



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)/TRF-369/LEPCL-2015 / 21798-02

November 10, 2022

Chief Executive Officer  
Lucky Electric Power Company Limited  
11<sup>th</sup> Floor, Al-Tijarah Center,  
32-1-A, PECHS, Shahra-e-Faisal, Karachi  
Tele: 021 – 3416 8806-09

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of October 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 **October 2022** in respect of Lucky Electric Power Company Limited.

Enclosure: As above

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( 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

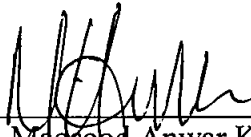
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT  
FOR THE MONTH OF OCTOBER 2022 FOR LUCKY ELECTRIC POWER COMPANY  
LIMITED**

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\$ 103.68/Ton for coal consumed during the month of October 2022. LEPCL requested Fuel Cost Components (FCC) of Rs. 18.1519/kWh for October 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 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.

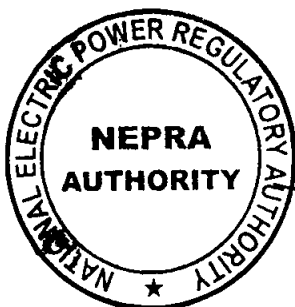
Period	Fuel Cost Component (Rs./kWh)	
	Reference	Revised
October 2022	3.9768	16.0299

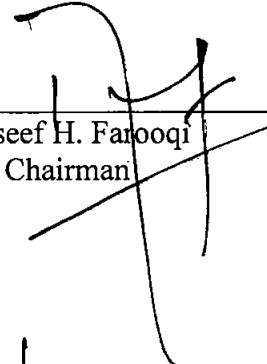
4. The above referred revised fuel cost component along with revised imported coal prices, revised local Thar coal price, and revised marine freight charges attached as **Annex-I, Annex-II, Annex-III and Annex-IV**, respectively are to be notified in the official gazette, in accordance with the provisions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

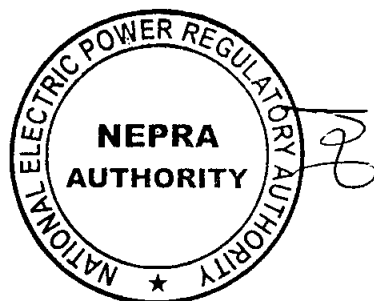
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**Lucky Electric Power Company Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price(s) Variation for the Month of October 2022**

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Shipment No. 035	55,451	2,891	103.51	21,216	195.99
Consumption from Shipment No. 036	54,963	2,854	104.23	21,363	204.96
Consumption from Shipment No. 037	55,647	2,763	101.68	20,840	204.96
Consumption from Thar Coal	11,302	2,851	54.55	13,090	239.95
<b>Total Consumption</b>	<b>177,363</b>	<b>2,837</b>	<b>100.04</b>	<b>20,625</b>	<b>206.18</b>

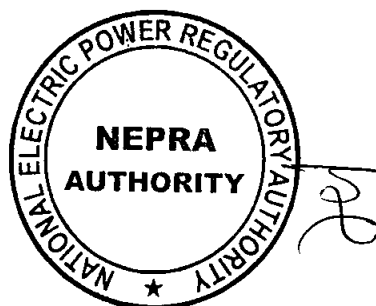
Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	21,130	20,625
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,895	2,837
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,487	11,257
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component</b>	<b>Rs./kWh</b>	<b>3.9768</b>	<b>16.0935</b>	<b>16.0299</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.



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

Shipment Number		35	36	37
Vessel Name		MV ES Warrior	MV Pillion	MV Protector ST John
Bill of Lading Date		15-Jun-22	23-Jun-22	30-Jun-22
L/C Number		0525ILC054042	0525ILC054040	LC/01/001/120935
Origin		Indonesia	Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	52.58	52.58	52.58
Base Calorific Value	kCal/Kg	3,000	3,000	3,000
Actual Calorific Value	kCal/Kg	2,891	2,854	2,763
B/L Quantity	MT	55,000	55,000	54,900
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	50.67	50.02	48.43
Marine Freight Charges	US\$/Ton	38.84	39.28	39.07
Marine Insurance	US\$/Ton	0.03	0.03	0.03
CIF Coal Price	US\$/Ton	89.54	89.34	87.53
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	89.54	89.34	87.53
Other Charges:	US\$/Ton	13.87	13.87	14.58
(i) Port Handling Charges	US\$/Ton	7.82	7.86	8.41
(a) PIBT Charges	US\$/Ton	4.17	4.22	4.56
(b) PQA Royalty Charges	US\$/Ton	2.40	2.45	2.61
(c) PDA Load Port Charges	US\$/Ton	0.26	0.23	0.23
(d) PDA Discharge Port Charges	US\$/Ton	0.71	0.67	0.73
(e) Wharfage	US\$/Ton	0.17	0.17	0.17
(f) Inspection Charges	US\$/Ton	0.03	0.03	0.04
(g) Truck Handling Charges	US\$/Ton	0.08	0.09	0.09
(ii) Customs Duty and Cess	US\$/Ton	5.94	5.90	6.08
(iii) LC Charges	US\$/Ton	0.06	0.06	0.05
(iv) Custom Clearance Charges	US\$/Ton	0.04	0.04	0.04
Inland Freight Charges	US\$/Ton	0.96	0.95	0.96
Delivered Coal Price before adjustment of handling loss	US\$/Ton	104.37	104.16	103.08
Handling Loss 1% or actual whichever is minimum	US\$/Ton	(0.86)	0.07	(1.40)
Delivered Coal Price with losses at Power Plant	US\$/Ton	103.51	104.23	101.68
Exchange Rate Average B/L Month	Rs./US\$	204.96	204.96	204.96
Delivered Coal Price with losses at Power Plant	Rs./Ton	21,216	21,363	20,840



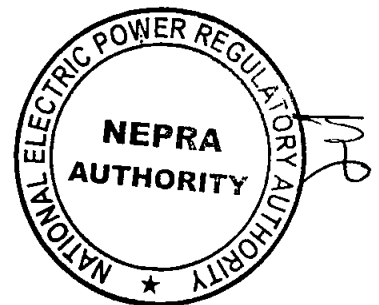
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Annex-III

**Lucky Electric Power Company Limited**  
**Details of Delivery from Thar Coal**

Description	Unit	Aug-22
Quantity Purchased	Ton	49,445
Quantity Received	Ton	49,467
Handling Loss	%	-0.05%
Price	US\$/Ton	46.14
Base Calorific Value	kCal/Kg	2,701
Actual Calorific Value	kCal/Kg	2,851
Thar Coal Price after adjustment of CV	US\$/Ton	43.70
Insurance	US\$/Ton	0.01
Transportation	US\$/Ton	10.86
Delivered Coal Price before adjustment of handling loss	US\$/Ton	54.58
Handling Loss 1% or actual whichever is minimum	US\$/Ton	(0.02)
Adjusted Price after handling loss	US\$/Ton	54.55
Exchange Rate	Rs./US\$	239.95
Price (Rs./ton)	Rs./Ton	13,090

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

Description	Unit	MV ES Warrior	MV Pillion	MV Protector ST John
Loading Port Name		Muara Berau Anchorage, East Kalimantan	Muara Berau Anchorage, East Kalimantan	Muara Berau Anchorage, East Kalimantan
Discharge Port Name		PIBT	PIBT	PIBT
Delivery Days:				
Voyage	Days	27.96	27.96	27.96
At Load Port	Days	7.38	6.93	7.36
At Discharge Port	Days	2.70	2.70	2.70
Total	Days	38.03	37.59	38.01
Average Time Charter Rate	US\$/Day	31,052	29,738	27,798
Time Charter Cost	US\$	1,180,946	1,117,756	1,056,734
Bunker Consumption:				
Bunker during Voyage	Ton	908.58	908.58	908.58
Bunker during Port Days	Ton	50.38	48.15	50.29
Total	Ton	958.95	956.73	958.87
Bunker Price	\$/Ton	996.00	1,090.00	1,135.00
Bunker Cost	US\$	955,117	1,042,837	1,088,318
Total Voyage Expense	US\$	2,136,064	2,160,593	2,145,052
Cargo Capacity	Tons	55,000	55,000	54,900
<b>Marine Freight</b>	<b>S/Ton</b>	<b>38.84</b>	<b>39.28</b>	<b>39.07</b>

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

