



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/9692-96

June 27, 2024

Chief Executive Officer,
Port Qasim Electric Power Company (Pvt.) Limited
Level 6, West Wing, Serena Business Complex,
Sector G-5/1, Islamabad

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for the month of May 2024 for Port Qasim Electric Power Company (Private) Limited [CASE NO. NEPRA/TRF-299/PQEPCPL-2015]**

Enclosed please find herewith the subject decision of the Authority along with Annex-I, II & III (total 05 pages) for the month of **May 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**

(Engr. Mazhar Iqbal Ranjha)

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 MAY 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. 33,891/Ton for the coal consumed during the month of May 2024. PQEPCL requested Fuel Cost Component (FCC) of Rs. 13.9751/kWh for May 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 December 2023:

Description	Heat kcal/kg	Unit	December 2023 Average
5,500 differential	5,500	US\$/ton	(8.14)

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

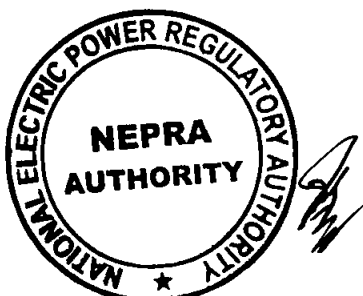
Shipment No.	API 4 Price (US\$/ton)	Differential (US\$/ton)	Fixed Price (US\$/ton)	Heat (kcal/kg)	Actual Heat (kcal/kg)	Heat Adjusted Price (US\$/ton)	Requested Price (US\$/ton)	Difference (US\$/ton)
202301	100.32	(8.14)	92.18	5,500	5,312	89.18	88.97	0.21

4. Since the requested coal price 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 May 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
May 2024	4.6936	13.9594



Jm 2024



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

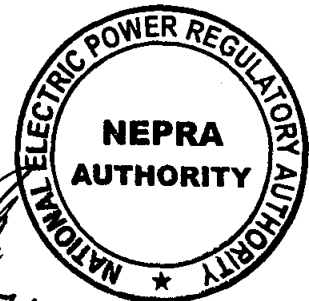
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



27/06/24

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 May 2024

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. 202301	30,300	5,321	119.22	33,853	283.95
Total Consumption:	30,300	5,321	119.22	33,853	283.95

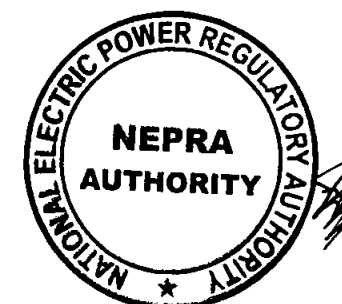
Description	Unit	Reference Sep 27, 2019	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	34,729	33,853
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,483	5,321
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,757	21,115
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
Revised Fuel Cost Component	Rs./kWh	4.6936	13.8980	13.9594

- 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 May 01, 2024 to May 31, 2024

- 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 May 2024

Shipment Number	Unit	202301
Vessel Name		TRIDENT STAR
Bill of Lading Date (B/L)		26-Dec-23
L/C Number		-
Origin		South Africa
API-4 Coal Price Index for the month of B/L Date	US\$/Ton	100.32
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,321
Quantity	MT	51,943
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	88.97
Marine Freight Charges	US\$/Ton	19.85
Marine Insurance	US\$/Ton	0.09
CIF Coal Price	US\$/Ton	108.91
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-
CIF Coal Price with losses at Karachi	US\$/Ton	108.91
Other Charges:	US\$/Ton	10.32
(i) Port Handling Charges	US\$/Ton	3.47
(a) PQA Royalty Charges	US\$/Ton	2.36
(b) Wharfage Charges	US\$/Ton	0.12
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.54
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.45
(ii) Custom Duties & Cess	US\$/Ton	6.75
(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	119.22
Average Exchange Rate for the month of B/L	Rs./US\$	283.95
Delivered Coal Price at Power Plant	Rs./Ton	33,853



Q. 23

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

Description	Unit	TRIDENT STAR
Loading Port Name		RBCT
Origin		South Africa
Delivery Days:		
Voyage	Days	27.04
At Port-Load	Days	2.23
At Port-Discharge	Days	2.20
Total	Days	31.47
Time Charter Rate	US\$/Day	15,159
Time Charter Cost	US\$	477,059
Bunker Consumption:		
Bunker during Voyage	Ton	878.72
Bunker during Port Days	Ton	22.16
Total	Ton	900.88
Bunker Price	US\$/Ton	615.00
Bunker Cost	US\$	554,043
Total Vovage Expense	US\$	1,031,102
Quantity	Tons	51,943
Marine Freight	US\$/Ton	19.85
*PDA Charges both at load and discharge ports have been included in Port Handling Charges.		

Ans 7

