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No. NEPRA/R/ADG(Trf)/TRF-369/LEPCL-2015/23373-77

December 7, 2022

Chief Executive Officer
Lucky Electric Power Company Limited
11th Floor, Al-Tijarah Center,
32-1-A, PECHS, Shahra-e-Faisal, Karachi
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Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of November 2022 for Lucky Electric Power Company Limited (LEPCL) [Case No. NEPRA/TRF-369/LEPCL-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), Details of Delivery from Thar Coal (Annex-III) and Marine Freight Calculation (Annex-IV) (05 pages) regarding the fuel price adjustment on account of **Coal** price variation for the month of **November 2022** in respect of Lucky Electric Power Company Limited.

Enclosure: As above


(Syed Safeer Hussain)

CC:

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, Blue Area, Islamabad

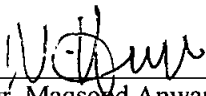
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT
FOR THE MONTH OF NOVEMBER 2022 FOR LUCKY ELECTRIC POWER COMPANY
LIMITED**

1. Pursuant to the decision of the Authority dated October 20, 2016 notified vide S.R.O. No. 946(I)/2017 on September 15, 2017 in the matter of approval of upfront coal tariff for coal power plant of Lucky Electric Power Company (Private) Limited (LEPCL), decision dated September 23, 2016 regarding Sue Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal Tariff and decision dated February 7, 2022 notified vide S.R.O. No. 684(I)/2022 in the matter of procurement of imported coal using ICI-5 Index, the fuel portion of the energy charge part of LEPCL's tariff has been adjusted for variation in coal price(s). LEPCL requested weighted average coal price of US\$ 85.12/Ton for coal consumed during the month of November 2022. LEPCL requested Fuel Cost Components (FCC) of Rs. 15.4532/kWh for November 2022. The requested coal price and fuel cost component were found on higher side.
2. LEPCL has also consumed Thar coal supplied by Sindh Engro Coal Mining Company Limited (SECMC) during the current month. Thar Coal Energy Board (TCEB) vide its decision dated October 5, 2018 determined reference tariff of 2nd Phase of Thar Coal Block II in the matter of reference contract stage tariff for SECMC for developing of mine expansion to 7.6 MPTA. The general condition (ix) of TCEB determination defined that Pre-COD sale of lignite coal will be priced at the full first year tariff i.e. US\$ 46.10/Ton. The proceeds of this sale will be utilized to finance the capital for expansion of mine to 7.6 MPTA capacity. Accordingly, Thar coal supplies have been assessed on the basis of US\$ 46.14/Ton along with other incidental charges such as insurance, freight e.t.c.
3. 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 LEPCL's tariff indicated hereunder shall be immediately applicable to units delivered during the month.

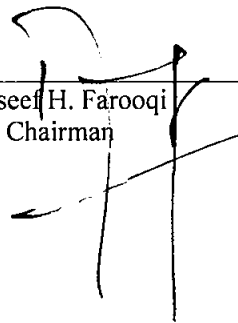
Period	Fuel Cost Component (Rs./kWh)	
	Reference	Revised
November 2022	3.9768	14.4395

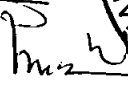
4. The above referred revised fuel cost component along with revised imported coal prices, revised local Thar coal price, and revised marine freight charges attached as **Annex-I, Annex-II, Annex-III and Annex-IV**, respectively are to be notified in the official gazette, in accordance with the provisions 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).

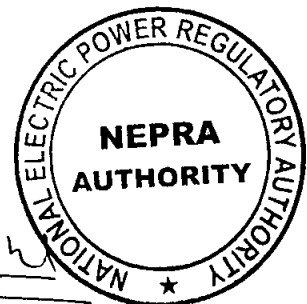
AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman


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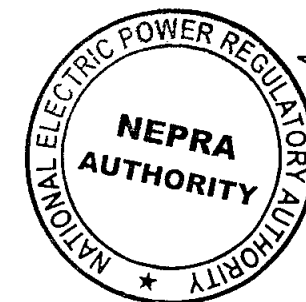
Lucky Electric Power Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price(s) Variation for the Month of November 2022

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 038	54,892	2,708	93.31	20,742	222.30
Consumption from Shipment No. 039	52,897	2,826	91.93	20,435	222.30
Consumption from Shipment No. 040	54,556	2,714	90.24	20,060	222.30
Consumption from Shipment No. 041	17,934	2,701	87.14	19,371	222.30
Consumption from Thar Coal	38,165	2,851	54.55	13,090	239.95
Consumption from Thar Coal	41,726	2,706	58.20	12,717	218.50
Total Consumption	260,170	2,753	80.64	18,033	223.61

Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	20,625	18,033
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,837	2,753
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,257	10,926
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	3.9768	16.0299	14.4395

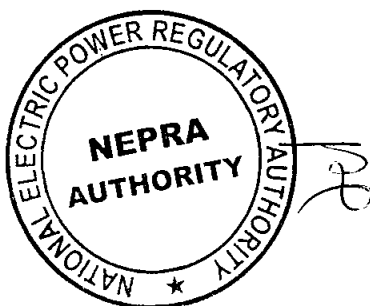
Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.

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Lucky Electric Power Company Limited
Details of Shipments
For the Month of November 2022

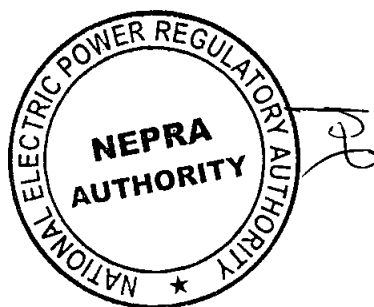
Shipment Number		38	39	40	41
Vessel Name		MV Pacific Achievement	MV Star Challenger	MV Pacific Pride	MV Anassa
Bill of Lading Date		5-Aug-22	9-Aug-22	13-Aug-22	19-Aug-22
L/C Number		22INSC000505081	22INSC000504986	28SLCFS222241001	22INSC000505361
Origin		Indonesia	Indonesia	Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	49.95	49.95	49.95	49.95
Base Calorific Value	kCal/Kg	3,000	3,000	3,000	3,000
Actual Calorific Value	kCal/Kg	2,708	2,826	2,714	2,701
B/L Quantity	MT	55,000	53,000	55,000	55,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	45.09	47.05	45.19	44.97
Marine Freight Charges	US\$/Ton	34.24	30.09	30.67	28.32
Marine Insurance	US\$/Ton	0.03	0.03	0.03	0.03
CIF Coal Price	US\$/Ton	79.36	77.17	75.88	73.32
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	79.36	77.17	75.88	73.32
Other Charges:	US\$/Ton	12.90	13.70	12.77	12.86
(i) Port Handling Charges	US\$/Ton	7.74	8.15	7.72	7.87
(a) PIBT Charges	US\$/Ton	4.07	4.09	4.11	4.18
(b) PQA Royalty Charges	US\$/Ton	2.36	2.37	2.38	2.42
(c) PDA Load Port Charges	US\$/Ton	0.23	0.54	0.23	0.23
(d) PDA Discharge Port Charges	US\$/Ton	0.79	0.87	0.71	0.75
(e) Wharfage	US\$/Ton	0.15	0.15	0.15	0.15
(f) Inspection Charges	US\$/Ton	0.03	0.02	0.03	0.02
(g) Truck Handling Charges	US\$/Ton	0.10	0.11	0.11	0.11
(ii) Customs Duty and Cess	US\$/Ton	5.06	5.46	4.95	4.90
(iii) LC Charges	US\$/Ton	0.06	0.06	0.06	0.05
(iv) Custom Clearance Charges	US\$/Ton	0.04	0.04	0.04	0.04
Inland Freight Charges	US\$/Ton	0.87	0.88	0.87	0.88
Delivered Coal Price before adjustment of handling loss	US\$/Ton	93.13	91.75	89.52	87.05
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.18	0.18	0.72	0.09
Delivered Coal Price with losses at Power Plant	US\$/Ton	93.31	91.93	90.24	87.14
Exchange Rate Average B/L Month	Rs./US\$	222.30	222.30	222.30	222.30
Delivered Coal Price with losses at Power Plant	Rs./Ton	20,742	20,435	20,060	19,371



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Lucky Electric Power Company Limited
Details of Delivery from Thar Coal

Description	Unit	Sep-22
Quantity Purchased	Ton	41,830
Quantity Received	Ton	41,726
Handling Loss	%	0.25%
Price	US\$/Ton	46.14
Base Calorific Value	kCal/Kg	2,701
Actual Calorific Value	kCal/Kg	2,706
Thar Coal Price after adjustment of CV	US\$/Ton	46.06
Insurance	US\$/Ton	0.01
Transportation	US\$/Ton	11.98
Delivered Coal Price before adjustment of handling loss	US\$/Ton	58.06
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.14
Adjusted Price after handling loss	US\$/Ton	58.20
Exchange Rate	Rs./US\$	218.5
Price (Rs./ton)	Rs./Ton	12,717

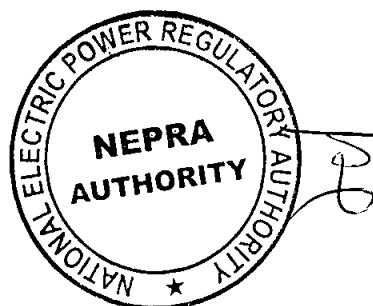


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Lucky Electric Power Company Limited
Marine Freight Calculation
For the Month of November 2022

Description	Unit	MV Pacific Achievement	MV Star Challenger	MV Pacific Pride	MV Anassa
Loading Port Name		Muara Berau Anchorage, East Kalimantan	Muara Sangkulirang Anchorage, East Kalimantan	Muara Berau Anchorage, East Kalimantan	Muara Berau Anchorage, East Kalimantan
Discharge Port Name		PIBT	PIBT	PIBT	PIBT
Delivery Days:					
Voyage	Days	27.96	27.96	27.96	27.96
At Load Port	Days	7.04	3.98	7.38	7.38
At Discharge Port	Days	2.70	2.62	2.70	2.70
Total	Days	37.70	34.56	38.03	38.03
Average Time Charter Rate	US\$/Day	23,797	22,032	22,032	20,527
Time Charter Cost	US\$	897,097	761,325	837,905	780,667
Bunker Consumption:					
Bunker during Voyage	Ton	908.58	908.58	908.58	908.58
Bunker during Port Days	Ton	48.71	33.00	50.38	50.38
Total	Ton	957.29	941.57	958.95	958.95
Bunker Price	\$/Ton	1,030.00	885.00	885.00	810.00
Bunker Cost	US\$	986,005	833,293	848,674	776,752
Total Voyage Expense	US\$	1,883,102	1,594,618	1,686,578	1,557,420
Cargo Capacity	Tons	55,000	53,000	55,000	55,000
Marine Freight	\$/Ton	34.24	30.09	30.67	28.32

*PDA Charges both at load and discharge ports have been included in port handling charges.



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