



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-299/PQEPCPL-2015/ 19086-90

December 10, 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 October 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 & IV (total 06 pages) regarding the adjustment in the fuel portion of energy charge part of tariff for the month of **October 2024** on account of Coal price(s) variation 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 OCTOBER 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. 38,438/Ton for the coal consumed during the month of October 2024. PQEPCL requested Fuel Cost Component (FCC) of Rs. 15.3577/kWh for October 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 August 2024:

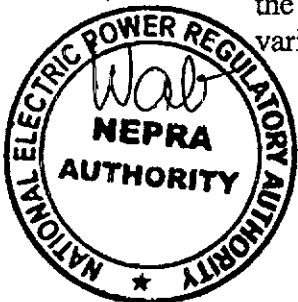
Description	Heat kcal/kg	Unit	August 2024 Average
5,500 differential	5,500	US\$/ton	(12.55)

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)
202405	114.73	(12.55)	102.18	5,500	5,333	99.08	99.08	-
202406	114.73	(12.55)	102.18	5,500	5,517	102.50	102.50	-

4. The requested coal prices of shipments No. 202405 & 202406 are same as per price differentials, therefore, these requested prices have been considered. However, after applying the linear CV Adjustments, the adjusted prices of both shipments are worked out to be US\$ 101.98/ton & US\$ 105.49/ton, respectively. These linear CV adjusted coal prices are higher than the requested price after adjustment of price differentials.
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 October 2024."



Signature

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:

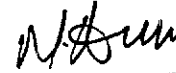
Period	Fuel Cost Component (Rs./kWh)	
	Reference (Sep 27,2019)	Revised
October 2024	4.6936	15.3498

7. The above referred revised fuel cost component along with details of spot coal purchases, revised imported coal price and revised marine freight charges attached as **Annex-I, Annex-II Annex-III & Annex-IV**, 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



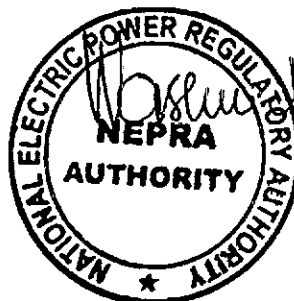
Engr. Rafique Ahmed Shaikh
Member



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 October 2024

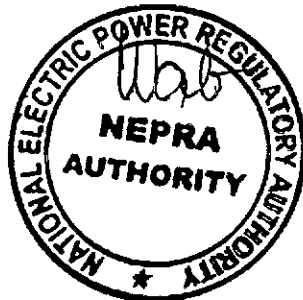
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs/US\$
Coal Consumed from Stock:					
Awan Trading Co - Invoice No. 23240110	2,630	5,633	145.58	43,754	300.55
Awan Trading Co - Invoice No. 23240110-A	8,945	5,758	141.70	42,589	300.55
Awan Trading Co - Invoice No. 23240166	28,850	5,642	151.47	42,378	279.78
Consumption from Shipment No. 202405	52,869	5,333	129.51	36,130	278.98
Consumption from Shipment No. 202406	50,342	5,517	134.53	37,530	278.98
Total Consumption:	143,636	5,492	136.73	38,418	280.97

Description	Unit	Reference Sep 27, 2019	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	9,672	36,743	38,418
Avg. Net Calorific Value of stock consumed during the month	kCal/kg	4,521	5,505	5,492
Avg. Net Calorific Value of stock consumed during the month	BTU/kg	17,942	21,846	21,792
Net Heat Rates	BTU/kWh	8,707	8,707	8,707
Revised Fuel Cost Component	Rs./kWh	4.6936	14.6441	15.3498

- 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.

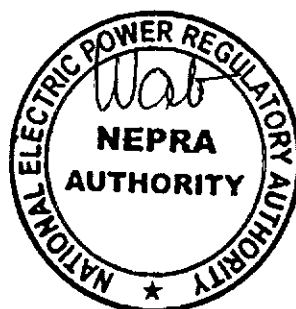
- The coal consumption is for the period October 1, 2024 to October 31, 2024

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



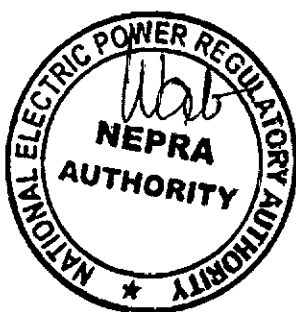
Port Qasim Electric Power Company (Private) Limited
Details of Spot Coal Purchases
For the month of October 2024

Consignment Detail		Awan ASIC- 23240110-A	Awan ASIC- 23240166
Bidding Month		Sep-23	Nov-23
Invoice Date		19-Oct-23	15-Dec-23
Quantity	MT	8,945	45,000
Base Price	Rs./Ton	44,368	41,299
Base NCV	kCal/Kg	6,000	5,500
Actual NCV	kCal/Kg	5,758	5,642
CV Adjusted Price	(Rs./Ton)	42,578	42,366
Inspection Charges	Rs./Ton	10.85	12.22
Delivered Coal Price As Per Request	Rs./Ton	42,589	42,378
Adjustment against Benchmark Price of Imported Coal	Rs./Ton	-	-
Net Delivered Coal Price	Rs./Ton	42,589	42,378
Notional Exchange Rate	Rs./US\$	300.55	279.78
Net Delivered Coal Price	US\$/Ton	141.70	151.47



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

Shipment Number	Unit	202405	202406
Vessel Name		MV IVS TRADERS	MV PETREL BULKER
Bill of Lading Date (B/L)		14-Aug-24	19-Aug-24
L/C Number		-	-
Origin		South Africa	South Africa
API-4 Coal Price Index for the month of B/L Date	US\$/Ton	114.73	114.73
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	(12.55)	(12.55)
Fixed Price	US\$/Ton	102.18	102.18
Base Calorific Value	kCal/Kg	5,500	5,500
Actual Calorific Value	kCal/Kg	5,333	5,517
Quantity	MT	52,869	50,342
FOB Coal Price Index as per B/L month Adjusted for CV	US\$/Ton	99.08	102.50
Marine Freight Charges	US\$/Ton	18.53	19.48
Marine Insurance	US\$/Ton	0.08	0.09
CIF Coal Price	US\$/Ton	117.69	122.06
Handling Loss 1% of CIF Coal Price or actual whichever is minimum	US\$/Ton	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	117.69	122.06
Other Charges:	US\$/Ton	11.82	12.47
(i) Port Handling Charges	US\$/Ton	3.57	3.80
(a) PQA Royalty Charges	US\$/Ton	2.38	2.38
(b) Wharfage Charges	US\$/Ton	0.12	0.12
(c) Port Disbursement Account Charges at Load Port	US\$/Ton	0.54	0.80
(d) Port Disbursement Account Charges at Discharge Port	US\$/Ton	0.54	0.49
(ii) Custom Duties & Cess	US\$/Ton	8.14	8.57
(iii) Custom Clearness Charges	US\$/Ton	0.06	0.06
(iv) Draft Survey, Sampling, Sample preparation & Analysis Charges	US\$/Ton	0.04	0.04
Delivered Coal Price at Power Plant	US\$/Ton	129.51	134.53
Average Exchange Rate for the month of B/L	Rs./US\$	278.98	278.98
Delivered Coal Price at Power Plant	Rs./Ton	36,130	37,530



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

Description	Unit	MV IVS TRADERS	MV PETREL BULKER
Loading Port Name		Richards Bay	Richards Bay
Origin		South Africa	South Africa
Delivery Days:			
Voyage	Days	27.04	27.04
At Port-Load	Days	1.39	2.18
At Port-Discharge	Days	2.61	2.36
Total	Days	31.04	31.58
Time Charter Rate	US\$/Day	14,216	14,239
Time Charter Cost	US\$	441,281	449,670
Bunker Consumption:			
Bunker during Voyage	Ton	878.72	878.72
Bunker during Port Days	Ton	20.02	22.71
Total	Ton	898.74	901.43
Bunker Price	US\$/Ton	599.00	589.00
Bunker Cost	US\$	538,343	530,943
Total Vovage Expense	US\$	979,624	980,613
Quantity	Tons	52,869	50,342
Marine Freight	US\$/Ton	18.53	19.48

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