



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

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No. NEPRA/ADG(Trf)/TRF-369/LEPCL-2015/2395-99

February 13, 2025

Chief Executive Officer,  
Lucky Electric Power Company Limited (LEPCL),  
11<sup>th</sup> Floor, Al-Tijarah Center,  
32-1-A, PECHS, Shahra-e-Faisal,  
Karachi

Subject: Revised Decision of the Authority in the matter of Fuel Price Adjustments for the months of May to June 2023 and October 2024 for Lucky Electric Power Company Limited

Enclosed please find herewith the subject Decision of the Authority along with Annex-1A, 1B, 1C, 1D, 2A, 2B, 2C, 2D, 3A, 3B, 3C, 3D and Decision of Mr. Mathar Niaz Rana (nsc), Member(NEPRA) (total 16 Pages) regarding the fuel price adjustment on account of Coal price variation for the months of May to June 2023 and October 2024 in respect of Lucky Electric Power Company Limited.

Enclosure: As above

*Wasim Anwar Bhinder*  
(Wasim Anwar Bhinder)

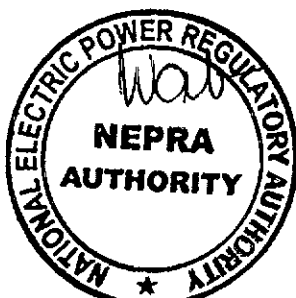
Copy to:

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 (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Blue Area, Islamabad



**REVISED DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE  
ADJUSTMENTS FOR THE MONTHS OF MAY TO JUNE 2023 AND OCTOBER 2024  
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, 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 and decision of the Authority dated June 4, 2024 notified vide S.R.O. No. 906(I)/2024 on June 14, 2024 regarding Motions for Leave for Review against decisions of the Authority in the matter of fuel price adjustment for the months of March 2022 onwards, the fuel portion of the energy charge part of LEPCL's tariff is required to be adjusted on account of fuel price variation.
2. LEPCL submitted requests for the revision of its Fuel Cost components (FCCs) for the months of May to June 2023 and October 2024 on the basis of mixed coal consumption i.e. imported and Thar coal. The Authority approved FCCs for May to June 2023, using only variable price/tariff for Thar coal purchases made post-February 17, 2023, as per the Thar Coal Energy Board (TCEB) decision dated December 19, 2022 regarding Financial Close Stage Tariff for Sindh Engro Coal Mining Company's (SECMC) Phase-II of Block-II of Thar Coalfield. Similarly, the FCC for the month of October 2024 was also approved applying the variable price/tariff for Thar coal purchases during September 2024 and October 2024, as per the TCEB decision dated November 17, 2023 in the matter of Motion for Leave for Review of Contract Stage Tariff dated July 25, 2023 for 11.2 MPTA capacity for SECMC's Phase-III of Block-II of Thar Coalfield.
3. TCEB in its decision dated November 17, 2023 in the matter of Motion for Leave for Review against TCEB's decision dated July 25, 2023 regarding Contract Stage Tariff (hereinafter "CS Tariff") for Phase-III of Block-II concluded that coal supplies made by SECMC to LEPCL after 17<sup>th</sup> February 2023 will be classified as Pre-COD sales of Phase-III and the tariff applicable for such supplies shall be first year tariff of Phase-III. The TCEB further clarified that any Pre-COD sales made after 17<sup>th</sup> February 2023 till COD of project (Phase-III) shall be adjusted against total project cost and consequently reduce overall debt levels being assumed by the project and must be incorporated in subsequent petitions.
4. In light of this, LEPCL requested the Authority for re-revision of its FCCs for May to June 2023 and October 2024 based on 1<sup>st</sup> year full tariff of USD 40.14/ton. LEPCL in support of its request, submitted that SECMC, as regulated by TCEB, can only supply coal at the price determined by TCEB. The details of requests are hereunder:



Month	FCC (Rs./KWh)
May 2023	12.0723
June 2023	13.2659
October 2023	14.2087



5. Considering the above submissions of LEPCL and discussion, the Authority in its collective and joint wisdom considering all aspects decided with consensus as under which shall be hereafter called as decision of the Authority in the matter:

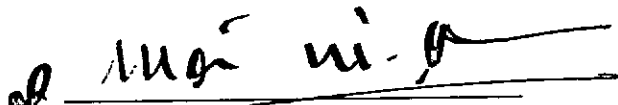
“Based on the submissions, documentary evidence and information submitted by LEPCL, the fuel cost components for the months of May to June 2023 and October 2024 have been adjusted in accordance with the prescribed mechanism and as per the TCEB’s determined Thar coal price, comprising fixed and variable components for all coal supplies to LEPCL w.e.f. 17<sup>th</sup> February 2023, classified as Pre-COD sales of Phase-III, in accordance with the TCEB decision dated November 17, 2023. The revised coal price for each shipment of imported coal and Thar coal supplies have been provided as Annexure to this decision”

6. 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
May 2023	3.9768	12.0720
June 2023		13.2657
October 2024		14.0167

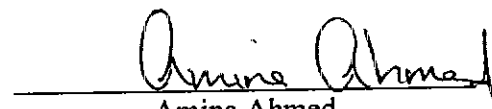
7. The instant decision shall supersede the previous decisions dated July 20, 2023, August 8, 2023 and December 4, 2024 for the months of May 2023, June 2023 and October 2024, respectively.
8. The above referred revised fuel cost components along with twelve (12) Annexures are to be notified in the official Gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
9. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).


**AUTHORITY**

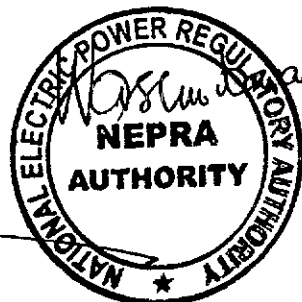
  
Mathar Niaz Rana (nsc)  
Member

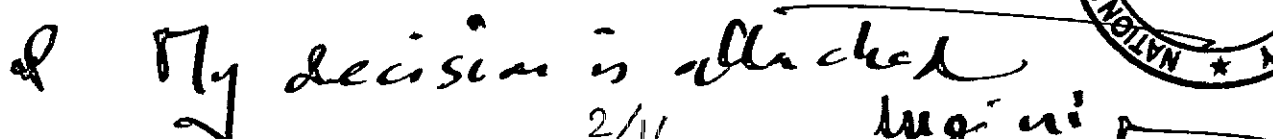
  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Amina Ahmed  
Member

  
Waseem Mukhtar  
Chairman

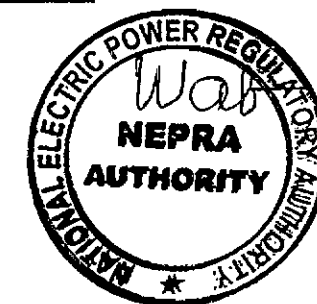


  
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**Lucky Electric Power Company Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price(s) Variation for the Month of May 2023**

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Thar Coal No. 057	47,254	2,811	54.77	14,697	268.35
Consumption from Thar Coal No. 058	23,496	2,844	52.71	14,145	268.35
Consumption from Thar Coal No. 059	57,982	2,844	48.63	13,050	268.35
Consumption from Shipment No. 060	55,106	2,707	75.42	20,193	267.76
Consumption from Shipment No. 061	52,664	2,751	73.97	20,765	280.71
Consumption from Thar Coal No. 062	91,373	2,842	49.42	12,945	261.95
Consumption from Thar Coal No. 063	72,293	2,854	47.93	13,622	284.20
<b>Total Consumption</b>	<b>400,168</b>	<b>2,810</b>	<b>56.67</b>	<b>15,387</b>	<b>271.51</b>

Description	Unit	Reference Oct 20, 2016	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	15,685	15,387
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,859	2,810
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,345	11,152
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>12.0966</b>	<b>12.0720</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.*

*-The Coal Consumption is for the period of 16th April 2023 to 31st May 2023.*

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

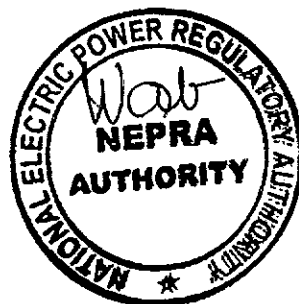
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## Lucky Electric Power Company Limited

## Details of Shipments

For the Month of May 2023

Shipment Number		60	61
Vessel Name		MV World Royal	MV Melody Fair
Bill of Lading Date		16-Feb-23	10-Mar-23
L/C Number		23INSC000500645	0525ILC056414
Origin		Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	48.64	49.12
Base Calorific Value	kCal/Kg	3,000	3,000
Actual Calorific Value	kCal/Kg	2,707	2,751
B/L Quantity	MT	55,000	53,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	43.89	45.04
Marine Freight Charges	US\$/Ton	16.98	14.03
Marine Insurance	US\$/Ton	0.01	0.02
CIF Coal Price	US\$/Ton	60.88	59.09
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	60.88	59.09
Other Charges:	US\$/Ton	13.96	13.73
(i) Port Handling Charges	US\$/Ton	9.47	9.36
(a) PIBT Charges	US\$/Ton	5.85	5.69
(b) PQA Royalty Charges	US\$/Ton	2.48	2.41
(c) PDA Load Port Charges	US\$/Ton	0.23	0.31
(d) PDA Discharge Port Charges	US\$/Ton	0.79	0.83
(e) Wharfage	US\$/Ton	-	-
(f) Inspection Charges	US\$/Ton	0.02	0.04
(g) Truck Handling Charges	US\$/Ton	0.08	0.08
(ii) Customs Duty and Cess	US\$/Ton	4.43	4.29
(iii) LC Charges	US\$/Ton	0.03	0.05
(iv) Custom Clearance Charges	US\$/Ton	0.03	0.03
Inland Freight Charges	US\$/Ton	0.73	0.69
Delivered Coal Price before adjustment of handling loss	US\$/Ton	75.56	73.51
Handling Loss 1% or actual whichever is minimum	US\$/Ton	(0.15)	0.47
Delivered Coal Price with losses at Power Plant	US\$/Ton	75.42	73.97
Exchange Rate Average B/L Month	Rs./US\$	267.76	280.71
Delivered Coal Price with losses at Power Plant	Rs./Ton	20,193	20,765

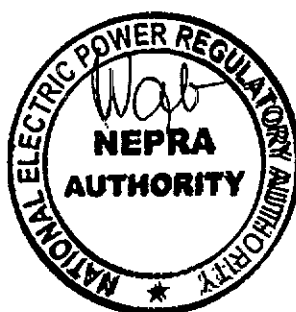


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**Lucky Electric Power Company Limited**  
**Marine Freight Calculation**  
**For the Month of May 2023**

Description	Unit	MV World Royal	MV Melody Fair
Loading Port Name		Muara Berau Anchorage, East Kalimantan	Tanjung Kampeh Anchorage, South Sumatera
Discharge Port Name		PIBT	PIBT
Delivery Days:			
Voyage	Days	27.96	21.73
At Load Port	Days	7.38	7.13
At Discharge Port	Days	2.70	2.62
Total	Days	38.03	31.47
Average Time Charter Rate	US\$/Day	7,529	9,591
Time Charter Cost	US\$	286,337	301,829
Bunker Consumption:			
Bunker during Voyage	Ton	908.58	706.06
Bunker during Port Days	Ton	50.38	48.73
Total	Ton	958.95	754.79
Bunker Price	\$/Ton	675.00	585.00
Bunker Cost	US\$	647,293	441,551
Total Voyage Expense	US\$	933,631	743,379
Cargo Capacity	Tons	55,000	53,000
<b>Marine Freight</b>	<b>\$/Ton</b>	<b>16.98</b>	<b>14.03</b>

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



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

Description	Unit	14-16 Feb 2023	17-28 Feb 2023	March 2023	April 2023
Shipment Number		58	59	62	63
Quantity Purchased	Ton	23,725	58,220	111,702	175,522
Quantity Received	Ton	23,496	57,982	111,348	174,741
Handling Loss	%	0.97%	0.41%	0.32%	0.44%
Price	US\$/Ton	44.32	40.14	40.14	40.14
Base Calorific Value	kCal/Kg	2,701	2,701	2,701	2,701
Actual Calorific Value	kCal/Kg	2,844	2,844	2,842	2,854
Thar Coal Price after adjustment of CV	US\$/Ton	42.09	38.12	38.15	37.99
Insurance	US\$/Ton	0.01	0.01	0.01	0.01
Transportation	US\$/Ton	10.11	10.30	11.10	9.72
Delivered Coal Price before adjustment of handling loss	US\$/Ton	52.20	48.43	49.26	47.72
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.51	0.20	0.16	0.21
Adjusted Price after handling loss	US\$/Ton	52.71	48.63	49.42	47.93
Exchange Rate	Rs./US\$	268.35	268.35	261.95	284.2
Price (Rs./ton)	Rs./Ton	14,145	13,050	12,945	13,622



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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 June 2023**

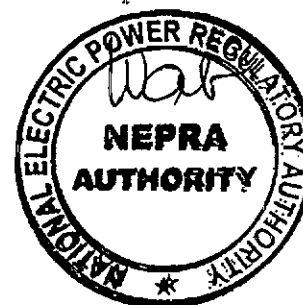
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Thar Coal No. 063	81,368	2,854	47.93	13,622	284.20
Consumption from Thar Coal No. 064	83,813	2,847	48.29	13,729	284.30
Consumption from Shipment No. 065	56,572	2,859	73.52	21,027	286.02
Consumption from Shipment No. 066	53,422	2,851	76.49	21,877	286.02
Consumption from Shipment No. 067	21,675	2,759	74.97	21,442	286.02
<b>Total Consumption</b>	<b>296,850</b>	<b>2,845</b>	<b>60.02</b>	<b>17,120</b>	<b>285.23</b>

Description	Unit	Reference Oct 20, 2016	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	11,610	17,120
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,810	2,845
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,152	11,291
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>9.1084</b>	<b>13.2657</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.*

*-The Coal Consumption is for the period of 1st June 2023 to 30th June 2023.*

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





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

Shipment Number		65	66	67
Vessel Name		MV Spirit of Seatrek	MV Ton Hil II	MV Ning Tai Hai
Bill of Lading Date		11-May-23	12-May-23	25-May-23
L/C Number		285LCFS231220002	23INSC000502327	23INSC000502635
Origin		Indonesia	Indonesia	Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	46.33	46.33	46.33
Base Calorific Value	kCal/Kg	3,000	3,000	3,000
Actual Calorific Value	kCal/Kg	2,859	2,851	2,759
B/L Quantity	MT	57,000	53,550	55,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	44.15	44.03	42.61
Marine Freight Charges	US\$/Ton	14.55	17.96	17.84
Marine Insurance	US\$/Ton	0.02	0.03	0.02
CIF Coal Price	US\$/Ton	58.73	62.02	60.47
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	58.73	62.02	60.47
Other Charges:	US\$/Ton	13.57	13.61	13.67
(i) Port Handling Charges	US\$/Ton	9.25	9.21	9.35
(a) PIBT Charges	US\$/Ton	5.65	5.61	5.64
(b) PQA Royalty Charges	US\$/Ton	2.40	2.38	2.39
(c) PDA Load Port Charges	US\$/Ton	0.37	0.49	0.53
(d) PDA Discharge Port Charges	US\$/Ton	0.73	0.63	0.68
(e) Wharfage	US\$/Ton	-	-	-
(f) Inspection Charges	US\$/Ton	0.02	0.02	0.02
(g) Truck Handling Charges	US\$/Ton	0.08	0.08	0.08
(ii) Customs Duty and Cess	US\$/Ton	4.25	4.32	4.25
(iii) LC Charges	US\$/Ton	0.04	0.05	0.04
(iv) Custom Clearance Charges	US\$/Ton	0.03	0.03	0.03
Inland Freight Charges	US\$/Ton	0.67	0.68	0.68
Delivered Coal Price before adjustment of handling loss	US\$/Ton	72.97	76.31	74.82
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.55	0.18	0.15
Delivered Coal Price with losses at Power Plant	US\$/Ton	73.52	76.49	74.97
Exchange Rate Average B/L Month	Rs./US\$	286.02	286.02	286.02
Delivered Coal Price with losses at Power Plant	Rs./Ton	21,027	21,877	21,442



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

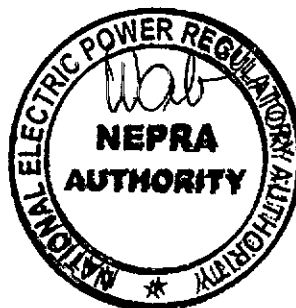
Description	Unit	MV Spirit of Seatrek	MV Ton Hil II	MV Ning Tai Hai
Loading Port Name		Tanjung Buyut Anchorage, South Sumatera	Muara Sangkulirang Anchorage, East Kalimantan	Muara Sangkulirang Anchorage, East Kalimantan
Discharge Port Name		PIBT	PIBT	PIBT
Delivery Days:				
Voyage	Days	21.73	27.96	27.96
At Load Port	Days	6.27	4.17	5.93
At Discharge Port	Days	2.78	2.64	2.29
Total	Days	30.77	34.76	36.17
Average Time Charter Rate	US\$/Day	13,036	12,352	12,235
Time Charter Cost	US\$	401,121	429,416	442,581
Bunker Consumption:				
Bunker during Voyage	Ton	706.06	908.58	908.58
Bunker during Port Days	Ton	45.23	34.04	41.09
Total	Ton	751.29	942.62	949.66
Bunker Price	\$/Ton	570.00	565.00	567.00
Bunker Cost	US\$	428,235	532,581	538,459
Total Voyage Expense	US\$	829,356	961,997	981,040
Cargo Capacity	Tons	57,000	53,550	55,000
Marine Freight	\$/Ton	14.55	17.96	17.84
*PDA Charges both at load and discharge ports have been included in port handling charges.				



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

Description	Unit	May 2023
Shipment Number		64
Quantity Purchased	Ton	83,915
Quantity Received	Ton	83,813
Handling Loss	%	0.12%
Price	US\$/Ton	40.14
Base Calorific Value	kCal/Kg	2,701
Actual Calorific Value	kCal/Kg	2,847
Thar Coal Price after adjustment of CV	US\$/Ton	38.08
Insurance	US\$/Ton	0.004
Transportation	US\$/Ton	10.14
Delivered Coal Price before adjustment of handling loss	US\$/Ton	48.23
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.06
Adjusted Price after handling loss	US\$/Ton	48.29
Exchange Rate	Rs./US\$	284.3
Price (Rs./ton)	Rs./Ton	13,729



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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 2024**

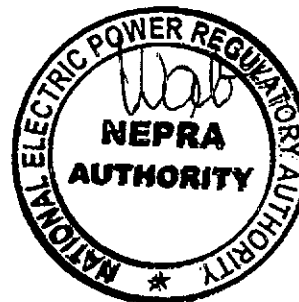
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Shipment No. 099	27,167	2,691	70.86	20,123	283.98
Consumption from Shipment No. 100	50,529	2,815	68.01	19,032	279.83
Consumption from Thar Coal No. 101	11,376	2,667	50.76	14,159	278.95
Consumption from Thar Coal No. 102	25,403	2,799	48.77	13,562	278.10
<b>Total Consumption</b>	<b>114,475</b>	<b>2,767</b>	<b>62.70</b>	<b>17,593</b>	<b>280.57</b>

Description	Unit	Reference Oct 20, 2016	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	10,069	20,269	17,593
Avg. net calorific value of stock consumed during the month	kCal/Kg	5,559	2,811	2,767
Avg. net calorific value of stock consumed during the month	BTU/Kg	22,046	11,154	10,981
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>15.8988</b>	<b>14.0167</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.*

*-The Coal Consumption is for the Period of 1<sup>st</sup> to 31<sup>st</sup> October 2024.*

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



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**Lucky Electric Power Company Limited**

**Details of Shipments**

**For the Month of October 2024**

Shipment Number		100
Vessel Name		MV Agia Erini Force
Bill of Lading Date		4-Feb-24
L/C Number		285LCFS240220501
Origin		Indonesia
Average ICI-5 Index Coal Price for B/L Month	US\$/Ton	36.80
Base Calorific Value	kCal/Kg	3,000
Actual Calorific Value	kCal/Kg	2,815
B/L Quantity	MT	53,000
FOB Coal ICI-5 Index Price adjusted for CV	US\$/Ton	34.53
Marine Freight Charges	US\$/Ton	19.13
Marine Insurance	US\$/Ton	0.02
CIF Coal Price	US\$/Ton	53.68
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-
CIF Coal Price with losses at Karachi	US\$/Ton	53.68
Other Charges:	US\$/Ton	12.91
(i) Port Handling Charges	US\$/Ton	9.26
(a) PIBT Charges	US\$/Ton	5.62
(b) PQA Royalty Charges	US\$/Ton	2.38
(c) PDA Load Port Charges	US\$/Ton	0.41
(d) PDA Discharge Port Charges	US\$/Ton	0.71
(e) Wharfage	US\$/Ton	-
(f) Inspection Charges	US\$/Ton	0.06
(g) Truck Handling Charges	US\$/Ton	0.07
(ii) Customs Duty and Cess	US\$/Ton	3.58
(iii) LC Charges	US\$/Ton	0.04
(iv) Custom Clearance Charges	US\$/Ton	0.03
Inland Freight Charges	US\$/Ton	0.74
Delivered Coal Price before adjustment of handling loss	US\$/Ton	67.34
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.67
Delivered Coal Price with losses at Power Plant	US\$/Ton	68.01
Exchange Rate Average B/L Month	Rs./US\$	279.83
Delivered Coal Price with losses at Power Plant	Rs./Ton	19,032



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**Lucky Electric Power Company Limited**  
**Marine Freight Calculation**  
**For the Month of October 2024**

Description	Unit	MV Agia Erini Force
Loading Port Name		Tanah Kuning Anchorage, North Kalimantan, Indonesia
Discharge Port Name		PIBT
Delivery Days:		
Voyage	Days	27.96
At Load Port	Days	7.13
At Discharge Port	Days	2.62
Total	Days	37.71
Average Time Charter Rate	US\$/Day	11,301
Time Charter Cost	US\$	426,104
Bunker Consumption:		
Bunker during Voyage	Ton	908.70
Bunker during Port Days	Ton	48.73
Total	Ton	957.43
Bunker Price	\$/Ton	614.00
Bunker Cost	US\$	587,859
Total Voyage Expense	US\$	1,013,963
Cargo Capacity	Tons	53,000
Marine Freight	\$/Ton	19.13

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



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

Description	Unit	Sep 2024	Oct 2024
Shipment Number		101	102
Quantity Purchased	Ton	11,465	25,541
Quantity Received	Ton	11,376	25,403
Handling Loss	%	0.78%	0.54%
Price	US\$/Ton	40.14	40.14
Base Calorific Value	kCal/Kg	2,701	2,701
Actual Calorific Value	kCal/Kg	2,667	2,799
Thar Coal Price after adjustment of CV	US\$/Ton	40.64	38.73
Insurance	US\$/Ton	0.01	0.01
Transportation	US\$/Ton	9.72	9.76
Delivered Coal Price before adjustment of handling loss	US\$/Ton	50.37	48.51
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.39	0.26
Adjusted Price after handling loss	US\$/Ton	50.76	48.77
Exchange Rate	Rs./US\$	278.95	278.1
Price (Rs./ton)	Rs./Ton	14,159	13,562

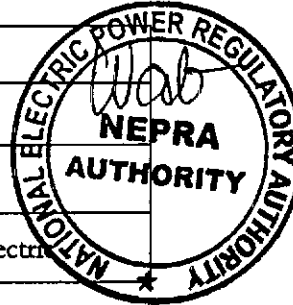


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**DECISION OF MEMBER (TARIFF)**  
**ON**  
**REQUEST FILED BY LUCKY ELECTRIC POWER COMPANY LIMITED FOR**  
**RE-REVISION OF FUEL COST COMPONENTS FOR THE MONTH OF**  
**MAY AND JUNE 2023**

Thar coal field was envisaged to supply coal to Engro Powergen Thar, Thar Energy Limited and Thal Nova Thar and LEPCL as follows: -

Phase	Status	Supply of coal to Power Project(s)
Phase-I	Completed	Engro Powergen
Phase-II	Completed	Engro Powergen, Thar Energy, Thal Nova
Phase-III	Under Development	Engro Powergen, Thar Energy, Thal Nova, Lucky Electric



2. TCEB in its decision dated November 17, 2023 in the matter of Motion for Leave for Review ("MLR") against the TCEB's decision dated July 25, 2023 for Contract Stage ("CS") Tariff for Phase-III of Block-II concluded that coal supplied by Sindh Engro Coal Mining Company ("SECMC") to LEPCL after 17<sup>th</sup> February 2023 will be classified as Pre-COD sales of Phase-III and the tariff applicable for such supplies shall be 1<sup>st</sup> year tariff of CS Tariff of Phase-III. Accordingly, LEPCL applied for the re-revision of its FCCs for May and June 2023 based on 1<sup>st</sup> year full tariff of USD 40.14/Ton.

3. It is noted that TCEB has not yet announced or approved the Financial Close (FC) Tariff for Phase-III implying that it is still under development. Due to LEPCL achieving COD, SECMC is currently supplying coal to LEPCL from the leftover coal stock of Phase-II while recovering full fixed cost of Phase-II of Thar Coal Mine from Engro, Thar Energy and Thal Nova.

4. I am of the opinion that LEPCL should be allowed only variable coal price instead of full price (variable plus fixed price) as fixed price/tariff is fully reimbursed by all three power plants (Engro Powergen Thar, Thar Energy Limited and Thal Nova) upto phase-II.

5. So, allowing fixed charges to LEPCL before the maturity of Phase-III will expose the consumers to unnecessary burden upfront and lead to increase in energy prices for consumers, affecting affordability. If fixed charges are approved prematurely, it could also incentive project developers to delay project completion, knowing they will receive guaranteed revenues, potentially leading to delays and increased costs in future. Further, it seems from the LEPCL submissions and current situation of expansion of mine, project may encounter delays or cost overrun, which also leads to the increase in fixed price/costs and current consumers pay these fixed charges/price without getting any benefit.

6. Further, if NEPRA approves the 1<sup>st</sup> year full coal price/charges (both fixed and variable) as Phase-III's Pre-COD, it would enable SECMC to earn interest on these sales and benefit without any effort and it may not adjust this earned interest into Phase-III's capital cost.

7. The assumption that proceeds from Pre-COD sales will be utilized for reduction of the future mine capital cost, is like as current end-consumers paying cost (along with interest charges) today so that their future generations will receive the benefits. It is more appropriate that only variable price is considered for Pre-COD sales, and this period sales shall be considered for the reduction of Phase-III's capital cost.

8. Furthermore, approving fixed price/tariff in the current fuel price adjustments would inadvertently shift the undue burden of late payment interests—which arises from the provision of fixed price—onto the power



purchaser, particularly in situations where the CPPA-G will be unable to make timely payments to LEPCL as stipulated in the agreed PPA.

9. The comparison of FCC on the different coal prices are hereunder: -

Description	Tariff on Full Thar Coal Price including Variable fuel cost and Fixed fuel cost already recovered.	Tariff on Thar Coal Variable Price only	Tariff on Imported Coal	Tariff on Mixed Coal
Coal Price (Rs./Ton)	13,050	6,475	20,193	16,622
Calorific Value (kCal/Kg)	2,844	2,844	2,707	2,776
Calorific Value (BTU/Kg)	11,286	11,286	10,742	11,014
Heat Rate (BTU/kWh)	8,749	8,749	8,749	8,749
FCC	10.12	5.02	16.45	13.2

10. It should be a matter of concern for the Authority that the recent FCC of generation on imported coal is Rs.14.92/kWh as compared with generation based on local coal which is Rs.14.36/kWh. In my opinion, allowing the fixed cost to Lucky Electric which has not been incurred, is adding Rs.5.10/kWh to the fuel cost of Lucky Electric as apparent from the aforementioned table which is not only non-prudent under Tariff Rules but will also make the generation on local coal at par with the imported coal and adversely impact the consumers denying the benefit of indigenous fuel resource.

11. Given the above facts, I do not agree with including the fixed cost component of Phase-II in FCC decisions of Lucky Electric as this cost is already being fully recovered from Engro, Thar Energy and Thal Nova and bring this matter in the notice of Ministry of Energy after resolution in view of consumer interest.



*Mathar Niaz Rana*

Mathar Niaz Rana (nsc)  
Member (Tariff)