



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/414-18

January 11, 2023

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 December 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 **December 2022** in respect of Port Qasim Electric Power Company (Private) Limited.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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 DECEMBER 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 Sua 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. 40,338/Ton for the coal consumed during the month of December 2022. PQEPCL requested Fuel Cost Component (FCC) of Rs. 18.4472/kWh for December 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 October 2022 are as under:

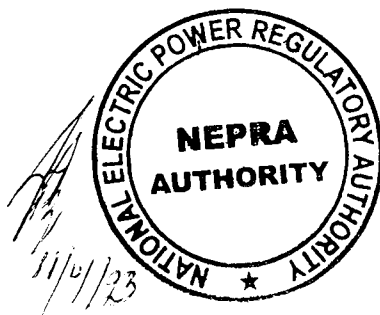
Description	Heat kcal/kg	Unit	October 2022 Average
5,500 differential	5,500	US\$/ton	(74.42)

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)
202202	232.59	(74.42)	158.17	5,500	5,504	158.29	213.36	(55.08)

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 (27/09/2019)	Revised
December 2022	4.6936	16.4508



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

AUTHORITY

Mathar Niaz Rana

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh

Engr. Rafique Ahmed Shaikh
Member

Tauseef H. Farooqi

Tauseef H. Farooqi
Chairman



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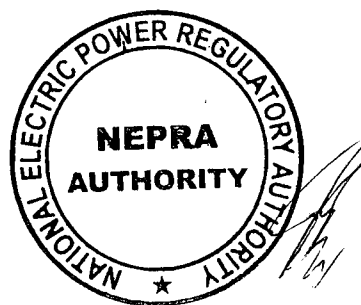
Port Qasim Electric Power Company (Private) Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price(s) Variation for the Month of December 2022

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. 202197	39,241	4,335	138.67	30,825	222.30
Consumption from Shipment No. 202201	50,490	4,458	141.08	31,362	222.30
Consumption from Shipment No. 202202	51,013	5,504	200.92	44,507	221.52
Consumption from Shipment No. 202203	1,821	4,415	160.97	35,659	221.52
*Total Consumption:	142,564	4,798	162.08	35,973	221.94

Description	Unit	Reference (27/09/2019)	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	34,536	35,973
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	4,575	4,798
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	18,155	19,039
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
Revised Fuel Cost Component	Rs./kWh	4.6936	16.5630	16.4508

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.

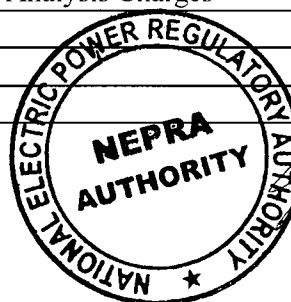
* Based on data declared by Port Qasim Electric Power Company (Private) Limited



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

Shipment Number	Unit	202201	202202	202203
Vessel Name		MV MOONDANCE II	MV IVS PEBBLE BEACH	RHL MONICA
Bill of Lading Date (B/L)		10-Aug-22	6-Oct-22	21-Oct-22
L/C Number		-	-	-
Origin		Indonesian	South Africa	Indonesian
API-4/ICI-3 Coal Price Index for the month of B/L Date	US\$/Ton	106.64	232.59	132.06
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-	(74.42)	-
Fixed Price	US\$/Ton	106.64	158.17	132.06
Base Calorific Value	kCal/Kg	4,600	5,500	4,600
Actual Calorific Value	kCal/Kg	4,458	5,504	4,415
Quantity	MT	51,000	51,013	50,000
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	103.35	158.29	126.75
Marine Freight Charges	US\$/Ton	26.15	23.45	21.15
Marine Insurance	US\$/Ton	0.07	0.13	0.06
CIF Coal Price	US\$/Ton	129.57	181.86	147.96
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	129.57	181.86	147.96
Other Charges:	US\$/Ton	11.50743	19.06	13.02
(i) Port Handling Charges	US\$/Ton	3.42	3.48	3.43
(a) PQA Royalty Charges	US\$/Ton	2.25	2.27	2.28
(b) Wharfage Charges	US\$/Ton	0.15	0.15	0.15
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.48	0.49	0.49
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.54	0.57	0.51
(ii) Custom Duties & Cess	US\$/Ton	7.95	15.43	9.45
(iii) Custom Clearness Charges	US\$/Ton	0.10	0.10	0.10
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.04	0.04	0.04
Delivered Coal Price at Power Plant	US\$/Ton	141.08	200.92	160.97
Average Exchange Rate for the month of B/L	Rs./US\$	222.30	221.52	221.52
Delivered Coal Price at Power Plant	Rs./Ton	31,362	44,507	35,659



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

Description	Unit	MV MOONDANCE II	MV IVS PEBBLE BEACH	RHL MONICA
Loading Port Name		Taboneo Anchorage, South Kalimantan	RBCT	Tanjung Kampeh Anchorage, South Sumatera
Origin		Indonesian	South Africa	Indonesian
Delivery Days:				
Voyage	Days	26.08	27.04	21.73
At Port-Load	Days	6.28	2.20	6.75
At Port-Discharge	Days	2.22	2.31	2.50
Total	Days	34.58	31.54	30.98
Time Charter Rate	US\$/Day	19,213	18,351	17,382
Time Charter Cost	US\$	664,356	578,855	538,407
Bunker Consumption:				
Bunker during Voyage	Ton	847.64	878.72	706.06
Bunker during Port Days	Ton	42.49	22.53	46.25
Total	Ton	890.13	901.25	752.31
Bunker Price	US\$/Ton	752.00	685.00	690.00
Bunker Cost	US\$	669,375	617,355	519,096
Total Voyage Expense	US\$	1,333,731	1,196,210	1,057,503
Quantity	Tons	51,000	51,013	50,000
Marine Freight	US\$/Ton	26.15	23.45	21.15

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

