



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/ 14339-43

September 12, 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 August 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 August 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 AUGUST 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. 37,484/Ton for the coal consumed during the month of August 2024. PQEPCL requested Fuel Cost Component (FCC) of Rs. 15.1235/kWh for August 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 month of June 2024:

Description	Heat kcal/kg	Unit	June 2023 Average
5,500 differential	5,500	US\$/ton	(8.08)

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)
202401	107.72	(8.08)	99.64	5,500	5,325	96.47	95.60	0.87

4. Since the requested coal price of shipment No. 202401 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 August 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
August 2024	4.6936	15.1234



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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

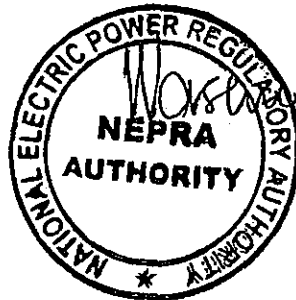
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



Waseem Mukhtar

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 August 2024

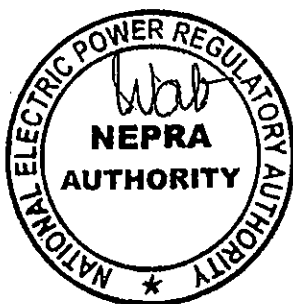
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
Coal Consumed from Stock:					
Awan Trading Co - Invoice No. 23240122	14,893	5,714	140.62	42,264	300.55
Consumption from Shipment No. 202401	36,296	5,325	127.42	35,522	278.78
Total Consumption:	51,189	5,438	131.26	37,483	285.57

Description	Unit	Reference Sep 27, 2019	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	40,284	37,483
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,423	5,438
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,518	21,580
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
Revised Fuel Cost Component	Rs./kWh	4.6936	16.3004	15.1234

- 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 August 1, 2024 to August 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 August 2024

Shipment Number	Unit	202401
Vessel Name		MV SEA DESTINY
Bill of Lading Date (B/L)		29-Jun-24
L/C Number		-
Origin		South Africa
API-4 Coal Price Index for the month of B/L Date	US\$/Ton	107.72
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-
Fixed Price	US\$/Ton	107.72
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,325
Quantity	MT	51,032
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	95.60
Marine Freight Charges	US\$/Ton	20.35
Marine Insurance	US\$/Ton	0.08
CIF Coal Price	US\$/Ton	116.03
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-
CIF Coal Price with losses at Karachi	US\$/Ton	116.03
Other Charges:	US\$/Ton	11.39
(i) Port Handling Charges	US\$/Ton	3.47
(a) PQA Royalty Charges	US\$/Ton	2.38
(b) Wharfage Charges	US\$/Ton	0.12
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.50
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.46
(ii) Custom Duties & Cess	US\$/Ton	7.82
(iii) Custom Clearness Charges	US\$/Ton	0.06
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.04
Delivered Coal Price at Power Plant	US\$/Ton	127.42
Average Exchange Rate for the month of B/L	Rs./US\$	278.78
Delivered Coal Price at Power Plant	Rs./Ton	35,522

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

Description	Unit	MV SEA DESTINY
Loading Port Name		Richards Bay
Origin		South Africa
Delivery Days:		
Voyage	Days	27.04
At Port-Load	Days	2.20
At Port-Discharge	Days	2.54
Total	Days	31.78
Time Charter Rate	US\$/Day	15,382
Time Charter Cost	US\$	488,838
Bunker Consumption:		
Bunker during Voyage	Ton	878.72
Bunker during Port Days	Ton	23.71
Total	Ton	902.43
Bunker Price	US\$/Ton	609.00
Bunker Cost	US\$	549,580
Total Voyage Expense	US\$	1,038,418
Quantity	Tons	51,032
Marine Freight	US\$/Ton	20.35

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