



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-369/LEPCL-2015 / 34420-24

October 19, 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 September 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 at **Annex-I**, Details of Shipments at **Annex-II**, Marine Freight Calculation at **Annex-III** (total 04 Pages) regarding the fuel price adjustment on account of Coal price variation for the month of **September 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 SEPTEMBER 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 is required to be adjusted on account of fuel price variation. LEPCL requested weighted average coal price of US\$ 59.77/Ton for coal consumed during the month of September 2023. LEPCL requested Fuel Cost Components (FCC) of Rs. 13.4880/kWh for September 2023. The requested coal price and fuel cost component were found on higher side.
2. The Authority in its collective and joint wisdom decided with consensus as under which shall be hereafter called as decision of the Authority in the matter:

“Based on the documentary evidence and information submitted by LEPCL, the fuel cost component of energy charge part of LEPCL's tariff has been adjusted for variation in coal price(s). In accordance with the prescribed mechanism, the revised coal price for each shipment have been worked out and are attached as Annexure to this decision.”


3. 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
September 2023	3.9768	12.6304

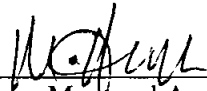
4. The above referred revised fuel cost component along with revised imported coal prices and revised marine freight charges attached as **Annex-I, Annex-II and Annex-III**, respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

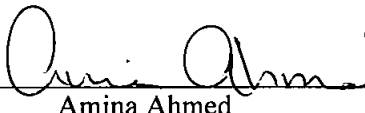
AUTHORITY


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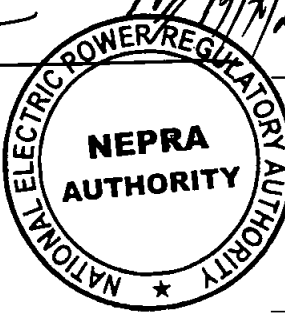

Mathar Niaz Rana (nsc)
Member


Engr. Rafique Ahmed Shaikh
Member


Engr. Maqsood Anwar Khan
Member


Amina Ahmed
Member


Waseem Mukhtar
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 September 2023

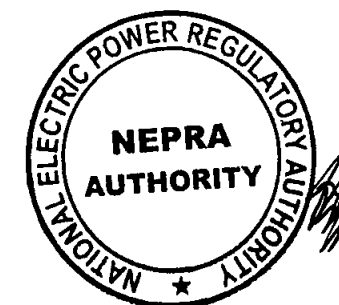
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 076	19,501	3,055	60.24	16,992	282.06
Consumption from Shipment No. 077	54,990	2,991	59.58	16,805	282.06
Consumption from Shipment No. 078	54,828	2,700	56.33	15,888	282.06
Consumption from Shipment No. 079	54,392	2,731	56.66	15,982	282.06
Consumption from Shipment No. 080	13,572	2,839	54.18	15,281	282.06
Total Consumption	197,283	2,834	57.57	16,237	282.06

Description	Unit	Reference Oct 20, 2016	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	17,580	16,237
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,943	2,834
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,677	11,247
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	3.9768	13.1720	12.6304

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 1st to 30th September 2023.

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



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

Shipment Number		77	78	79	80
Vessel Name		MV Star Pisces II	MV CL Lindy	MV Aulac Vanguard	MV Zagori
Bill of Lading Date		3-Jul-23	12-Jul-23	17-Jul-23	27-Jul-23
L/C Number		0525ILC057982	285LCFS231781501	285LCFS231912501	285LCFS232012002
Origin		Indonesia	Indonesia	Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	31.57	31.57	31.57	31.57
Base Calorific Value	kCal/Kg	3,000	3,000	3,000	3,000
Actual Calorific Value	kCal/Kg	2,991	2,700	2,731	2,839
B/L Quantity	MT	55,000	55,000	54,470	55,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	31.48	28.41	28.74	29.88
Marine Freight Charges	US\$/Ton	15.68	15.78	15.98	12.40
Marine Insurance	US\$/Ton	0.02	0.02	0.02	0.02
CIF Coal Price	US\$/Ton	47.18	44.21	44.74	42.30
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	47.18	44.21	44.74	42.30
Other Charges:	US\$/Ton	11.70	11.25	11.15	11.09
(i) Port Handling Charges	US\$/Ton	8.11	8.01	7.91	8.01
(a) PIBT Charges	US\$/Ton	4.20	4.19	4.23	4.21
(b) PQA Royalty Charges	US\$/Ton	2.43	2.42	2.45	2.44
(c) PDA Load Port Charges	US\$/Ton	0.52	0.44	0.36	0.33
(d) PDA Discharge Port Charges	US\$/Ton	0.74	0.73	0.65	0.80
(e) Wharfage	US\$/Ton	0.12	0.12	0.12	0.12
(f) Inspection Charges	US\$/Ton	0.02	0.02	0.02	0.02
(g) Truck Handling Charges	US\$/Ton	0.08	0.08	0.07	0.09
(ii) Customs Duty and Cess	US\$/Ton	3.52	3.18	3.18	3.02
(iii) LC Charges	US\$/Ton	0.05	0.04	0.03	0.03
(iv) Custom Clearance Charges	US\$/Ton	0.03	0.03	0.03	0.03
Inland Freight Charges	US\$/Ton	0.69	0.69	0.69	0.69
Delivered Coal Price before adjustment of handling loss	US\$/Ton	59.57	56.15	56.58	54.08
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.01	0.18	0.08	0.10
Delivered Coal Price with losses at Power Plant	US\$/Ton	59.58	56.33	56.66	54.18
Exchange Rate Average B/L Month	Rs./US\$	282.06	282.06	282.06	282.06
Delivered Coal Price with losses at Power Plant	Rs./Ton	16,805	15,888	15,982	15,281



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

Description	Unit	MV Star Pisces II	MV CL Lindy	MV Aulac Vanguard	MV Zagori
Loading Port Name		Muara Sangkulirang, East Kalimantan	Muara Berau Anchorage, East Kalimantan	Muara Berau Anchorage, East Kalimantan	Tanjung Buyut Anchorage, South Sumatera
Discharge Port Name		PIBT	PIBT	PIBT	PIBT
Delivery Days:					
Voyage	Days	27.96	27.96	27.96	21.73
At Load Port	Days	5.07	7.27	7.31	7.37
At Discharge Port	Days	2.70	2.70	2.68	2.70
Total	Days	35.72	37.93	37.94	31.80
Average Time Charter Rate	US\$/Day	8,230	8,178	8,221	8,012
Time Charter Cost	US\$	294,000	310,168	311,936	254,742
Bunker Consumption:					
Bunker during Voyage	Ton	908.58	908.58	908.58	706.06
Bunker during Port Days	Ton	38.83	49.85	49.94	50.35
Total	Ton	947.41	958.43	958.52	756.41
Bunker Price	\$/Ton	600.00	582.00	582.85	565.00
Bunker Cost	US\$	568,447	557,808	558,671	427,373
Total Voyage Expense	US\$	862,446	867,975	870,607	682,115
Cargo Capacity	Tons	55,000	55,000	54,470	55,000
Marine Freight	\$/Ton	15.68	15.78	15.98	12.40

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

