



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/ *11608-12*

July 31, 2024

Chief Executive Officer,
Huaneng Shandong Ruyi (Pakistan) Energy Private Limited,
House No. 4, A, Street No.20,
F-8/2, Islamabad

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of June 2024 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 **Annex-I, II, III, IV** (total 05 pages) in the matter of fuel price adjustment on account of **Coal** price variation for the month of **June 2024** in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited.

Enclosure: **As above**

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Copy to:

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 (CPPAG), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT
FOR THE MONTH OF JUNE 2024 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. 45,358/Ton for coal consumed during the month of June 2024. HSRPEL requested fuel cost component of Rs. 17.3228/kWh for June 2024.
2. The Authority in its collective and joint wisdom considering all aspect decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:

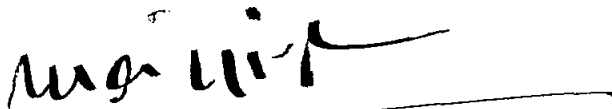
“Based on the documentary evidence and information submitted by HSRPEL, the fuel cost component of energy charge part of HSRPEL's tariff is adjusted for variation in coal price for the month of June 2024.”

3. The revised FCC of energy charge part of HSRPEL's tariff indicated hereunder shall be immediately applicable to the units delivered during the month:

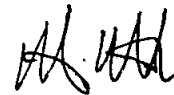
Period	Reference Fuel Cost Component Rs./kWh	Revised Fuel Cost Component Rs./kWh
June 2024	4.2913	15.6720

4. The above referred revised fuel cost component along with revised coal prices, marine freight and 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY



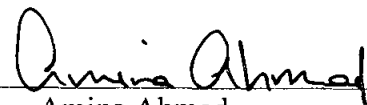
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



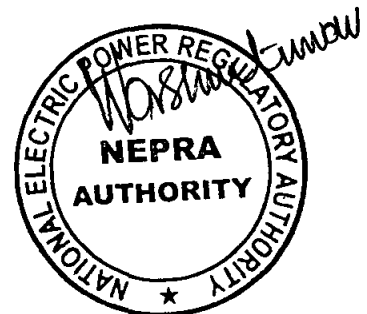
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
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 June 2024

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Awan LTShip-2	10,283	5,667	148.76	41,803	281.00
Consumption from Awan LTShip-3	42,111	5,607	147.34	41,404	281.00
Consumption from Awan LTShip-4	41,947	6,091	152.16	42,578	279.83
Consumption from Awan LTShip-5	42,144	5,672	149.16	41,738	279.83
Consumption from Awan LTShip-6	13,031	5,695	146.71	41,054	279.83
Total Consumption	149,516	5,773	149.25	41,824	280.24

Description	Unit	Reference Jan 17, 2019	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	43,427	41,824
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,657	5,773
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,447	22,908
Net Heat Rates	BTU/kWh	8,584	8,584	8,584
Revised Fuel Cost Component	Rs./kWh	4.9135	16.6068	15.6720

- 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.

- The coal consumption is for the period June 1, 2024 to June 30, 2024.

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

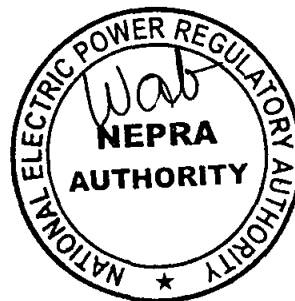


Huaneng Shandong Ruyi Energy (Private) Company Limited
Details of Shipmets
For the Month of June 2024

Shipment Number		Awan LT-3	Awan LT-4	Awan LT-5	Awan LT-6
Vessel Name		WORLD CREST	SUNNY BAY	AFRICAN BAZA	MADISON EAGLE
Bill of Lading (B/L) Date		17-Jan-24	6-Feb-24	14-Feb-24	21-Feb-24
L/C / TT Number		-	-	-	-
Origin		South Africa	South Africa	South Africa	Mozambique
API-4 Index for the month of B/L Date	US\$/Ton	94.77	91.94	91.94	91.94
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	(7.49)	-	(5.97)	(5.97)
Discount	US\$/Ton	(0.50)	(0.50)	(0.50)	(0.50)
Fixed Price	US\$/Ton	86.78	91.44	85.47	85.47
Base Calorific Value	kCal/Kg	5,500	6,000	5,500	5,500
Actual Calorific Value	kCal/Kg	5,607	6,091	5,672	5,695
Quantity	MT	42,500	42,500	42,500	42,500
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	88.47	92.83	88.14	88.50
Penalty for Ash	US\$/Ton	(0.37)	-	(0.31)	(0.16)
Marine Freight Charges	US\$/Ton	16.69	16.43	17.00	16.69
Marine Insurance	US\$/Ton	0.06	0.11	0.05	0.07
CIF Coal Price	US\$/Ton	104.86	109.37	104.88	105.11
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	104.86	109.37	104.88	105.11
Other Charges:	US\$/Ton	15.72	15.86	15.71	14.72
(i) Port Handling Charges	US\$/Ton	4.23	4.23	4.23	4.23
(ii) Port Qasim Royalty Charge	US\$/Ton	2.52	2.52	2.52	2.52
(iii) Customs Duties & Cess	US\$/Ton	7.11	7.06	7.13	6.21
(iv) PDA Charges at Load Port*	US\$/Ton	0.46	0.47	0.37	0.42
(v) PDA Charges at Discharge Port	US\$/Ton	1.07	1.25	1.15	1.02
(vi) Freight Forwarding/Custom Clearance	US\$/Ton	0.04	0.04	0.04	0.04
(vii) Wharfage Charges	US\$/Ton	0.12	0.12	0.12	0.12
(viii) Commodity & Ash Fusion Temperature Inspection	US\$/Ton	0.07	0.07	0.07	0.07
(ix) L/C / TT Charges	US\$/Ton	0.10	0.10	0.09	0.10
Inland Freight Charges	US\$/Ton	25.42	25.42	27.32	26.22
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	146.00	150.65	147.91	146.05
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.34	1.51	1.24	0.66
Delivered Coal Price with losses at Power Plant	US\$/Ton	147.34	152.16	149.16	146.71
Exchange Rate	Rs./US\$	281.00	279.83	279.83	279.83
Delivered Coal Price with losses at Power Plant	Rs./Ton	41,404	42,578	41,738	41,054

* PDA charges of Mozambique Port have been benchmarked with the PDA charges of Richard Bay Port South Africa.

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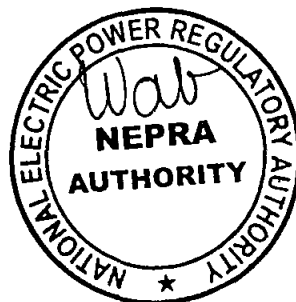
Huaneng Shandong Ruyi Energy (Private) Company Limited
Marine Freight Calculation
For the Month of June 2024

Description		Awan LT-3	Awan LT-4	Awan LT-5	Awan LT-6
		WORLD CREST	SUNNY BAY	AFRICAN BAZA	MADISON EAGLE
Loading Port Name		Richard Bay	Richard Bay	Richard Bay	Maputo
Loading Port Origin		South Africa	South Africa	South Africa	Mozambique
Discharge Port Name		PQA	PQA	PQA	PQA
Delivery Days:					
Voyage	Days	27.04	27.04	27.04	27.04
At Port	Days	6.67	6.67	6.67	6.67
Total Delivery Days	Days	33.70	33.70	33.70	33.70
Average Time Charter Rate	US\$/Day	11,855	11,411	11,515	11,640
Time Charter Cost (Voyage)	US\$	320,530	308,525	311,337	314,717
Time Charter Cost (At Port)	US\$	79,033	76,073	76,767	77,600
Bunker Consumption:					
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	33.33	33.33	33.33	33.33
Total	Ton	912.05	912.05	912.05	912.05
Bunker Price	\$/Ton	600.00	612.00	627.00	619.50
Bunker Cost (Voyage)	US\$	527,231	537,776	550,957	544,366
Bunker Cost (At Port)	US\$	20,000	20,400	20,900	20,650
Total Cost:					
Total Voyage Cost for 42,500 Tons**	US\$	610,448	601,871	624,648	611,216
Total At Port Cost	US\$	99,033	96,473	97,667	98,250
Total Cost	US\$	709,481	698,344	722,315	709,466
Quantity	Tons	42,500	42,500	42,500	42,500
Marine Freight	US\$/Ton	16.69	16.43	17.00	16.69

*PDA Charges both at Load and Discharge Ports have been included in Other Charges.

** Total quantity of shipment: 58,588 Tons

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Huaneng Shandong Ruyi Energy (Private) Company Limited
Inland Freight Charges
For the Month of June 2024

Description	Reference	Revised		
		Pipri		
Fixed Freight Charges (FFC)	1.77	3.30	3.30	3.30
Variable Freight Charges (VFC)	0.81	2.07	2.08	2.08
(i) Fuel	0.40	1.31	1.33	1.33
(ii) O&M	0.40	0.75	0.75	0.75
Other Freight Charges Component	0.72	0.72	0.72	0.72
Profit Margin	0.23	0.23	0.23	0.23
Total Freight Charges (Rs/Ton/km)	3.53	6.32	6.34	6.34
Distance (Km)	1,060	1,060	1,060	1,060
Total Freight Charges (Rs/Ton)	3,743	6,701	6,718	6,718
Indexation Values:				
Consumer Price Index Base Year 2015-16	131.67	245.61	245.61	245.61
HSD Price (Rs./Liter)	87.12	283.00	286.42	286.31
Spurline Component:				
Spurline Component (Rs./ton)	190	413	927	621
Total Quantity Handeled (Tons)	302,087	138,725	61,865	92,408
Inland Freight Charges with Spurline (Rs/Ton)	3,933	7,115	7,645	7,338
Exchange Rate	-	279.83	279.83	279.83
Inland Freight Charges with Spurline (USD/Ton)	-	25.42	27.32	26.22
Handling Month		Feb-24	Mar-24	Apr-24

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