



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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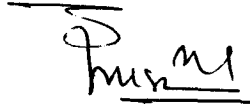
No. NEPRA/TRF-299/PQEPCPL-2015/10059-61
July 3, 2018

Chief Executive Officer
Port Qasim Electric Power Company (Pvt.) Limited
House No. 63, Street No. 5
F-8/3, Islamabad.
Ph: 051-2266341

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for Port Qasim Electric Power Company (Private) Limited (PQEPCL) [Case No. NEPRA/TRF-299/PQEPCPL-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), Marine Freight (Annex-III) (04 pages) regarding the fuel price adjustment on account of **Coal** price(s) variation for the month of June 2018 in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above


03 07 18
(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
NEECA Building, Sector G-5/2, Islamabad.

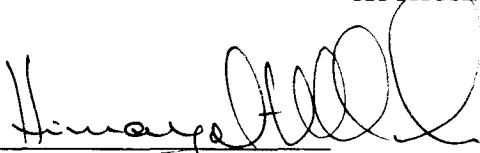
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR PORT QASIM
ELECTRIC POWER COMPANY (PRIVATE) LIMITED.**


Pursuant to the Decision of the Authority dated 13th February 2015 in the matter of approval of upfront coal tariff for coal power plant of Port Qasim Electric Power Company (Private) Limited (hereafter "PQEPCL") and the Decision of the Authority dated 23rd September 2016 regarding Sue Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal tariff, the fuel portion of the energy charge part of PQEPCL's tariff needs to be adjusted for variation in coal price(s). PQEPCL requested weighted average coal price of Rs. 10,452/ton (US\$ 91.61/ton) for the coal consumed during the month of June 2018. PQEPCL further requested fuel cost component of Rs. 5.0446/kWh for June 2018 which was found on higher side. In accordance with the prescribed mechanism and on the basis of information and documents submitted by PQEPCL, the revised coal prices have been worked out and attached as Annex-II. Accordingly, the fuel cost component has been adjusted. The revised fuel cost component of energy charge part of PQEPCL's tariff indicated hereunder shall be immediately applicable to the units delivered during the month:

Period	Revised Fuel Cost Component Rs./kWh
June 2018	4.7007


The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as Annex-I, Annex-II & 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.

AUTHORITY

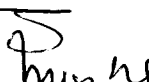

Himayat Ullah Khan 24.6.18
Member


Saif Ullah Chattha
Member 2.7.2018


Rehmatullah
Member 2/7/18


Brig (R) Tariq Saddozai
Chairman



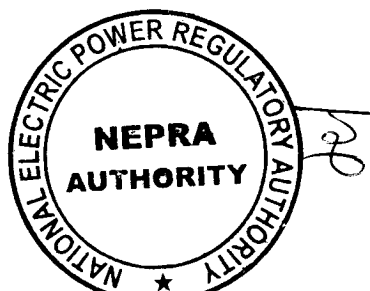

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Port Qasim Electric Power Company (Private) Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price(s) Variation

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
Coal Consumed from stock:					
Consumption from Shipment No. 201818	52,500.00	4,161	81.49	9,123.62	111.96
Consumption from Shipment No. 201819	52,500.00	4,779	85.92	9,619.60	111.96
Consumption from Shipment No. 201820	50,097.00	4,882	98.27	11,358.05	115.58
Consumption from Shipment No. 201821	50,930.00	4,807	85.31	9,860.13	115.58
Consumption from Shipment No. 201822	50,074.81	4,198	75.52	8,728.60	115.58
Total consumption	256,101.81	4,564	85.27	9,731.61	114.10

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	9,912	9,732
Avg. net calorific value of stock consumed during the month	kCal/kg	6,441	4,765	4,564
Avg. net calorific value of stock consumed during the month	BTU/Kg.	25,556	18,909	18,113
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel cost component for June 2018	Rs./kWh	4.2913	4.5861	4.7007

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.



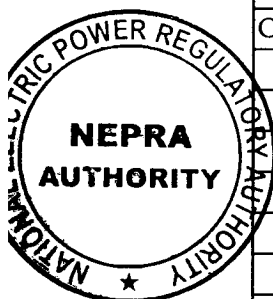
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Port Qasim Electric Power Company (Private) Limited

Details of Shipments

Shipment Number		201819	201820	201821	201822
Vessel Name		Vindonissa	African Puffin	Santa Rita	Mi Harmony
Bill of Lading Date (B/L)		22-Mar-18	3-Apr-18	14-Apr-18	24-Apr-18
L/C Number		-	-	-	-
Origin		South Africa	South Africa	South Africa	Indonesia
API-4 Index for the month of B/L Date		91.40	94.14	94.14	62.35
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	4,600
Actual Calorific Value	kCal/Kg	4,779	4,882	4,807	4,198
Quantity	MT	52,500	50,098	50,930	52,500
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	72.80	76.60	75.42	56.90
Discount	US\$/Ton	(7.06)	-	(10.53)	-
Marine Freight Charges	US\$/Ton	13.58	14.26	13.94	12.15
Marine Insurance	US\$/Ton	0.08	0.08	0.08	0.07
CIF Coal Price	US\$/Ton	79.40	90.94	78.91	69.12
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	79.40	90.94	78.91	69.12
Other Charges:	US\$/Ton	6.52	7.33	6.40	6.40
(i) Port Handling Charges	US\$/Ton	3.84	4.30	3.73	4.03
(a) PQA Royalty Charges	US\$/Ton	2.35	2.27	2.27	2.27
(b) Wharfage	US\$/Ton	0.30	0.29	0.29	0.29
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.55	0.99	0.58	0.64
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.65	0.75	0.58	0.83
(ii) Custom Duties	US\$/Ton	2.41	2.76	2.39	2.09
(iii) Custom Clearness Charges	US\$/Ton	0.15	0.15	0.15	0.15
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.13	0.13	0.13	0.13
Delivered Coal Price at Power Plant	US\$/Ton	85.92	98.27	85.31	75.52
Exchange Rate	Rs./US\$	111.96	115.58	115.58	115.58
Delivered Coal Price at Power Plant	Rs./Ton	9,619.60	11,358.05	9,860.13	8,728.60

Variation in Royalty charge for Shipment No.201819 is due to exchange rate difference used by PQA of Rs. 115.7/USD



Port Qasim Electric Power Company (Private) Limited
Marine Freight

Description	Unit	Vindonissa	African Puffin	Santa Rita	Mi Harmony
Loading Port Name		Richards Bay	Maputo	Richards Bay	Muara Banyuasin
Delivery Days:					
Voyage	Days	27.04	27.04	27.04	21.73
At Port	Days	3.661	3.807	3.582	8.474
Total	Days	30.70	30.84	30.62	30.20
Average Time Charter Rate	US\$/Day	12,178	12,023	11,218	11,310
Time Charter Cost	US\$	373,852	370,840	343,488	341,550
Bunker Consumption:					
Bunker during Voyage	Ton	878.72	878.72	878.72	706.06
Bunker during Port	Ton	18.31	19.03	17.91	42.37
MGO Consumption	Ton	3.90	3.90	3.90	3.90
Total	Ton	900.93	901.65	900.53	752.33
Bunker Price	\$/Ton	375.00	380.00	406.00	393.00
MGO Price	\$/Ton	653.0	665.0	680.00	621.00
Bunker Cost	US\$	338,931	343,739	366,683	296,556
Total Voyage Expense	US\$	712,783	714,580	710,171	638,106
Quantity Minimum	Tons	52,500	50,098	50,930	52,500
Marine Freight	\$/Ton	13.58	14.26	13.94	12.15

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

