	201.85	201.11
Exchange Rate	Rs./US\$	156.90	156.90	160.26	160.26	160.26
Delivered Coal Price with losses at Power Plant	Rs./Ton	30,693.35	28,728.13	32,369.95	32,349.14	32,229.37



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

Description		HSR 274	HSR 275	HSR 276	HSR 277	HSR 278
		GH URBAN SEA	THOR MONADIC	BLUE AKIHABARA	IVS HIRONO	GH DESERT ORCHID
		PQA	PIBT	PQA	PQA	PQA
Delivery Days:						
Voyage	Days	27.04	27.04	27.04	27.04	27.04
At Port	Days	6.86	4.60	6.87	6.78	6.87
Total Delivery Days	Days	33.90	31.64	33.90	33.82	33.90
Average Time Charter Rate	US\$/Day	31,885	26,852	32,283	31,798	30,526
Time Charter Cost	US\$	1,080,979	849,616	1,094,528	1,075,481	1,034,959
Bunker Consumption:						
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	34.32	23.02	34.33	33.92	34.33
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90
Total	Ton	916.94	905.63	916.95	916.54	916.95
Bunker Price 0.5%	\$/Ton	538.00	520.00	542.00	535.00	537.00
MGO Price 0.1%	\$/Ton	643.00	625.00	645.00	655.00	645.00
Bunker Cost	US\$	493,725	471,340	497,390	490,818	492,824
Total Voyage Expense	US\$	1,574,704	1,320,956	1,591,918	1,566,300	1,527,783
Quantity	Tons	43,987	54,048	44,000	43,386	44,000
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>35.80</b>	<b>24.44</b>	<b>36.18</b>	<b>36.10</b>	<b>34.72</b>

\*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 August 2021**

Description	Reference Rs/Ton/km	Revised				
		HSR 274 GH URBAN SEA	HSR 275 THOR MONADIC	HSR 276 BLUE AKIHABARA	HSR 277 IVS HIRONO	HSR 278 GH DESERT ORCHID
Fixed Freight Charges (FFC)	1.77	1.93	1.93	1.93	1.93	1.93
Variable Freight Charges (VFC)	0.81	0.98	0.98	0.98	0.98	0.98
(i) Fuel	0.40	0.53	0.53	0.53	0.53	0.53
(ii) O&M	0.40	0.44	0.44	0.44	0.44	0.44
Other Freight Charges Component	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
<b>Total Freight Charges (Rs/Ton/km)</b>	<b>3.53</b>	<b>3.86</b>	<b>3.86</b>	<b>3.86</b>	<b>3.86</b>	<b>3.86</b>
Distance (Km)	1,060	1,060	1,060	1,060	1,060	1,060
<b>Total Freight Charges (Rs/Ton)</b>	<b>3,743</b>	<b>4,093</b>	<b>4,093</b>	<b>4,093</b>	<b>4,093</b>	<b>4,093</b>
<b>Indexation Values:</b>						
Consumer Price Index Base Year 2015-16	131.67	143.74	143.74	143.74	143.74	143.74
HSD Price (Rs./Liter)	87.12	115.30	115.30	115.30	115.30	115.30
<b>Spurline Component:</b>						
Spurline Component (Rs./ton)	189.82	199.95	199.95	199.95	199.95	199.95
Total Quantity Handeled (Tons)	302,087	286,776	286,776	286,776	286,776	286,776
<b>Inland Freight Charges with Spurline (Rs/Ton)</b>	<b>3,933</b>	<b>4,293</b>	<b>4,293</b>	<b>4,293</b>	<b>4,293</b>	<b>4,293</b>
Exchange Rate	-	156.90	156.90	160.26	160.26	160.26
<b>Inland Freight Charges with Spurline (USD/Ton)</b>	<b>-</b>	<b>27.36</b>	<b>27.36</b>	<b>26.79</b>	<b>26.79</b>	<b>26.79</b>
Handling Month	-	Jul-21	Jul-21	Jul-21	Jul-21	Jul-21

