



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/SA(Tariff)/TRF-299/PQEPCL-2015/34849-53

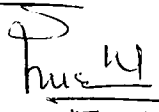
October 7, 2020

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 **September 2020** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

  
07 X 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**


1. Pursuant to the decisions 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 dated September 23, 2016 regarding Sue Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal Tariff, decision dated September 27, 2019 in the matter of tariff adjustment at Commercial Operation Date of PQEPCL and decision dated March 3, 2020 in the matter of motion for leave for review regarding fuel price adjustments, 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. 10,132/Ton for the coal consumed during the month of September 2020. PQEPCL requested Fuel Cost Component (FCC) of Rs. 4.3649/kWh for September 2020. The requested coal price and fuel cost component were 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 FCC of energy charge part of PQEPCL's tariff indicated hereunder shall be immediately applicable to the units delivered during the month:


Period	Fuel Cost Component (Rs./kWh)	
	Reference	Revised
September 2020	4.6936	4.3518


2. 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.
3. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

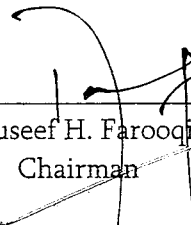
**AUTHORITY**

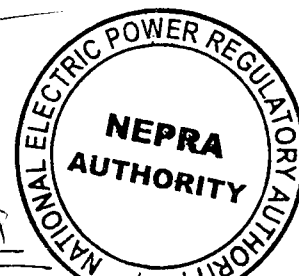
  
Saif Ullah Chattha 28.8.2020  
Member

  
3/28/9/2020  
Rehmatullah Baloch  
Member

  
Engr. Rafique Ahmed Sheikh 28/9/20  
Member

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooqi  
Chairman

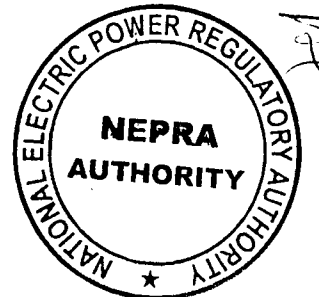


**Port Qasim Electric Power Company (Private) Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price(s) Variation for the Month of September 2020**

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. 202047	48,217	4,481	53.32	8,575	160.82
Consumption from Shipment No. 202051	49,718	4,628	53.24	8,562	160.82
Consumption from Shipment No. 202052	51,003	5,519	64.77	10,416	160.82
Consumption from Shipment No. 202053	52,925	4,321	52.78	8,751	165.80
Consumption from Shipment No. 202054	49,319	5,578	68.25	11,316	165.80
Consumption from Shipment No. 202055	26,309	5,784	70.50	11,689	165.80
Consumption from Shipment No. 202056	51,003	5,677	73.24	12,143	165.80
<b>Total consumption</b>	<b>328,494</b>	<b>5,093</b>	<b>61.71</b>	<b>10,102</b>	<b>163.54</b>

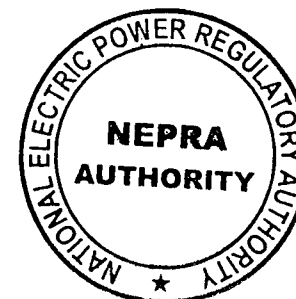
Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	10,550	10,102
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,339	5,093
Avg. Net Calorific Value of stock consumed during the month	BTU/Kg.	17,942	21,187	20,212
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
<b>Revised Fuel Cost Component for September 2020</b>	<b>Rs./kWh</b>	<b>4.6936</b>	<b>4.3357</b>	<b>4.3518</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.



**Port Qasim Electric Power Company (Private) Limited**  
**Details of Shipments**  
**For the Month of September 2020**

Shipment Number	Unit	202051	202052	202053	202054	202055	202056
Vessel Name		MV THOR FUTURE	MV STAR LUTAS	MV KAMBOS	MV SKUA	MV SUNRISE JADE	MV BULK BOLIVIA
Bill of Lading Date (B/L)		8-May-20	25-May-20	13-Jun-20	16-Jun-20	24-Jun-20	11-Jun-20
L/C Number		-	-	-	-	-	-
Origin		Indonesian	South Africa	Indonesian	South Africa	South Africa	Australia
ICI-3/API-4/NEWC Coal Price Index for the month of B/L Date	US\$/Ton	38.62	52.93	38.30	54.70	54.70	52.41
Base Calorific Value	kCal/Kg	4,600	6,000	4,600	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	4,628	5,519	4,321	5,578	5,784	5,677
Quantity	MT	50,220	51,003	53,460	49,319	53,286	51,003
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	38.86	48.69	35.98	50.85	52.73	49.59
Marine Freight Charges	US\$/Ton	7.67	8.21	9.49	9.49	9.82	14.97
Marine Insurance	US\$/Ton	0.04	0.03	0.04	0.05	0.05	0.03
CIF Coal Price	US\$/Ton	46.57	56.93	45.51	60.39	62.60	64.59
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	46.57	56.93	45.51	60.39	62.60	64.59
Other Charges:	US\$/Ton	6.67	7.84	7.27	7.86	7.90	8.65
(i) Port Handling Charges	US\$/Ton	3.28	3.74	3.89	3.49	3.50	4.26
(a) PQA Royalty Charges	US\$/Ton	2.27	2.31	2.30	2.29	2.29	2.29
(b) Wharfage Charges	US\$/Ton	0.21	0.21	0.21	0.21	0.21	0.21
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.21	0.64	0.77	0.46	0.41	1.13
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.59	0.58	0.61	0.53	0.59	0.63
(ii) Custom Duties & Cess	US\$/Ton	3.11	3.82	3.10	4.09	4.12	4.11
(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	53.24	64.77	52.78	68.25	70.50	73.24
Average Exchange Rate for the month of B/L	Rs./US\$	160.82	160.82	165.80	165.80	165.80	165.80
Delivered Coal Price at Power Plant	Rs./Ton	8,562.06	10,416.31	8,750.92	11,315.85	11,688.90	12,143.19



## Port Qasim Electric Power Company (Private) Limited

## Marine Freight

For the Month of September 2020

Description	Unit	MV THOR FUTURE	MV STAR LUTAS	MV KAMBOS	MV SKUA	MV SUNRISE JADE	MV BULK BOLIVIA
Loading Port Name		Muara Berau Anchorage, East Kalimantan	RBCT	Balikpapan Coal Terminal, East Kalimantan	RBCT	RBCT	Port of Newcastle
Origin		Indonesian	South Africa	Indonesian	South Africa	South Africa	Australia
Delivery Days:							
Voyage	Days	27.96	27.04	27.86	27.04	27.04	47.15
At Port-Load	Days	5.18	2.20	2.64	2.14	2.28	3.05
At Port-Discharge	Days	2.51	2.47	2.64	2.13	2.30	2.54
Total	Days	35.64	31.71	33.14	31.31	31.61	52.74
Average Time Charter Rate	US\$/Day	4,543	5,257	6,328	6,563	7,230	5,578
Time Charter Cost	US\$	161,922	166,699	209,704	205,510	228,552	294,185
Bunker Consumption:							
Bunker during Voyage	Ton	908.58	878.72	905.53	878.72	878.72	1,532.38
Bunker during Port Days	Ton	38.43	23.36	26.38	21.38	22.87	27.95
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	950.91	905.98	935.81	904.00	905.49	1,564.23
Bunker Price	US\$/Ton	235.00	278.00	318.00	290.00	325.00	300.00
MGO Price	US\$/Ton	239.00	355.00	350.00	385.00	415.00	325.00
Bunker Cost	US\$	223,478.87	252,162.84	297,713.72	262,530.01	294,635.03	469,365.41
Total Voyage Expense	US\$	385,401.08	418,861.38	507,417.91	468,039.93	523,187.02	763,550.64
Quantity Minimum	Tons	50,220	51,003	53,460	49,319	53,286	51,003
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>7.67</b>	<b>8.21</b>	<b>9.49</b>	<b>9.49</b>	<b>9.82</b>	<b>14.97</b>

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

