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No. NEPRA/R/ADG(Trf)/TRF-308/HSRPEL-2015/ 16561-65

November 04, 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 September 2024 for Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited

Enclosed please find herewith the subject Decision of the Authority along with Annex-I, II, III & IV (total 06 pages) in the matter of Fuel Price Adjustment on account of Coal price variation for the month of September 2024 in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited in Case No. NEPRA/TRF-308/HSRPEL-2015.

Enclosure: As above


(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

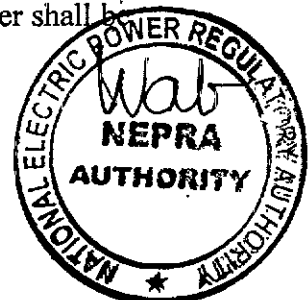
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE
ADJUSTMENT FOR THE MONTH OF SEPTEMBER 2024 FOR HUANENG
SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED**

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. 52,223/Ton for coal consumed during the month of September 2024. HSRPEL requested fuel cost component of Rs. 20.6342/kWh for September 2024.
2. The Marine freight has been worked out 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 respectively and on the basis of provided documentary evidences, PDA charges have also been worked out on the basis of respective quantities. Further, Shipment No. Awan LT-16 was procured from Mozambique and PDA charges of subject shipment have been benchmarked on the basis of South African coal imports.
3. 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 September 2024.”

4. 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
September 2024	4.2913	19.3368



5. 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 &**

Signature



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.

6. 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 September 2024

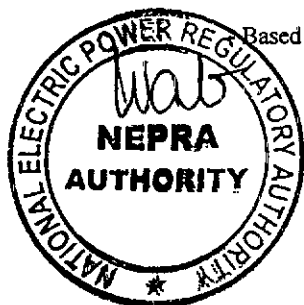
Description	Quantity	Net CV	Coal/Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. HSR 340	7,000	5,872	425.56	93,371	219.41
Consumption from Awan LTShip-13	21,351	5,696	174.53	48,657	278.79
Consumption from Awan LTShip-14	43,330	5,551	169.94	47,377	278.79
Consumption from Awan LTShip-15	41,888	5,545	170.95	47,658	278.79
Consumption from Awan LTShip-16	31,555	5,521	170.01	47,429	278.98
Total Consumption	145,123	5,580	183.25	49,876	272.18

Description	Unit	Reference Jan 17, 2019	Revised
Avg. price of stock consumed during the month	Rs./Ton	13,605	49,876
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,990	5,580
Avg. net calorific value of stock consumed during the month	BTU/Kg	23,768	22,141
Net Heat Rates	BTU/kWh	8,584	8,584
Revised Fuel Cost Component	Rs./kWh	4.9135	19.3368

- 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 September 1, 2024 to September 30, 2024.

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



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Huaneng Shandong Ruyi Energy (Private) Company Limited

Details of Shipmnets

For the Month of September 2024

Shipment Number		Awan LT-14	Awan LT-15	Awan LT-16
Vessel Name		MV MAGMA FIDELITY	MV KOUROS QUEEN	MV AMIS BRAVE
Bill of Lading (B/L) Date		14-Jul-24	17-Jul-24	3-Aug-24
L/C / TT Number		-	-	-
Origin		South Africa	South Africa	Mozambique
API-4 Index for the month of B/L Date	US\$/Ton	107.86	107.86	114.73
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	(7.15)	(7.15)	(12.55)
Discount	US\$/Ton	(0.50)	(0.50)	(0.50)
Fixed Price	US\$/Ton	100.21	100.21	101.68
Base Calorific Value	kCal/Kg	5,500	5,500	5,500
Actual Calorific Value	kCal/Kg	5,551	5,545	5,521
Quantity	MT	43,678	42,235	44,677
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	101.14	101.03	102.07
Penalty for Ash	US\$/Ton	(0.32)	(0.34)	(0.57)
Marine Freight Charges	US\$/Ton	20.78	25.36	23.85
Marine Insurance	US\$/Ton	0.08	0.08	0.12
CIF Coal Price	US\$/Ton	121.69	126.14	125.48
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	121.69	126.14	125.48
Other Charges:	US\$/Ton	20.81	17.33	17.00
(i) Port Handling Charges	US\$/Ton	4.27	4.23	4.23
(ii) Port Qasim Royalty Charge	US\$/Ton	2.38	2.52	2.52
(iii) Customs Duties & Cess	US\$/Ton	8.66	8.66	8.13
(iv) PDA Charges at Load Port	US\$/Ton	0.47	0.66	0.54
(v) PDA Charges at Discharge Port	US\$/Ton	0.81	1.02	1.26
(vi) Freight Forwarding/Custom Clearance	US\$/Ton	0.04	0.04	0.04
(vii) Wharfage Charges	US\$/Ton	0.12	0.12	0.12
(viii) Commodity & Ash Fusion Temperature Inspection	US\$/Ton	-	0.07	0.07
(ix) L/C / TT Charges	US\$/Ton	0.10	0.02	0.10
(x) Transportation & Loading Charges	US\$/Ton	3.96	-	-
Inland Freight Charges	US\$/Ton	26.09	26.09	25.85
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	168.59	169.56	168.33
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.35	1.39	1.68
Delivered Coal Price with losses at Power Plant	US\$/Ton	169.94	170.95	170.01
Exchange Rate	Rs./US\$	278.79	278.79	278.98
Delivered Coal Price with losses at Power Plant	Rs./Ton	47,377	47,658	47,429



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

Description		Awan LT-14	Awan LT-15	Awan LT-16
		MV MAGMA	MV KOUROS QUEEN	MV AMIS BRAVE
		PIBTL	PQA	PQA
Delivery Days:				
Voyage	Days	27.04	27.04	27.04
At Port	Days	4.20	6.63	6.96
Total Delivery Days	Days	31.24	33.67	33.99
Average Time Charter Rate	US\$/Day	15,004	15,069	15,147
Time Charter Cost (Voyage)	US\$	405,671	407,428	409,537
Time Charter Cost (At Port)	US\$	63,063	99,928	105,377
Bunker Consumption:				
Bunker during Voyage	Ton	878.72	878.72	878.72
Bunker during Port Days	Ton	21.02	33.16	34.78
Total	Ton	899.73	911.88	913.50
Bunker Price	\$/Ton	634.00	620.00	603.00
Bunker Cost (Voyage)	US\$	557,108	544,806	529,867
Bunker Cost (At Port)	US\$	13,324	20,557	20,975
Total Cost:				
Total Voyage Cost	US\$	962,778	952,234	939,404
Total At Port Cost	US\$	76,386	120,485	126,352
Total Cost	US\$	1,039,165	1,072,718	1,065,756
Quantity	Tons	50,000	42,300	44,677
Marine Freight	US\$/Ton	20.78	25.36	23.85

*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 September 2024

Description	Reference	Revised		
		Pipri		
Fixed Freight Charges (FFC)	1.77	3.49	3.49	3.49
Variable Freight Charges (VFC)	0.81	2.05	2.05	1.99
(i) Fuel	0.40	1.25	1.25	1.19
(ii) O&M	0.40	0.80	0.80	0.80
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	6.49	6.49	6.43
Distance (Km)	1,060	1,060	1,060	1,060
Total Freight Charges (Rs/Ton)	3,743	6,879	6,879	6,817
Indexation Values:				
Consumer Price Index Base Year 2015-16	131.67	259.74	259.74	259.74
HSD Price (Rs./Liter)	87.12	268.88	268.88	256.22
Spurline Component:				
Spurline Component (Rs./ton)	190	394	394	394
Total Quantity Handeled (Tons)	302,087	145,432	145,432	145,547
Inland Freight Charges with Spurline (Rs/Ton)	3,933	7,274	7,274	7,211
Exchange Rate	-	278.79	278.79	278.98
Inland Freight Charges with Spurline (USD/Ton)	-	26.09	26.09	25.85
Handling Month		Aug-24	Aug-24	Sep-24

