



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

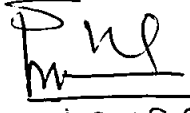
No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/14922-26 August 10, 2022

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 July 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 **July 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 JULY 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. 28,535/Ton for the coal consumed during the month of July 2022. PQEPCL requested Fuel Cost Component (FCC) of Rs. 12.9952/kWh for July 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 month of December 2021 are as under:

Description	Heat kcal/kg	Unit	December 2021 Average
5,500 differential	5,500	US\$/ton	(14.43)

3. In accordance with the above differential, the API 4 price for the shipment 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)
202182	135.82	(14.43)	121.39	5,500	5,693	125.65	128.87	(3.22)

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
July 2022	4.6936	12.8732

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



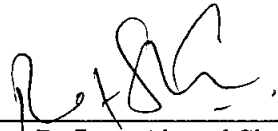
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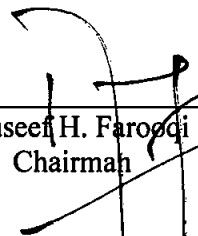
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6. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

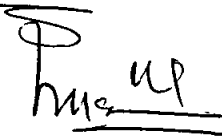
**AUTHORITY**

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Tauseef H. Farooqi  
Chairman



  
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## Port Qasim Electric Power Company (Private) Limited

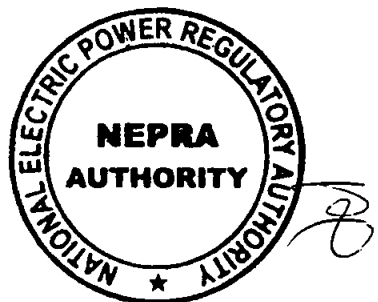
## Schedule of Fuel Cost Part of Energy Charge

## Adjustment on Account of Coal Price(s) Variation for the Month of July 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. 202181	30,695	4,006	179.85	32,372	180.00
Consumption from Shipment No. 202182	50,900	5,693	165.61	29,475	177.97
Consumption from Shipment No. 202183	27,413	4,102	121.06	21,427	176.99
<b>Total Consumption:</b>	<b>109,007</b>	<b>4,818</b>	<b>158.42</b>	<b>28,267</b>	<b>178.43</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	60,351	28,267
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,346	4,818
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,213	19,119
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>24.7713</b>	<b>12.8732</b>

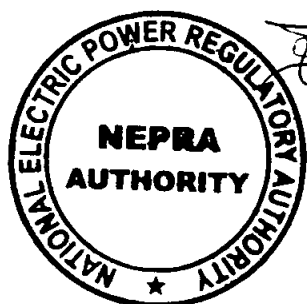
**Note:** The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



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

Shipment Number	Unit	202182	202183
Vessel Name		MV BULK JAMAICA	MV BEAUTY LILY
Bill of Lading Date (B/L)		26-Dec-21	3-Jan-22
L/C Number		-	-
Origin		South Africa	Indonesia
API-4/ICI-3 Coal Price Index for the month of B/L Date	US\$/Ton	135.82	96.18
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	(14.43)	-
Fixed Price	US\$/Ton	121.39	96.18
Base Calorific Value	kCal/Kg	5,500	4,600
Actual Calorific Value	kCal/Kg	5,693	4,102
Quantity	MT	50,900	51,000
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	125.65	85.77
Marine Freight Charges	US\$/Ton	26.32	24.28
Marine Insurance	US\$/Ton	0.06	0.05
CIF Coal Price	US\$/Ton	152.03	110.10
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	152.03	110.10
Other Charges:	US\$/Ton	13.58	10.97
(i) Port Handling Charges	US\$/Ton	3.57	3.56
(a) PQA Royalty Charges	US\$/Ton	2.26	2.26
(b) Wharfage Charges	US\$/Ton	0.19	0.19
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.55	0.51
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.57	0.60
(ii) Custom Duties & Cess	US\$/Ton	9.86	7.25
(iii) Custom Clearness Charges	US\$/Ton	0.10	0.10
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.05	0.05
<b>Delivered Coal Price at Power Plant</b>	<b>US\$/Ton</b>	<b>165.61</b>	<b>121.06</b>
Average Exchange Rate for the month of B/L	Rs./US\$	177.97	176.99
<b>Delivered Coal Price at Power Plant</b>	<b>Rs./Ton</b>	<b>29,474.73</b>	<b>21,427.22</b>



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

Description	Unit	MV BULK JAMAICA	MV BEAUTY LILY
Loading Port Name		RBCT	Tanjung Kampeh Anchorage, South Sumatera
Origin		South Africa	Indonesia
Delivery Days:			
Voyage	Days	27.04	21.73
At Port-Load	Days	2.20	6.88
At Port-Discharge	Days	2.25	2.27
Total	Days	31.48	30.87
Time Charter Rate	US\$/Day	26,210	25,188
Time Charter Cost	US\$	825,200	777,487
Bunker Consumption:			
Bunker during Voyage	Ton	878.72	706.06
Bunker during Port Days	Ton	22.23	45.71
Total	Ton	900.95	751.77
Bunker Price	US\$/Ton	571.00	613.00
Bunker Cost	US\$	514,444	460,838
Total Vovage Expense	US\$	1,339,644	1,238,325
Quantity	Tons	50,900	51,000
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>26.32</b>	<b>24.28</b>

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

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