



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/ **13151-55**

August 16, 2024

Chief Executive Officer,  
Port Qasim Electric Power Company (Pvt.) Limited,  
House No. 63, Street No. 5, Sector F-8/3,  
Islamabad

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of July 2024 for Port Qasim Electric Power Company (Private) Limited**

Enclosed please find herewith the subject decision of the Authority along with **Annex-I, II & III** (total 05 pages) for the month of **July 2024** regarding the adjustment in the fuel portion of energy charge part of tariff for variation in **Coal** prices in respect of Port Qasim Electric Power Company (Private) Limited in Case No. NEPRA/TRF-299/PQEPCPL-2015.

Enclosure: **As above**

*Wasim Anwar Bhinder*  
(Wasim Anwar Bhinder)

**Copy to:**

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 (CPPA-G),  
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 2024 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 (PQEPCL), decision dated September 23, 2016 regarding Suo 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. 40,362/Ton for the coal consumed during the month of July 2024. PQEPCL requested Fuel Cost Component (FCC) of Rs. 16.3319/kWh for July 2024.
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 months of October and November 2023:

Description	Heat kcal/kg	Unit	Oct 2023 Average	Nov 2023 Average
5,500 differential	5,500	US\$/ton	(11.21)	(9.51)

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

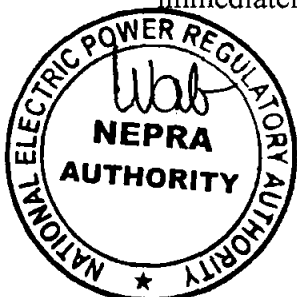
Shipment No.	API 4 Price (US\$/ton)	Differential (US\$/ton)	Fixed Price (US\$/ton)	Heat (kcal/kg)	Actual Heat (kcal/kg)	Heat Adjusted Price (US\$/ton)	Requested Price (US\$/ton)	Difference (US\$/ton)
202303	114.86	(9.51)	105.35	5,500	5,348	102.44	102.38	0.06
202304	129.97	(11.21)	118.76	5,500	5,460	117.90	117.90	-
202305	129.97	(11.21)	118.76	5,500	5,376	116.08	116.08	-

4. Since the requested coal price of shipment No. 202303 is less than the calculated coal price as per price differentials, therefore, the requested price has been considered.
5. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under which shall be hereafter called as decision of the Authority in the matter:

"Based on the documentary evidence and information submitted by PQEPCL, the fuel cost component of energy charge part of PQEPCL's tariff is adjusted for variation in coal price for the month of July 2024."

6. 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 (Sep 27, 2019)	Revised
July 2024	4.6936	16.3004



*Q. 219*



7. The above referred revised fuel cost component along with revised coal price 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 Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997).
8. CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

**AUTHORITY**

Mathar Niaz Rana (nsc)  
Member

Engr. Maqsood Anwar Khan  
Member

Engr. Rafique Ahmed Shaikh  
Member

Amina Ahmed  
Member

Waseem Mukhtar  
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 July 2024**

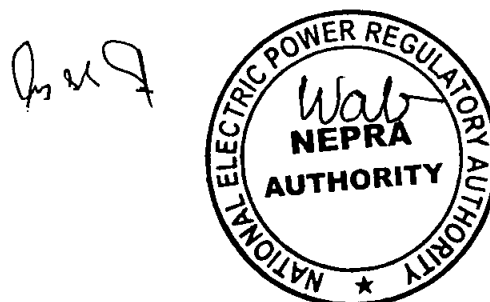
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
<b>Coal Consumed from Stock:</b>					
Awan Trading Co - Invoice No. 23240122	31,582	5,714	140.62	42,264	300.55
Consumption from Shipment No. 202302	48,564	5,327	132.17	37,813	286.10
Consumption from Shipment No. 202303	53,528	5,348	132.67	37,960	286.12
Consumption from Shipment No. 202304	50,753	5,460	150.53	42,350	281.33
Consumption from Shipment No. 202305	53,306	5,376	148.33	41,731	281.33
<b>Total Consumption:</b>	<b>237,732</b>	<b>5,423</b>	<b>140.95</b>	<b>40,284</b>	<b>285.81</b>

Description	Unit	Reference Sep 27, 2019	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	34,609	40,284
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,322	5,423
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,120	21,518
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>14.2679</b>	<b>16.3004</b>

- 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.

- The coal consumption is for the period July 01, 2024 to July 31, 2024

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



**Port Qasim Electric Power Company (Private) Limited**  
**Details of Shipments**  
**For the Month of July 2024**

Shipment Number	Unit	202303	202304	202305
Vessel Name		MV TCLC LUZHOU	IOANNIS THEO	MV EUROPA BAY
Bill of Lading Date (B/L)		28-Nov-23	27-Oct-23	11-Oct-23
L/C Number		-	-	-
Origin		South Africa	South Africa	South Africa
API-4 Coal Price Index for the month of B/L Date	US\$/Ton	114.86	129.97	129.97
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-	(11.21)	(11.21)
Fixed Price	US\$/Ton	114.86	118.76	118.76
Base Calorific Value	kCal/Kg	6,000	5,500	5,500
Actual Calorific Value	kCal/Kg	5,348	5,460	5,376
Quantity	MT	53,528	50,753	53,306
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	102.38	117.90	116.08
Marine Freight Charges	US\$/Ton	18.97	20.00	20.07
Marine Insurance	US\$/Ton	0.09	0.10	0.09
CIF Coal Price	US\$/Ton	121.43	137.99	136.24
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	121.43	137.99	136.24
Other Charges:	US\$/Ton	11.24	12.54	12.09
(i) Port Handling Charges	US\$/Ton	3.63	3.74	3.73
(a) PQA Royalty Charges*	US\$/Ton	2.61	2.68	2.64
(b) Wharfage Charges	US\$/Ton	0.12	0.12	0.12
(c) Port Disbursement Account Charges at Load Port**	US\$/Ton	0.42	0.42	0.42
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.47	0.51	0.54
(ii) Custom Duties & Cess	US\$/Ton	7.52	8.70	8.27
(iii) Custom Clearness Charges	US\$/Ton	0.06	0.06	0.06
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.04	0.04	0.04
<b>Delivered Coal Price at Power Plant</b>	<b>US\$/Ton</b>	<b>132.67</b>	<b>150.53</b>	<b>148.33</b>
Average Exchange Rate for the month of B/L	Rs./US\$	286.12	281.33	281.33
<b>Delivered Coal Price at Power Plant</b>	<b>Rs./Ton</b>	<b>37,960</b>	<b>42,350</b>	<b>41,731</b>

\* Includes differential of Rs. 11,121,192 of 9 shipments imported after August 16, 2022 which were subjected to new Royalty rate of US\$ 2.38/Ton but charged at previous rate of US\$ 2.27/Ton

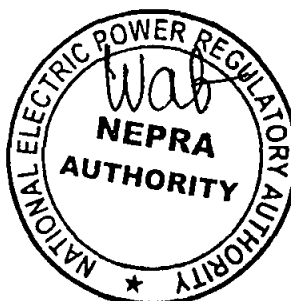
\*\* PDA charges of Mozambique Port have been benchmarked with the PDA charges of Richard Bay Port South Africa

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**Port Qasim Electric Power Company (Private) Limited**  
**Marine Freight**  
**For the Month of July 2024**

Description	Unit	MV TCLC LUZHOU	IOANNIS THEO	MV EUROPA BAY
Loading Port Name		Maputo, Mozambique	RBCT	Maputo, Mozambique
Origin		South Africa	South Africa	South Africa
Delivery Days:				
Voyage	Days	27.04	27.04	27.04
At Port-Load	Days	2.28	2.19	2.28
At Port-Discharge	Days	2.64	2.53	2.63
Total	Days	31.96	31.76	31.95
Time Charter Rate	US\$/Day	13,250	13,492	14,906
Time Charter Cost	US\$	423,508	428,498	476,196
Bunker Consumption:				
Bunker during Voyage	Ton	878.72	878.72	878.72
Bunker during Port Days	Ton	24.63	23.61	24.55
Total	Ton	903.35	902.33	903.26
Bunker Price	US\$/Ton	655.00	650.00	657.00
Bunker Cost	US\$	591,691	586,513	593,445
Total Voyage Expense	US\$	1,015,199	1,015,011	1,069,640
Quantity	Tons	53,528	50,753	53,306
Marine Freight	US\$/Ton	18.97	20.00	20.07



*Ans 9*