



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/3297-01

February 22, 2023

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 the month of December 2022 for Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited (HSR) [Case No. NEPRA/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 Local Purchases (Annex-II) and Inland Freight Charges (Annex-III) (04 pages) in the matter of fuel price adjustment on account of Coal price variation for the month of **December 2022** in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited.

Enclosure: As above

  
( Engr. Mazhar Iqbal Ranjha )

Copy to: (alongwith copy of subject Decision):

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 THE MONTH OF DECEMBER 2022 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 (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 decisions dated August 22, 2019 & May 6, 2021 in the matter of motion for leave for review regarding fuel price adjustments, 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 Rs. 75,509/Ton for coal consumed during the month of December 2022. HSRPEL requested fuel cost component of Rs. 29.5110/kWh for December 2022.
2. The delivered price of Rs. 74,533/Ton against invoice No. Awan-22 is higher than the benchmark price of Rs. 71,587/Ton of imported coal calculation as per the coal procurement guidelines. Accordingly, the delivered price of the subject invoice has been capped at Rs. 71,587/Ton.
3. In accordance with the prescribed mechanism, the revised coal prices for each consignment has 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
December 2022	4.9135	28.5859

4. Fuel cost component allowed to HSR is on provisional basis and shall be subject to adjustment/refund, if necessary, in light of final decision of the Authority in the matter of complaint(s) received against the bidding process followed by HSR.
5. The above referred revised fuel cost component along with revised coal prices and revised inland freight charges attached as **Annex-I, Annex-II & Annex-III** 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.
6. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

*Mathar Niaz Rana*

Mathar Niaz Rana (nsc)  
Member

*Engr. Maqsood Aftwar Khan*

Engr. Maqsood Aftwar Khan  
Member

*Engr. Rafique Ahmed Shaikh*

Engr. Rafique Ahmed Shaikh  
Member

*Tauseef H. Farooqi*  
Chairman



*22/02/23*

**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 December 2022**

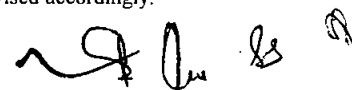
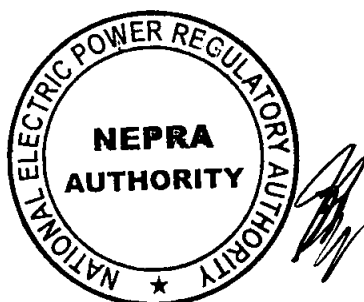
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Local Purchase (PSL 37)	15,035	5,545	337.83	75,099	222.30
Consumption from Local Purchase (Awan 22)	566	5,426	322.17	71,587	222.20
Consumption from Local Purchase (Awan 23)	14,298	5,768	336.47	74,764	222.20
Consumption from Local Purchase (Awan 24)	2,354	5,575	319.18	70,921	222.20
<b>Total Consumption</b>	<b>32,253</b>	<b>5,644</b>	<b>335.59</b>	<b>74,584</b>	<b>222.25</b>

Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	76,509	74,584
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,503	5,644
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	21,836	22,397
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>30.0764</b>	<b>28.5859</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.

Based on data declared by Huaneng Shandong Ruyi Energy (Private) Company Limited

The coal consumption is for the period December 1, 2022 to December 31, 2022

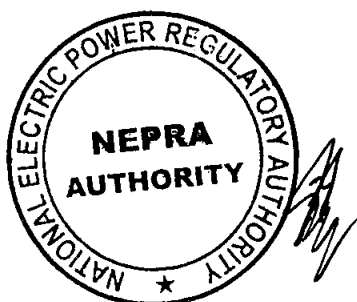



## Huaneng Shandong Ruyi Energy (Private) Company Limited

## Details of Local Purchases

For the Month of December 2022

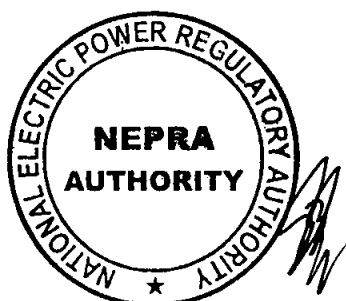
Consignment Detail		Awan-22	Awan-23	Awan-24
Invoice Date		3-Oct-22	20-Oct-22	22-Nov-22
Quantity	MT	565	14,298	5,145
Price as per Quotation	Rs./Ton	70,000	70,000	70,000
Base Calorific Value (GCV)	kCal/Kg	6,500	6,500	6,500
Actual Calorific Value (GCV)	kCal/Kg	6,452	6,639	6,303
NCV Tested by SGS	kCal/Kg	5,426	5,768	5,575
Coal Price Adjusted for GCV	Rs./Ton	69,483	71,497	67,878
Adjustment for Moisture	Rs./Ton	(325)	-	-
Adjusted Coal Price	Rs./Ton	69,158	71,497	67,878
Inspection Charges	Rs./Ton	15.50	15.50	15.50
Inland Freight Charges	Rs./Ton	5,359	3,252	3,027
Delivered Coal Price before adjustment of Handling Loss	Rs./Ton	74,533	74,764	70,921
Handling Loss 1% or actual whichever is minimum	Rs./Ton	-	-	-
<b>Delivered Coal Price with losses at Power Plant</b>	<b>Rs./Ton</b>	<b>74,533</b>	<b>74,764</b>	<b>70,921</b>
Adjustment against Benchmark Price of Imported Coal	Rs./Ton	(2,946)	-	-
<b>Net Delivered Coal Price</b>	<b>Rs./Ton</b>	<b>71,587</b>	<b>74,764</b>	<b>70,921</b>
Notional Exchange Rate (2nd Week of September 2022)	Rs./US\$	222.20	222.20	222.20
<b>Net Delivered Coal Price</b>	<b>US\$/Ton</b>	<b>322.17</b>	<b>336.47</b>	<b>319.18</b>



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**Huaneng Shandong Ruyi Energy (Private) Company Limited**  
**Inland Freight Charges**  
**For the Month of December 2022**

Description	Reference	Revised		
		Local/Afghanistan		
		Pipri	Kundiyan	Khairabad
Fixed Freight Charges (FFC)	1.77	2.21	2.21	2.21
Variable Freight Charges (VFC)	0.81	1.65	1.60	1.60
(i) Fuel	0.40	1.15	1.09	1.09
(ii) O&M	0.40	0.51	0.51	0.51
Other Freight Charges Component	0.72	0.72	0.72	0.72
Profit Margin	0.23	0.23	0.23	0.23
<b>Total Freight Charges (Rs/Ton/km)</b>	<b>3.53</b>	<b>4.82</b>	<b>4.76</b>	<b>4.76</b>
Distance (Km)	1,060	1,060	512	826
<b>Total Freight Charges (Rs/Ton)</b>	<b>3,743</b>	<b>5,105</b>	<b>2,437</b>	<b>3,932</b>
<b>Indexation Values:</b>				
Consumer Price Index Base Year 2015-16	131.67	164.45	164.45	164.45
HSD Price (Rs./Liter)	87.12	247.43	235.30	235.30
<b>Spurline Component:</b>				
Spurline Component (Rs./ton)	189.82	253.76	188.70	188.70
Total Quantity Handeled (Tons)	302,087	225,973	303,884	303,884
<b>Inland Freight Charges with Spurline (Rs/Ton)</b>	<b>3,933</b>	<b>5,359</b>	<b>2,626</b>	<b>4,120</b>
<b>Handling Month</b>	<b>-</b>	<b>Sep-22</b>	<b>Oct-22</b>	<b>Oct-22</b>



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