



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/34772-76

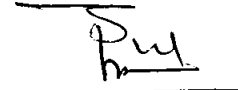
August 17, 2021

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 July 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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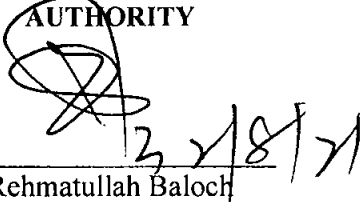
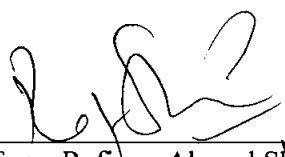
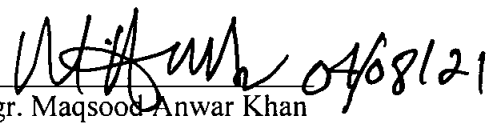
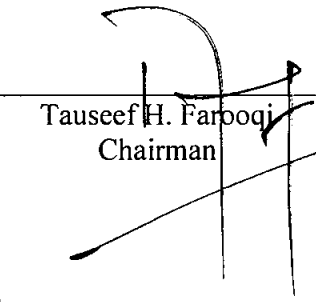
1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, 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\$ 191.91/Ton for coal consumed during the month of July 2021. HSRPEL requested fuel cost component of Rs. 11.5026/kWh for July 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
July 2021	4.9135	11.0828

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

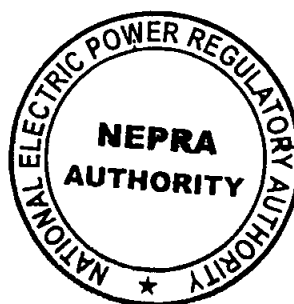
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**Huaneng Shandong Ruyi Energy (Private) Company Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price Variation for the Month of July 2021**

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 267	6,273	5,755	178.13	27,428	153.98
Consumption from Shipment No. HSR 268	43,555	5,712	176.81	27,226	153.98
Consumption from Shipment No. HSR 269	43,274	5,727	188.65	29,600	156.90
Consumption from Shipment No. HSR 270	40,294	5,682	188.73	29,612	156.90
Consumption from Shipment No. HSR 271	43,556	5,808	191.77	30,089	156.90
Consumption from Shipment No. HSR 272	43,547	5,730	191.91	30,111	156.90
Consumption from Shipment No. HSR 273	36,475	5,859	195.36	30,651	156.90
<b>Total Consumption</b>	<b>256,974</b>	<b>5,751</b>	<b>188.43</b>	<b>29,465</b>	<b>156.37</b>

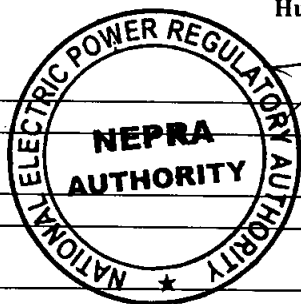
Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	26,794	29,465
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,697	5,751
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,609	22,822
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
<b>Revised Fuel Cost Component</b>	<b>Rs./kWh</b>	<b>4.9135</b>	<b>10.1731</b>	<b>11.0828</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 Shipments**

**For the Month of July 2021**

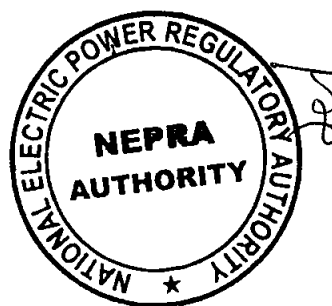


Shipment Number		HSR 268	HSR 269	HSR 270	HSR 271	HSR 272	HSR 273
Vessel Name		PACIFIC ADVANCE	AFRICAN SANDERLING	LUCY OCEAN	EMERALD ETERNITY	IVS PHOENIX	IVS NORTH BERWICK
Bill of Lading (B/L) Date		26-May-21	9-Jun-21	9-Jun-21	12-Jun-21	20-Jun-21	29-Jun-21
L/C / TT Number		ICBC/LHE/RGC/2 0210607-03	ICBC/LHE/RGC/2 0210617-01	ICBC/LHE/RGC/2 20210617-02	ICBC/LHE/RGC/2 0210623-01	ICBC/LHE/RGC/2 0210628-01	ICBC/LHE/RGC/2 0210708-01
Origin		South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
API-4 Index for the month of B/L Date		105.38	115.43	115.43	115.43	115.43	115.43
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,712	5,727	5,682	5,808	5,730	5,859
Quantity	MT	43,999	43,720	40,709	44,000	44,000	43,999
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	100.32	110.18	109.31	111.74	110.24	112.72
Discount	US\$/Ton	-	-	-	-	-	-
Marine Freight Charges	US\$/Ton	30.05	31.91	32.78	32.82	34.55	35.31
Marine Insurance	US\$/Ton	0.12	0.13	0.13	0.13	0.13	0.14
CIF Coal Price	US\$/Ton	130.49	142.21	142.22	144.69	144.92	148.17
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	130.49	142.21	142.22	144.69	144.92	148.17
Other Charges:	US\$/Ton	17.27	17.78	17.84	18.39	18.30	18.46
(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	8.48	9.05	9.14	9.54	9.53	9.74
(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	0.66	0.63	0.57	0.75	0.68	0.63
(vi) PDA Charges at Discharge Port	US\$/Ton	1.02	1.01	1.04	1.00	1.00	1.00
(vii) Freight Forwarding/Custom Clearance	US\$/Ton	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
(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	27.30	26.80	26.80	26.80	26.80	26.80
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	175.06	186.79	186.86	189.87	190.01	193.42
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.75	1.87	1.87	1.90	1.90	1.93
Delivered Coal Price with losses at Power Plant	US\$/Ton	176.81	188.65	188.73	191.77	191.91	195.36
Exchange Rate	Rs./US\$	153.98	156.90	156.90	156.90	156.90	156.90
Delivered Coal Price with losses at Power Plant	Rs./Ton	27,225.83	29,599.80	29,611.88	30,088.68	30,110.93	30,651.31

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

Description		HSR 268	HSR 269	HSR 270	HSR 271	HSR 272	HSR 273
		PACIFIC ADVANCE	AFRICAN SANDERLIN G	LUCY OCEAN	EMERALD ETERNITY	IVS PHOENIX	IVS NORTH BERWICK
		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	6.87	6.83	6.64	6.87	6.87	6.87
Total Delivery Days	Days	33.90	33.87	33.68	33.90	33.90	33.90
Average Time Charter Rate	US\$/Day	26,493	27,264	27,076	28,514	30,819	31,374
Time Charter Cost	US\$	898,220	923,345	911,852	966,743	1,044,893	1,063,705
Bunker Consumption:							
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	34.33	34.15	33.20	34.33	34.33	34.33
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	916.95	916.77	915.82	916.95	916.95	916.95
Bunker Price 0.5%	\$/Ton	462.00	514.00	518.00	520.00	518.00	534.00
MGO Price 0.1%	\$/Ton	585.00	625.00	625.00	635.00	629.00	645.00
Bunker Cost	US\$	424,111	471,650	474,811	477,264	475,414	490,085
Total Voyage Expense	US\$	1,322,331	1,394,996	1,386,663	1,444,007	1,520,307	1,553,790
Quantity	Tons	43,999	43,720	42,300	44,000	44,000	43,999
Marine Freight	US\$/Ton	30.05	31.91	32.78	32.82	34.55	35.31

\*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 July 2021**

Description	Reference	Revised					
		HSR 268	HSR 269	HSR 270	HSR 271	HSR 272	HSR 273
	Rs/Ton/km	PACIFIC ADVANCE	AFRICAN SANDERLIN G	LUCY OCEAN	EMERALD ETERNITY	IVS PHOENIX	IVS NORTH BERWICK
Fixed Freight Charges (FFC)	1.77	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
(i) Fuel	0.40	0.52	0.52	0.52	0.52	0.52	0.52
(ii) O&M	0.40	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
Profit Margin	0.23	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>3.76</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>	<b>3.76</b>
Distance (Km)	1,060	1,060	1,060	1,060	1,060	1,060	1,060
<b>Total Freight Charges (Rs/Ton)</b>	<b>3,743</b>	<b>3,990</b>	<b>3,990</b>	<b>3,990</b>	<b>3,990</b>	<b>3,990</b>	<b>3,990</b>
<b>Indexation Values:</b>							
Consumer Price Index Base Year 2015-16	131.67	138.88	138.88	138.88	138.88	138.88	138.88
HSD Price (Rs./Liter)	87.12	111.66	111.66	111.66	111.66	111.66	111.66
<b>Spurline Component:</b>							
Spurline Component (Rs./ton)	189.82	214.13	214.13	214.13	214.13	214.13	214.13
Total Quantity Handeled (Tons)	302,087	267,791	267,791	267,791	267,791	267,791	267,791
<b>Inland Freight Charges with Spurline (Rs/Ton)</b>	<b>3,933</b>	<b>4,204</b>	<b>4,204</b>	<b>4,204</b>	<b>4,204</b>	<b>4,204</b>	<b>4,204</b>
Exchange Rate	-	153.98	156.90	156.90	156.90	156.90	156.90
<b>Inland Freight Charges with Spurline (USD/Ton)</b>	<b>-</b>	<b>27.30</b>	<b>26.80</b>	<b>26.80</b>	<b>26.80</b>	<b>26.80</b>	<b>26.80</b>
Handling Month	-	Jun-21	Jun-21	Jun-21	Jun-21	Jun-21	Jun-21

