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No. NEPRA/R/DG(Trf)/TRF-369/LEPCL-2015 / 8780-84

April 11, 2023

Chief Executive Officer
Lucky Electric Power Company Limited
11th Floor, Al-Tijarah Center,
32-1-A, PECHS, Shahr-e-Faisal, Karachi
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Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of February 2023 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 February 2023 in respect of Lucky Electric Power Company Limited.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Copy to: (alongwith copy of subject Decision):

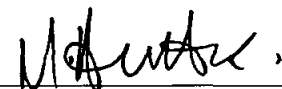
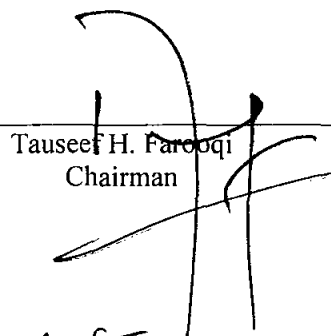
1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, Shaheen Plaza, 73-West, Fazl-e-Haq Road, Blue Area, Islamabad

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT
FOR THE MONTH OF FEBRUARY 2023 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\$ 84.18/Ton for coal consumed during the month of February 2023. LEPCL requested Fuel Cost Components (FCC) of Rs. 15.0370/kWh for February 2023. The requested coal price and fuel cost component were found on higher side.
2. In accordance with the prescribed mechanism, the revised coal price of shipment has 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 Oct 20, 2016	Revised
February 2023	3.9768	14.4133

3. Sindh Engro Coal Mining Company Limited (SECMC) has achieved its Mine COD of 2nd Phase of Thar Block-II on 1st October 2022. The instant Fuel Price Adjustment shall be subject to adjustment on the basis of clarification, if any, issued by Thar Coal Energy Board (TCEB) for applicable Post COD Mine tariff.
4. The above referred revised fuel cost component along with revised imported coal price, details of local Thar coal price and revised marine freight charge 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).

AUTHORITYMathar Niaz Rana (nsc)
MemberEngr. Maqsood Anwar Khan
MemberEngr. Rafique Ahmed Shaikh
MemberAmina Ahmed
Member
Tauseef H. Farooqi
Chairman

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 February 2023

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 050	54,658	2,708	88.63	19,633	221.52
Consumption from Shipment No. 051	54,915	2,728	86.80	19,228	221.52
Consumption from Shipment No. 052	54,979	2,667	86.75	19,217	221.52
Consumption from Thar Coal No. 053	45,600	2,835	55.21	12,390	224.40
Total Consumption	210,152	2,730	80.41	17,847	221.95

Description	Unit	Reference Oct 20, 2016	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	18,132	17,847
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,804	2,730
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,127	10,833
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	3.9768	14.2573	14.4133

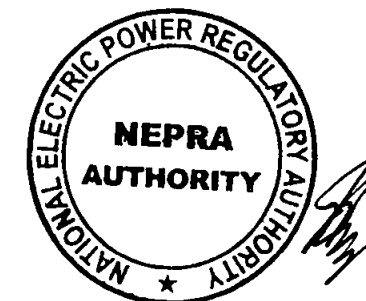
Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.

-The Coal Consumption is for the period of 16th January 2023 to 15th February 2023.

-Based on data declared by Lucky Electric Power Company Limited.

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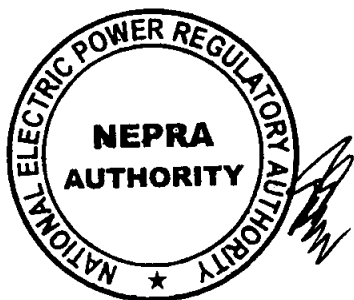
2 of 5



Lucky Electric Power Company Limited
Details of Shipments
For the Month of February 2023

Shipment Number		50	51	52
Vessel Name		MV Sentinel	MV Pacific Dream	MV Nordic BC Kiel
Bill of Lading Date		1-Oct-22	5-Oct-22	17-Oct-22
L/C Number		LC/01/001/121867	285LCFS222731501	22INSC000506807
Origin		Indonesia	Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	54.82	54.82	54.82
Base Calorific Value	kCal/Kg	3,000	3,000	3,000
Actual Calorific Value	kCal/Kg	2,708	2,728	2,667
B/L Quantity	MT	55,000	55,000	55,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	49.48	49.85	48.73
Marine Freight Charges	US\$/Ton	24.83	23.44	24.33
Marine Insurance	US\$/Ton	0.03	0.03	0.03
CIF Coal Price	US\$/Ton	74.34	73.32	73.10
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	74.34	73.32	73.10
Other Charges:	US\$/Ton	12.86	12.47	12.74
(i) Port Handling Charges	US\$/Ton	7.83	7.64	7.80
(a) PIBT Charges	US\$/Ton	4.11	4.12	4.13
(b) PQA Royalty Charges	US\$/Ton	2.38	2.39	2.39
(c) PDA Load Port Charges	US\$/Ton	0.25	0.21	0.21
(d) PDA Discharge Port Charges	US\$/Ton	0.79	0.64	0.77
(e) Wharfage	US\$/Ton	0.15	0.15	0.15
(f) Inspection Charges	US\$/Ton	0.04	0.03	0.03
(g) Truck Handling Charges	US\$/Ton	0.10	0.10	0.10
(ii) Customs Duty and Cess	US\$/Ton	4.94	4.73	4.85
(iii) LC Charges	US\$/Ton	0.05	0.06	0.05
(iv) Custom Clearance Charges	US\$/Ton	0.04	0.04	0.04
Inland Freight Charges	US\$/Ton	0.87	0.88	0.88
Delivered Coal Price before adjustment of handling loss	US\$/Ton	88.08	86.67	86.72
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.55	0.13	0.03
Delivered Coal Price with losses at Power Plant	US\$/Ton	88.63	86.80	86.75
Exchange Rate Average B/L Month	Rs./US\$	221.52	221.52	221.52
Delivered Coal Price with losses at Power Plant	Rs./Ton	19,633	19,228	19,217

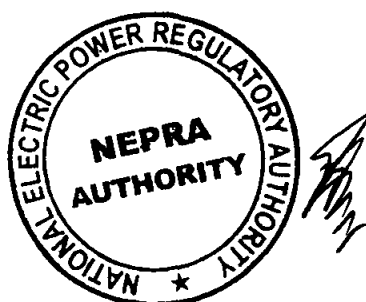
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Lucky Electric Power Company Limited
Details of Delivery from Thar Coal

Description	Unit	Dec-22
Quantity Purchased	Ton	143,295.4
Quantity Received	Ton	143,011.5
Handling Loss	%	0.20%
Price	US\$/Ton	46.14
Base Calorific Value	kCal/Kg	2,701
Actual Calorific Value	kCal/Kg	2,835
Thar Coal Price after adjustment of CV	US\$/Ton	43.96
Insurance	US\$/Ton	0.01
Transportation	US\$/Ton	11.13
Delivered Coal Price before adjustment of handling loss	US\$/Ton	55.10
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.11
Adjusted Price after handling loss	US\$/Ton	55.21
Exchange Rate	Rs./US\$	224.4
Price (Rs./ton)	Rs./Ton	12,390

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Lucky Electric Power Company Limited
Marine Freight Calculation
For the Month of February 2023

Description	Unit	MV Sentinel	MV Pacific Dream	MV Nordic BC Kiel
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	7.38	7.38
At Discharge Port	Days	2.70	2.70	2.70
Total	Days	38.03	38.03	38.03
Average Time Charter Rate	US\$/Day	17,881	17,057	18,172
Time Charter Cost	US\$	680,037	648,699	691,104
Bunker Consumption:				
Bunker during Voyage	Ton	908.58	908.58	908.58
Bunker during Port Days	Ton	50.38	50.38	50.38
Total	Ton	958.95	958.95	958.95
Bunker Price	\$/Ton	715.00	668.00	675.00
Bunker Cost	US\$	685,651	640,581	647,293
Total Voyage Expense	US\$	1,365,688	1,289,280	1,338,397
Cargo Capacity	Tons	55,000	55,000	55,000
Marine Freight	\$/Ton	24.83	23.44	24.33

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

