



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/3079-83

February 24, 2022

Chief Executive Officer  
Port Qasim Electric Power Company (Pvt.) Limited  
Level 6, West Wing, Serena Business Complex, Sector G-5/1,  
Islamabad  
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**Subject: Decision of the Authority in the matter of Fuel Price Adjustment for the month of February 2022 for Port Qasim Electric Power Company (Private) Limited (PQEPCPL) [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 February 2022 in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

( Iftikhar Ali Khan )

CC:

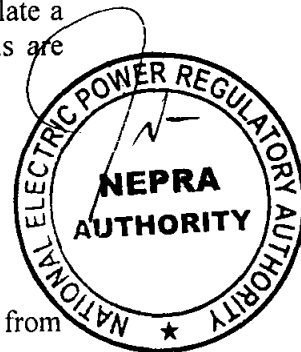
1. Secretary Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR THE MONTH OF FEBRUARY 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. 29,515/Ton for the coal consumed during the month of February 2022. PQEPCL requested Fuel Cost Component (FCC) of Rs. 11.9878/kWh for February 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 November & December 2021:

Description	Heat kcal/kg	Unit	Nov-2021 Average	Dec-2021 Average
5,700 differential	6,000	US\$/ton	(5.83)	(4.11)
5,500 differential	5,500	US\$/ton	(15.47)	(14.43)



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 #	API 4 Price (US\$/ton)	Differential (US\$/ton)	Fixed Price (US\$/ton)	Heat (kcal/kg)	Actual Heat (kcal/kg)	Heat Adjusted Price (US\$/ton)
202159	140.94	(5.83)	135.11	6,000	5,785	130.27
202160	140.94	(15.47)	125.47	5,500	5,567	127.00
202161	140.94	(15.47)	125.47	5,500	5,583	127.36
202163	140.94	(5.83)	135.11	6,000	5,831	131.30
202164	135.82	(4.11)	131.71	6,000	5,774	126.75
202165	135.82	(14.43)	121.39	5,500	5,466	120.64

4. 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
February 2022	4.6936	11.7167

5. 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

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of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

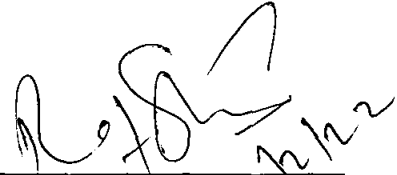
**AUTHORITY**



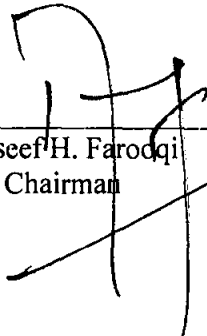
Rehmatullah Baloch  
Member



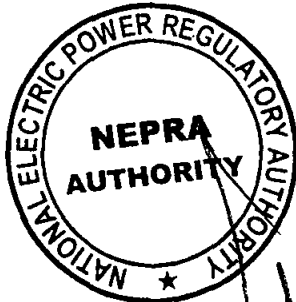
Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member



Tauseef H. Farooqi  
Chairman



24/2/22

**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 February 2022**

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. 202154	5,191	5,613	244.59	42,178	172.44
Consumption from Shipment No. 202159	50,714	5,785	176.34	30,645	173.78
Consumption from Shipment No. 202160	50,139	5,567	168.61	29,301	173.78
Consumption from Shipment No. 202161	53,495	5,583	167.33	29,078	173.78
Consumption from Shipment No. 202162	49,955	4,050	138.07	23,993	173.78
Consumption from Shipment No. 202163	50,554	5,831	171.90	29,872	173.78
Consumption from Shipment No. 202164	11,218	5,774	167.31	29,776	177.97
Consumption from Shipment No. 202165	51,000	5,466	160.43	28,552	177.97
<b>Total Consumption:</b>	<b>322,266</b>	<b>5,402</b>	<b>165.28</b>	<b>28,848</b>	<b>174.54</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	40,495	28,848
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,323	5,402
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,124	21,437
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
<b>Revised Fuel Cost Component</b>	<b>Rs./kWh</b>	<b>4.6936</b>	<b>16.6909</b>	<b>11.7167</b>

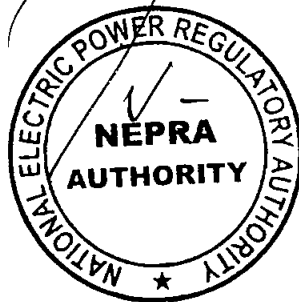
**Note:** The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



**Port Qasim Electric Power Company (Private) Limited**  
**Details of Shipments**

**For the Month of February 2022**

Shipment Number	Unit	202159	202160	202161	202162	202163	202164	202165
Vessel Name		MV THOR INSUVI	MV SSI GLORIOUS	MV WOLVERINE	MV IVS GLENEAGLES	MV AM OCEAN SILVER	MV BLUE AKIHABARA	MV LEM GLADIOLUS
Bill of Lading Date (B/L)		3-Nov-21	6-Nov-21	7-Nov-21	22-Nov-21	30-Nov-21	7-Dec-21	28-Dec-21
L/C Number		-	-	-	-	-	-	-
Origin		South Africa	South Africa	South Africa	Indonesian	South Africa	South Africa	South Africa
ICI-3/API-4 Coal Price Index for the month of B/L Date	US\$/Ton	140.94	140.94	140.94	115.42	140.94	135.82	135.82
Coal Price Differential (5500/5700) to API 4 for the month of B/L	US\$/Ton	(5.83)	(15.47)	(15.47)	-	(5.83)	(4.11)	(14.43)
Fixed Price	US\$/Ton	135.11	125.47	125.47	115.42	135.11	131.71	121.39
Base Calorific Value	kCal/Kg	6,000	5,500	5,500	4,600	6,000	6,000	5,500
Actual Calorific Value	kCal/Kg	5,785	5,567	5,583	4,050	5,831	5,774	5,466
Quantity	MT	50,714	50,139	53,495	50,460	50,554	50,998	51,000
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	130.27	127.00	127.36	101.62	131.30	126.75	120.64
Marine Freight Charges	US\$/Ton	31.70	27.68	26.08	24.38	26.13	26.68	26.31
Marine Insurance	US\$/Ton	0.10	0.10	0.07	0.06	0.07	0.06	0.07
CIF Coal Price	US\$/Ton	162.06	154.77	153.51	126.06	157.51	153.49	147.02
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	162.06	154.77	153.51	126.06	157.51	153.49	147.02
Other Charges:	US\$/Ton	14.28	13.83	13.82	12.01	14.39	13.82	13.41
(i) Port Handling Charges	US\$/Ton	3.50	3.66	3.61	3.58	3.51	3.54	3.58
(a) PQA Royalty Charges	US\$/Ton	2.22	2.31	2.29	2.31	2.33	2.27	2.25
(b) Wharfage Charges	US\$/Ton	0.20	0.20	0.20	0.20	0.20	0.19	0.19
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.57	0.57	0.58	0.53	0.48	0.52	0.55
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.53	0.59	0.55	0.54	0.51	0.55	0.58
(ii) Custom Duties & Cess	US\$/Ton	10.63	10.02	10.05	8.28	10.73	10.13	9.69
(iii) Custom Clearness Charges	US\$/Ton	0.10	0.10	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	0.05	0.05
<b>Delivered Coal Price at Power Plant</b>	<b>US\$/Ton</b>	<b>176.34</b>	<b>168.61</b>	<b>167.33</b>	<b>138.07</b>	<b>171.90</b>	<b>167.31</b>	<b>160.43</b>
Average Exchange Rate for the month of B/L	Rs./US\$	173.78	173.78	173.78	173.78	173.78	177.97	177.97
<b>Delivered Coal Price at Power Plant</b>	<b>Rs./Ton</b>	<b>30,644.88</b>	<b>29,300.60</b>	<b>29,078.21</b>	<b>23,992.99</b>	<b>29,872.48</b>	<b>29,775.69</b>	<b>28,552.43</b>



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

Description	Unit	MV THOR INSUVI	MV SSI GLORIOUS	MV WOLVERINE	MV IVS GLENEAGLES	MV AM OCEAN SILVER	MV BLUE AKIHABARA	MV LEM GLADIOLUS
Loading Port Name		RBCT	RBCT	RBCT	Muara Banyuasin Anchorage	RBCT	RBCT	RBCT
Origin		South Africa	South Africa	South Africa	Indonesian	South Africa	South Africa	South Africa
Delivery Days:								
Voyage	Days	27.04	27.04	27.04	21.73	27.04	27.04	27.04
At Port-Load	Days	2.19	2.17	2.28	6.81	2.19	2.20	2.20
At Port-Discharge	Days	2.53	2.51	2.64	2.52	2.52	2.54	2.54
Total	Days	31.76	31.71	31.96	31.05	31.74	31.78	31.78
Time Charter Rate	US\$/Day	33,462	26,580	26,580	24,849	24,671	25,119	25,188
Time Charter Cost	US\$	1,062,637	842,968	849,509	771,584	783,176	798,215	800,412
Bunker Consumption:								
Bunker during Voyage	Ton	878.72	878.72	878.72	706.06	878.72	878.72	878.72
Bunker during Port Days	Ton	23.60	23.38	24.61	46.63	23.54	23.70	23.70
Total	Ton	902.31	902.10	903.33	752.69	902.26	902.42	902.42
Bunker Price	US\$/Ton	603.76	604.00	604.00	609.00	596.00	623.00	600.00
Bunker Cost	US\$	544,783	544,870	545,613	458,389	537,744	562,206	541,451
Total Voyage Expense	US\$	1,607,420	1,387,838	1,395,123	1,229,973	1,320,920	1,360,422	1,341,863
Quantity	Tons	50,714	50,139	53,495	50,460	50,554	50,998	51,000
Marine Freight	US\$/Ton	31.70	27.68	26.08	24.38	26.13	26.68	26.31

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

