

Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-299/PQEPCPL-2015/23982-36

November 11, 2019

Chief Executive Officer
Port Qasim Electric Power Company (Pvt.) Limited
Level 6, West Wing, Serena Business Complex, Sector G-5/1,
Islamabad
Tele: 051 – 835 7171

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 **October 2019** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

(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, Shaheen Plaza, 73-West, Fazl-e-Haq Road, 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 February 13, 2015 in the matter of approval of upfront coal tariff for coal power plant of Port Qasim Electric Power Company (Private) Limited (hereafter "PQEPCL"), the Decision of the Authority dated September 23, 2016 regarding Sue Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal Tariff and after incorporation of revised heat rates, the fuel portion of the energy charge part of PQEPCL's tariff has been adjusted for variation in coal price(s). PQEPCL requested weighted average coal price of Rs. 11,690/Ton for the coal consumed during the month of October 2019. PQEPCL requested fuel cost component of Rs. 5.2535/kWh for October 2019 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 for each shipment have been worked out and attached as Annex to this decision. 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
October 2019	5.1502


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.


CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

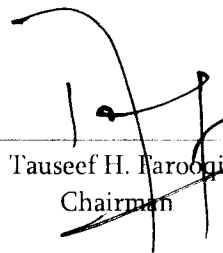
AUTHORITY

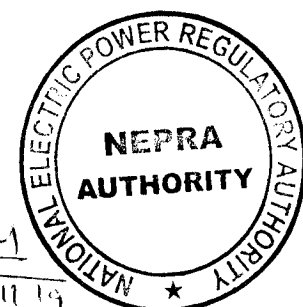

Saif Ullah Chattha 30.10.2019
Member


23/10/19
Rehmatullah Baloch
Member


31/10/19
Rafique Ahmed Shaikh
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman

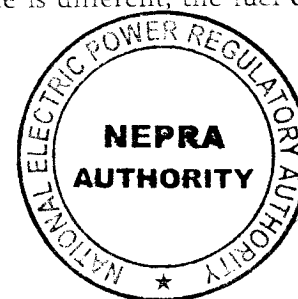


Port Qasim Electric Power Company (Private) Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price(s) Variation for the Month of October 2019

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. 201943	50,257	5,530	77.61	12,090	155.78
Consumption from Shipment No. 201944	10,663	4,256	65.21	10,159	155.78
Consumption from Shipment No. 201945	1,472	5,415	76.47	11,912	155.78
Consumption from Shipment No. 201946	50,609	4,159	61.96	9,652	155.78
Consumption from Shipment No. 201947	53,473	5,518	80.12	12,786	159.58
Consumption from Shipment No. 201948	49,600	4,355	67.45	10,763	159.58
Consumption from Shipment No. 201949	52,003	4,786	71.36	11,387	159.58
Consumption from Shipment No. 201950	52,020	5,540	82.38	13,147	159.58
Consumption from Shipment No. 201951	25,187	5,509	82.55	13,174	159.58
Consumption from Shipment No. 201952	50,490	4,220	63.68	10,107	158.71
Total consumption	395,774	4,906	72.68	11,516	158.38

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	11,126	11,516
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	6,441	4,899	4,906
Avg. Net Calorific Value of stock consumed during the month	BTU/Kg.	25,556	19,439	19,469
Net Heat Rates	BTU/kWh	8,749	8,749	8,707
Revised Fuel Cost Component for October 2019	Rs./kWh	4.2913	5.0076	5.1502

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 October 2019

Shipment Number	Unit	201943	201946	201947	201948	201949	201950	201951	201952
Vessel Name		MV FLAG GANGOS	MV IVS GLENEAGLES	MV KMARIN OSLO	MV OCEAN FEATHER	MV NORD MISSOURI	MV KRISTINITA	MV FLAG FILIA	MV CP CHONGQING
Bill of Lading Date (B/L)		15-Jun-19	25-Jun-19	1-Jul-19	2-Jul-19	10-Jul-19	14-Jul-19	14-Jul-19	4-Aug-19
L/C Number		-	-	-	-	-	-	-	-
Origin		South Africa	Indonesia	South Africa	Indonesia	Indonesia	South Africa	South Africa	Indonesia
ICI-3/API-4 Coal Price Index for the month of B/L Date	US\$/Ton	63.15	49.62	65.68	49.00	49.00	65.68	65.68	47.09
Base Calorific Value	kCal/Kg	6,000	4,600	6,000	4,600	4,600	6,000	6,000	4,600
Actual Calorific Value	kCal/Kg	5,530	4,159	5,518	4,355	4,786	5,540	5,509	4,220
Quantity	MT	50,257	51,120	53,473	50,100	52,528	52,020	50,218	51,000
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	58.20	44.86	60.40	46.39	50.98	60.64	60.31	43.20
Discount	US\$/Ton	-	-	-	-	-	-	-	-
Marine Freight Charges	US\$/Ton	11.49	10.16	11.98	13.65	13.28	14.06	14.34	13.41
Marine Insurance	US\$/Ton	0.03	0.05	0.03	0.05	0.05	0.06	0.03	0.05
CIF Coal Price	US\$/Ton	69.72	55.07	72.42	60.09	64.32	74.76	74.68	56.66
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	69.72	55.07	72.42	60.09	64.32	74.76	74.68	56.66
Other Charges:	US\$/Ton	7.89	6.89	7.71	7.36	7.04	7.62	7.87	7.02
(i) Port Handling Charges	US\$/Ton	3.95	3.64	3.70	3.89	3.33	3.41	3.70	3.66
(a) PQA Royalty Charges	US\$/Ton	2.31	2.29	2.28	2.28	2.29	2.28	2.28	2.27
(b) Wharfage Charges	US\$/Ton	0.22	0.22	0.21	0.21	0.21	0.21	0.21	0.21
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.69	0.60	0.63	0.85	0.22	0.39	0.67	0.59
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.74	0.53	0.58	0.55	0.61	0.53	0.55	0.59
(ii) Custom Duties	US\$/Ton	3.66	2.97	3.73	3.19	3.44	3.93	3.90	3.09
(iii) Custom Clearness Charges	US\$/Ton	0.15	0.15	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	0.13	0.13
Delivered Coal Price at Power Plant	US\$/Ton	77.61	61.96	80.12	67.45	71.36	82.38	82.55	63.68
Average Exchange Rate for the month of B/L	Rs./US\$	155.78	155.78	159.58	159.58	159.58	159.58	159.58	158.71
Delivered Coal Price at Power Plant	Rs./Ton	12,090.23	9,651.96	12,786.21	10,763.45	11,387.21	13,146.57	13,173.51	10,107.05



Port Qasim Electric Power Company (Private) Limited

Marine Freight

For the Month of October 2019

Description	Unit	MV FLAG GANGOS	MV IVS GLENEAGLES	MV KMARIN OSLO	MV OCEAN FEATHER	MV NORD MISSOURI	MV KRISTINITA	MV FLAG FILIA	MV CP CHONGQING
Loading Port Name		Richards Bay	Muara Banyuasin Anchorage, South Sumatera	Richards Bay	Balikpapan Coal Terminal, East Kalimantan	Samarinda Anchorage, East Kalimantan	Richards Bay	Richards Bay	Muara Banyuasin Anchorage, South Sumatera
Origin		South Africa	Indonesia	South Africa	Indonesia	Indonesia	South Africa	South Africa	Indonesia
Delivery Days:									
Voyage	Days	27.04	21.73	27.04	27.86	27.96	27.04	27.04	21.73
At Port - Load & Discharge	Days	3.55	8.28	3.71	4.37	5.41	3.64	3.55	8.26
Total	Days	30.59	30.00	30.75	32.24	33.37	30.67	30.58	29.99
Average Time Charter Rate	US\$/Day	8,094	8,152	8,962	9,116	9,116	9,897	10,112	11,491
Time Charter Cost	US\$	247,557.02	244,580.38	275,566.12	293,875.15	304,201.48	303,586.76	309,258.06	344,562.42
Bunker Consumption:									
Bunker during Voyage	Ton	878.72	706.06	878.72	905.53	908.58	878.72	878.72	706.06
Bunker during Port	Ton	17.74	41.39	18.55	21.87	27.07	18.19	17.73	41.30
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	900.36	751.35	901.17	931.31	939.55	900.80	900.35	751.26
Bunker Price	US\$/Ton	365.00	364.50	404.00	418.00	418.00	473.75	455.25	451.00
MGO Price	US\$/Ton	673.00	547.00	705.00	596.50	596.50	705.00	695.00	607.50
Bunker Cost	US\$	329,831.69	274,578.83	365,247.66	389,981.73	393,426.87	427,657.95	410,818.28	339,430.68
Total Voyage Expense	US\$	577,388.71	519,159.21	640,813.78	683,856.88	697,628.35	731,244.71	720,076.34	683,993.10
Quantity Minimum	Tons	50,257	51,120	53,473	50,100	52,528	52,020	50,218	51,000
Marine Freight	US\$/Ton	11.49	10.16	11.98	13.65	13.28	14.06	14.34	13.41

*PDA Charges both at load and discharge ports have been included in Port Handling Charges.

