



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

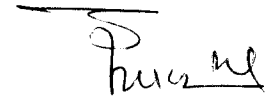
No. NEPRA/TRF-299/PQEPCL-2015/585-89  
January 8, 2020

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/PQEPCL-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 **December 2019** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

  
08 01 20  
( 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"), 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 decision of the Authority dated September 27, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of PQEPCL, 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. 11,808/Ton for the coal consumed during the month of December 2019. PQEPCL requested fuel cost component of Rs. 5.2118/kWh for December 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:

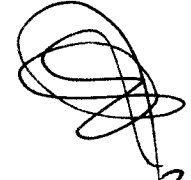
Period	Revised Fuel Cost Component Rs./kWh
December 2019	5.1040

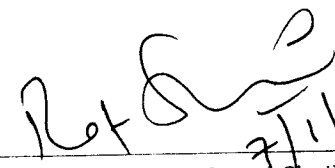
The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as **Annex-I, Annex-II & Annex-III** respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission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

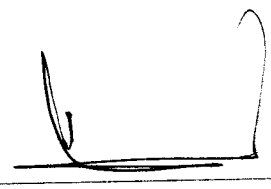
CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

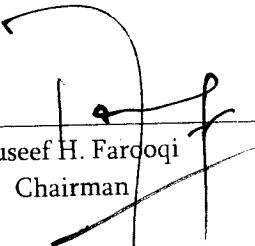
**AUTHORITY**

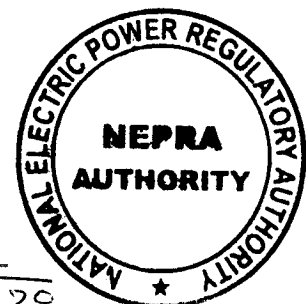
  
Saif Ullah Chattha  
Member  
7.1.2020


  
Rehmatullah Baloch  
Member  
3/7.1.2020

  
Engr. Rafique Ahmed Shaikh  
Member  
7/1/2020

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooqi  
Chairman



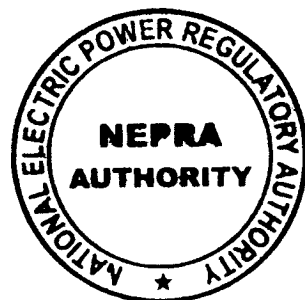
  
08/01/20

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 December 2019

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
<b>Coal Consumed from Stock:</b>					
Consumption from Shipment No. 201958	48,672	5,431	74.58	11,837	158.71
Consumption from Shipment No. 201960	40,000	4,255	65.26	10,358	158.71
Consumption from Shipment No. 201961	50,790	5,587	77.64	12,322	158.71
Consumption from Shipment No. 201962	50,322	4,164	62.04	9,847	158.71
Consumption from Shipment No. 201963	38,139	4,207	65.30	10,232	156.69
Consumption from Shipment No. 201964	49,502	5,487	81.00	12,692	156.69
Consumption from Shipment No. 201965	38,971	5,465	86.66	13,563	156.50
<b>Total consumption</b>	<b>316,396</b>	<b>4,971</b>	<b>73.27</b>	<b>11,564</b>	<b>157.88</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	11,458	11,564
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	4,943	4,971
Avg. Net Calorific Value of stock consumed during the month	BTU/Kg.	17,942	19,617	19,727
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
<b>Revised Fuel Cost Component for December 2019</b>	<b>Rs./kWh</b>	<b>4.6936</b>	<b>5.0855</b>	<b>5.1040</b>

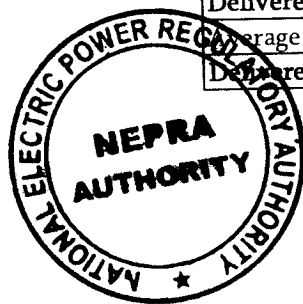
**Note:** The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



2

**Port Qasim Electric Power Company (Private) Limited**  
**Details of Shipments**  
**For the Month of December 2019**

Shipment Number	Unit	201961	201962	201963	201964	201965
Vessel Name		MV COS PROSPERTIY	MV THOR INSUVI	MV SAM HAWK	MV YASA SPARROW	MV COS PROSPERTIY
Bill of Lading Date (B/L)		25-Aug-19	29-Aug-19	18-Sep-19	20-Sep-19	3-Oct-19
L/C Number		-	-	-	-	-
Origin		South Africa	Indonesia	Indonesia	South Africa	South Africa
ICI-3/API-4 Coal Price Index for the month of B/L Date	US\$/Ton	59.27	47.09	46.97	59.57	67.61
Base Calorific Value	kCal/Kg	6,000	4,600	4,600	6,000	6,000
Actual Calorific Value	kCal/Kg	5,587	4,164	4,207	5,487	5,465
Quantity	MT	50,790	50,830	50,300	49,502	51,048
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	55.19	42.63	42.96	54.48	61.58
Discount	US\$/Ton	-	-	-	-	-
Marine Freight Charges	US\$/Ton	14.88	12.53	15.16	18.66	16.07
Marine Insurance	US\$/Ton	0.03	0.05	0.05	0.03	0.03
CIF Coal Price	US\$/Ton	70.11	55.21	58.17	73.17	77.68
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	70.11	55.21	58.17	73.17	77.68
Other Charges:	US\$/Ton	7.54	6.84	7.13	7.83	8.98
(i) Port Handling Charges	US\$/Ton	3.65	3.59	3.64	3.69	3.62
(a) PQA Royalty Charges	US\$/Ton	2.25	2.24	2.27	2.27	2.27
(b) Wharfage Charges	US\$/Ton	0.21	0.21	0.22	0.22	0.22
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.62	0.59	0.58	0.65	0.64
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.57	0.55	0.57	0.55	0.49
(ii) Custom Duties	US\$/Ton	3.61	2.97	3.21	3.86	5.08
(iii) Custom Clearness Charges	US\$/Ton	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
(v) L/C Charges	US\$/Ton	-	-	-	-	-
<b>Delivered Coal Price at Power Plant</b>	<b>US\$/Ton</b>	<b>77.64</b>	<b>62.04</b>	<b>65.30</b>	<b>81.00</b>	<b>86.66</b>
Average Exchange Rate for the month of B/L	Rs./US\$	158.71	158.71	156.69	156.69	156.50
<b>Delivered Coal Price at Power Plant</b>	<b>Rs./Ton</b>	<b>12,322.40</b>	<b>9,846.95</b>	<b>10,231.53</b>	<b>12,692.01</b>	<b>13,562.51</b>



**Port Qasim Electric Power Company (Private) Limited**  
**Marine Freight**

**For the Month of December 2019**

Description	Unit	MV COS PROSPERTIY	MV THOR INSUVI	MV SAM HAWK	MV YASA SPARROW	MV COS PROSPERTIY
Loading Port Name		Richards Bay	Muara Banyuasin Anchorage, South Sumatera	Tanjung Kampoh Anchorage, South Sumatera	Richards Bay	Richards Bay
Origin		South Africa	Indonesia	Indonesia	South Africa	South Africa
Delivery Days:						
Voyage	Days	27.04	21.73	21.73	27.04	27.04
At Port - Load & Discharge	Days	3.57	8.24	8.16	3.51	3.59
Total	Days	30.61	29.96	29.89	30.55	30.63
Average Time Charter Rate	US\$/Day	14,113	12,753	14,794	14,623	14,248
Time Charter Cost	US\$	432,030.98	382,095.38	442,129.99	446,688.44	436,349.99
Bunker Consumption:						
Bunker during Voyage	Ton	878.72	706.06	706.06	878.72	878.72
Bunker during Port	Ton	17.87	41.18	40.80	17.55	17.94
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90
Total	Ton	900.49	751.14	750.77	900.17	900.56
Bunker Price	US\$/Ton	358.25	338.00	426.00	529.25	425.25
MGO Price	US\$/Ton	660.00	568.00	599.25	723.00	690.00
Bunker Cost	US\$	323,778.30	254,783.53	320,502.13	477,168.55	383,994.81
Total Voyage Expense	US\$	755,809.28	636,878.91	762,632.12	923,856.99	820,344.80
Quantity Minimum	Tons	50,790	50,830	50,300	49,502	51,048
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>14.88</b>	<b>12.53</b>	<b>15.16</b>	<b>18.66</b>	<b>16.07</b>

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

