



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/4654-58

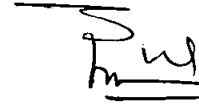
April 5, 2022

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 the month of March 2022 for Port Qasim Electric Power Company (Private) Limited (POEPCPL) [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) (05 pages) regarding the fuel price adjustment on account of Coal price(s) variation for the month of **March 2022** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above


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(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 THE MONTH OF MARCH 2022 FOR PORT QASIM
ELECTRIC POWER COMPANY (PRIVATE) LIMITED.**

1. 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 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 Motions 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. 34,393/Ton for the coal consumed during the month of March 2022. PQEPCL requested Fuel Cost Component (FCC) of Rs. 13.5745/kWh for March 2022.
2. It has been observed that Argus/McCloskey's published coal price index also specifies price differentials to API 4. It has been provided in the index report that to calculate a fixed price, apply the differential to the API 4 contract. Following differentials are applicable for the month of January 2022:

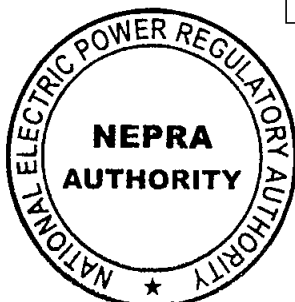
Description	Heat kcal/kg	Unit	Jan-2022 Average
5,500 differential	5,500	US\$/ton	6.77

3. In accordance with the above differentials, the API 4 price for each shipment from Richards Bay has been calculated and fixed as under:

Shipment No.	API 4 Price (US\$/ton)	Differential (US\$/ton)	Fixed Price (US\$/ton)	Heat (kcal/kg)	Actual Heat (kcal/kg)	Heat Adjusted Price (US\$/ton)	Requested Price (US\$/ton)	Difference (US\$/ton)
202166	172.41	(6.77)	165.64	5,500	5,608	168.89	161.15	7.75
202167	172.41	(6.77)	165.64	5,500	5,661	170.49	162.67	7.82
202168	172.41	(6.77)	165.64	5,500	5,210	156.91	149.71	7.20
202169	172.41	(6.77)	165.64	5,500	5,640	169.86	162.07	7.79
202170	172.41	(6.77)	165.64	5,500	5,538	166.78	159.13	7.65

4. Since the requested coal price for each shipment is less than the calculated coal price as per price differentials, therefore, the requested price has been considered.
5. Accordingly, the revised coal price for each shipment has 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
March 2022	4.6936	13.5346



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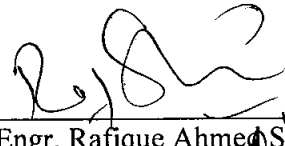
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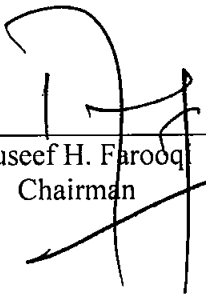


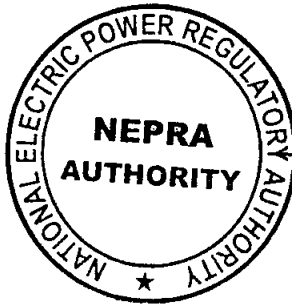
6. The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as **Annex-I, Annex-II & Annex-III** respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation,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

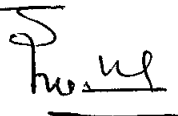
AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooq
Chairman




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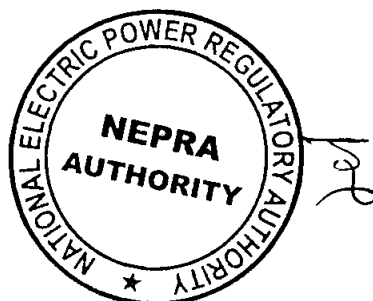
Port Qasim Electric Power Company (Private) Limited
Schedule of Fuel Cost Part of Energy Charge

Adjustment on Account of Coal Price(s) Variation for the Month of March 2022

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. 202164	39,780	5,774	167.31	29,776	177.97
Consumption from Shipment No. 202166	51,067	5,608	200.81	35,542	176.99
Consumption from Shipment No. 202167	50,852	5,661	203.15	35,955	176.99
Consumption from Shipment No. 202168	51,122	5,210	189.29	33,503	176.99
Consumption from Shipment No. 202169	33,585	5,640	200.34	35,459	176.99
Consumption from Shipment No. 202170	51,017	5,538	197.34	34,927	176.99
Total Consumption:	277,422	5,559	193.62	34,292	177.11

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	28,848	34,292
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,402	5,559
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,437	22,060
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
Revised Fuel Cost Component	Rs./kWh	4.6936	11.7167	13.5346

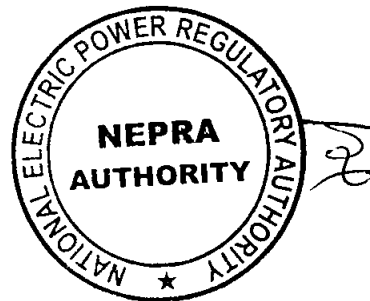
Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



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Port Qasim Electric Power Company (Private) Limited
Details of Shipments
For the Month of March 2022

Shipment Number	Unit	202166	202167	202168	202169	202170
Vessel Name		MV MOREA	MV ANANI	MV HANTON TRADER II	MV WOLVERINE	MV IVS PINEHURST
Bill of Lading Date (B/L)		5-Jan-22	6-Jan-22	26-Jan-22	28-Jan-22	31-Jan-22
L/C Number		-	-	-	-	-
Origin		South Africa	South Africa	South Africa	South Africa	South Africa
ICI-3/API-4 Coal Price Index for the month of B/L Date	US\$/Ton	172.41	172.41	172.41	172.41	172.41
Coal Price Differential (5500) to API 4 for the month of B/L	US\$/Ton	-	-	-	-	-
Fixed Price	US\$/Ton	172.41	172.41	172.41	172.41	172.41
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,608	5,661	5,210	5,640	5,538
Quantity	MT	51,067	50,852	51,122	51,100	51,017
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	161.15	162.67	149.71	162.07	159.13
Marine Freight Charges	US\$/Ton	25.72	25.79	23.82	22.81	22.97
Marine Insurance	US\$/Ton	0.07	0.07	0.07	0.08	0.07
CIF Coal Price	US\$/Ton	186.93	188.53	173.61	184.95	182.18
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	186.93	188.53	173.61	184.95	182.18
Other Charges:	US\$/Ton	13.88	14.62	15.68	15.39	15.16
(i) Port Handling Charges	US\$/Ton	3.50	3.50	4.12	3.49	3.45
(a) PQA Royalty Charges	US\$/Ton	2.26	2.26	2.25	2.24	2.26
(b) Wharfage Charges	US\$/Ton	0.19	0.19	0.19	0.19	0.19
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.49	0.49	1.11	0.50	0.48
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.56	0.55	0.57	0.55	0.51
(ii) Custom Duties & Cess	US\$/Ton	10.23	10.96	11.41	11.75	11.56
(iii) Custom Clearness Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.05	0.05	0.05	0.05	0.05
Delivered Coal Price at Power Plant	US\$/Ton	200.81	203.15	189.29	200.34	197.34
Average Exchange Rate for the month of B/L	Rs./US\$	176.99	176.99	176.99	176.99	176.99
Delivered Coal Price at Power Plant	Rs./Ton	35,541.54	35,955.04	33,502.65	35,458.59	34,927.27



Port Qasim Electric Power Company (Private) Limited
Marine Freight
For the Month of March 2022

Description	Unit	MV MOREA	MV ANANI	MV HANTON TRADER II	MV WOLVERINE	MV IVS PINEHURST
Loading Port Name		RBCT	RBCT	RBCT	RBCT	RBCT
Origin		South Africa	South Africa	South Africa	South Africa	South Africa
Delivery Days:						
Voyage	Days	27.04	27.04	27.04	27.04	27.04
At Port-Load	Days	2.20	2.20	2.20	2.20	2.20
At Port-Discharge	Days	2.26	2.53	2.54	2.11	2.54
Total	Days	31.50	31.77	31.79	31.35	31.78
Time Charter Rate	US\$/Day	24,303	23,815	19,237	17,743	17,569
Time Charter Cost	US\$	765,514	756,523	611,476	556,216	558,321
Bunker Consumption:						
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	22.31	23.65	23.74	21.55	23.71
Total	Ton	901.03	902.36	902.46	900.27	902.42
Bunker Price	US\$/Ton	608.00	615.00	672.00	677.00	680.00
Bunker Cost	US\$	547,823	554,954	606,455	609,485	613,649
Total Voyage Expense	US\$	1,313,338	1,311,477	1,217,931	1,165,701	1,171,970
Quantity	Tons	51,067	50,852	51,122	51,100	51,017
Marine Freight	US\$/Ton	25.72	25.79	23.82	22.81	-22.97

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

