



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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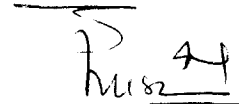
No. NEPRA/TRF-299/PQEPCPL-2015/15585-89  
October 10, 2018

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 **September 2018** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

  
16.10.18

( 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.

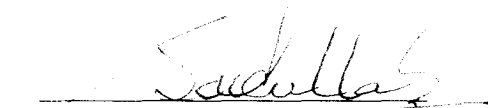
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR PORT QASIM  
ELECTRIC POWER COMPANY (PRIVATE) LIMITED.**

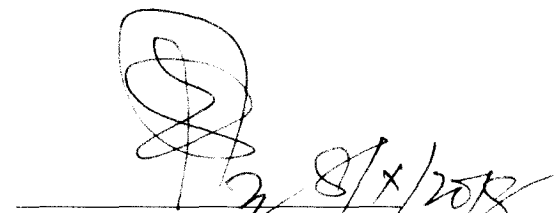
Pursuant to the Decision of the Authority dated 13<sup>th</sup> February 2015 in the matter of approval of upfront coal tariff for coal power plant of Port Qasim Electric Power Company (Private) Limited (hereafter "PQEPCL") and the Decision of the Authority dated 23<sup>rd</sup> September 2016 regarding 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. 12,140/ton for the coal consumed during the month of September 2018. PQEPCL further requested fuel cost component of Rs. 5.8242/kWh for September 2018. 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 to this decision. 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<br>Rs./kWh |
|----------------|--|
| September 2018 | 5.7166                                 |

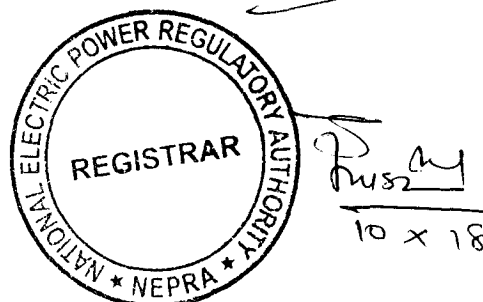
The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as Annex-I, Annex-II & Annex-III respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

**AUTHORITY**

  
Saif Ullah Chattha  
Member  
5.10.2018

  
Rehmatullah Baloch  
Vice Chairman  
28/9/2018

  
Brig (R) Tariq Saddozai  
Chairman

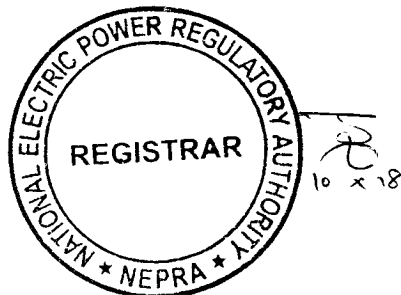


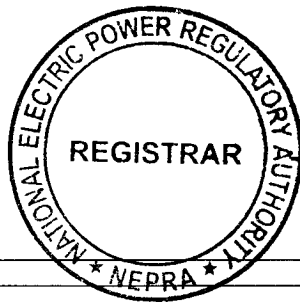
**Port Qasim Electric Power Company (Private) Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price(s) Variation**

| 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. 201835 | 49,742   | 4,615    | 105.47     | 12,567.81 | 119.16        |
| Consumption from Shipment No. 201836 | 52,830   | 4,952    | 110.58     | 13,176.71 | 119.16        |
| Consumption from Shipment No. 201837 | 50,350   | 4,370    | 87.02      | 10,845.30 | 124.63        |
| Consumption from Shipment No. 201838 | 49,233   | 4,520    | 86.74      | 10,810.41 | 124.63        |
| Consumption from Shipment No. 201839 | 55,000   | 4,598    | 106.51     | 13,274.34 | 124.63        |
| Consumption from Shipment No. 201840 | 52,750   | 4,506    | 85.69      | 10,679.54 | 124.63        |
| Total consumption                    | 309,905  | 4,596    | 97.19      | 11,916.55 | 122.82        |

| Description   | Unit    | Reference | Previous | Revised |
|---|---------|-----------|----------|---------|
| Avg. Price of stock consumed during the month               | Rs./Ton | 12,532    | 11,018   | 11,917  |
| Avg. net calorific value of stock consumed during the month | kCal/kg | 6,441     | 4,568    | 4,596   |
| Avg. net calorific value of stock consumed during the month | BTU/Kg. | 25,556    | 18,126   | 18,238  |
| Net Heat Rates  | BTU/kWh | 8,749     | 8,749    | 8,749   |
| Revised Fuel cost component for September 2018              | Rs./kWh | 4.2913    | 5.3183   | 5.7166  |

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.





Port Qasim Electric Power Company (Private) Limited

Details of Shipments

For the Month of September 2018

| Shipment Number  |          | 201835            | 201836         | 201837     | 201838     | 201839        | 201840       |
|--|----------|-------------------|----------------|------------|------------|---------------|--------------|
| Vessel Name  |          | Serene<br>Juniper | IVS Bosch Hoek | Paros Seas | Alex A     | Ultra Gujarat | African Baza |
| Bill of Lading Date (B/L)  |          | 24-Jun-18         | 30-Jun-18      | 2-Jul-18   | 6-Jul-18   | 7-Jul-18      | 8-Jul-18     |
| L/C Number   |          | -                 | -              | -          | -          | -             | -            |
| Origin   |          | South Africa      | South Africa   | Indonesian | Indonesian | South Africa  | Indonesian   |
| API-4/ICI-3 Coal Price Index for the month of B/L Date             |          | 104.46            | 104.46         | 65.75      | 65.75      | 107.89        | 65.75        |
| Base Calorific Value   | kCal/Kg  | 6,000             | 6,000          | 4,600      | 4,600      | 6,000         | 4,600        |
| Actual Calorific Value   | kCal/Kg  | 4,615             | 4,952          | 4,370      | 4,520      | 4,598         | 4,506        |
| Quantity   | MT       | 49,742            | 52,830         | 50,350     | 49,233.00  | 55,000        | 52,750       |
| FOB Coal Price Index as per B/L month Adjusted for CV              | US\$/Ton | 80.35             | 86.21          | 62.46      | 64.61      | 82.68         | 64.41        |
| Discount   | US\$/Ton | -                 | -              | -          | -          | -             | -            |
| Marine Freight Charges   | US\$/Ton | 15.44             | 14.61          | 16.60      | 14.01      | 14.08         | 13.21        |
| Marine Insurance   | US\$/Ton | 0.08              | 0.08           | 0.07       | 0.07       | 0.08          | 0.07         |
| CIF Coal Price   | US\$/Ton | 95.87             | 100.90         | 79.13      | 78.69      | 96.84         | 77.69        |
| Handling Loss 1% or actual whichever is minimum                    | US\$/Ton | -                 | -              | -          | -          | -             | -            |
| CIF Coal Price with losses at Karachi                              | US\$/Ton | 95.87             | 100.90         | 79.13      | 78.69      | 96.84         | 77.69        |
| Other Charges:   | US\$/Ton | 9.60              | 9.68           | 7.89       | 8.05       | 9.67          | 8.00         |
| (i) Port Handling Charges  | US\$/Ton | 4.19              | 4.07           | 3.32       | 3.33       | 4.12          | 3.38         |
| (a) PQA Royalty Charges  | US\$/Ton | 2.32              | 2.32           | 2.34       | 2.34       | 2.34          | 2.34         |
| (b) Wharfage   | US\$/Ton | 0.29              | 0.29           | 0.27       | 0.27       | 0.27          | 0.27         |
| (c) Port Disbursement Account Charges at Load Port                 | US\$/Ton | 1.01              | 0.88           | 0.14       | 0.14       | 0.97          | 0.15         |
| (d) Port Disbursement Account Charges at Discharge Port            | US\$/Ton | 0.58              | 0.59           | 0.58       | 0.57       | 0.54          | 0.61         |
| (ii) Custom Duties   | US\$/Ton | 5.13              | 5.33           | 4.30       | 4.44       | 5.28          | 4.35         |
| (iii) Custom Clearness Charges                                     | US\$/Ton | 0.15              | 0.15           | 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       | 0.13          | 0.13         |
| Delivered Coal Price at Power Plant                                | US\$/Ton | 105.47            | 110.58         | 87.02      | 86.74      | 106.51        | 85.69        |
| Average Exchange Rate for the month of B/L                         | Rs./US\$ | 119.16            | 119.16         | 124.63     | 124.63     | 124.63        | 124.63       |
| Delivered Coal Price at Power Plant                                | Rs./Ton  | 12,567.81         | 13,176.71      | 10,845.30  | 10,810.41  | 13,274.34     | 10,679.54    |

Variation in Royalty charge are due to exchange rate different used by PQA

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## Port Qasim Electric Power Company (Private) Limited

## Marine Freight

For the Month of September 2018

| Description               | Unit          | Serene Juniper             | IVS Bosch Hoek             | Paros Seas                         | Alex A                                   | Ultra Gujarat              | African Baza                             |
|---------------------------|---------------|----------------------------|----------------------------|------------------------------------|--|----------------------------|--|
| Loading Port Name         |               | Maputo Port,<br>Mozambique | Maputo Port,<br>Mozambique | Taboneo<br>Anchorage,<br>Indonesia | Bangka Strait<br>Anchorage,<br>Indonesia | Maputo Port,<br>Mozambique | Bangka Strait<br>Anchorage,<br>Indonesia |
| Delivery Days:            |               |                            |                            |                                    |  |                            |  |
| Voyage                    | Days          | 27.04                      | 27.04                      | 28.86                              | 21.73                                    | 27.04                      | 21.73                                    |
| At Port                   | Days          | 3.787                      | 3.960                      | 5.231                              | 8.009                                    | 4.081                      | 8.510                                    |
| Total                     | Days          | 30.82                      | 31.00                      | 34.09                              | 29.73                                    | 31.12                      | 30.23                                    |
| Average Time Charter Rate | US\$/Day      | 11,829                     | 11,822                     | 11,757                             | 11,288                                   | 11,552                     | 11,288                                   |
| Time Charter Cost         | US\$          | 364,621                    | 366,450                    | 400,835                            | 335,636                                  | 359,485                    | 341,288                                  |
| Bunker Consumption:       |               |                            |                            |                                    |  |                            |  |
| Bunker during Voyage      | Ton           | 878.72                     | 878.72                     | 938.03                             | 706.06                                   | 878.72                     | 706.06                                   |
| Bunker during Port        | Ton           | 18.93                      | 19.80                      | 26.15                              | 40.04                                    | 20.41                      | 42.55                                    |
| MGO Consumption           | Ton           | 3.90                       | 3.90                       | 3.90                               | 3.90                                     | 3.90                       | 3.90                                     |
| Total                     | Ton           | 901.55                     | 902.42                     | 968.09                             | 750.01                                   | 903.03                     | 752.51                                   |
| Bunker Price              | \$/Ton        | 446.50                     | 448.00                     | 448.50                             | 471.50                                   | 458.50                     | 471.50                                   |
| MGO Price                 | \$/Ton        | 710.0                      | 722.0                      | 637.00                             | 652.00                                   | 720.00                     | 652.00                                   |
| Bunker Cost               | US\$          | 403,571                    | 405,352                    | 434,921                            | 354,332                                  | 415,057                    | 355,513                                  |
| Total Vovage Expense      | US\$          | 768,192                    | 771,802                    | 835,756                            | 689,968                                  | 774,542                    | 696,800                                  |
| Quantity Minimum          | Tons          | 49,742                     | 52,830                     | 50,350                             | 49,233                                   | 55,000                     | 52,750                                   |
| <b>Marine Freight</b>     | <b>\$/Ton</b> | <b>15.44</b>               | <b>14.61</b>               | <b>16.60</b>                       | <b>14.01</b>                             | <b>14.08</b>               | <b>13.21</b>                             |

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

