



**Registrar**

# **National Electric Power Regulatory Authority Islamic Republic of Pakistan**

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No. NEPRA/ADG(Trf)/TRF-360/TCB-I-2015/ 3223-27

March 05, 2024

Chief Executive Officer,  
Thar Coal Block-1 Power Generation Company  
(Pvt.) Limited, No. A-1, Navy Housing Scheme,  
Zam Zama Link Road, Clifton Block-9,  
Karachi

**Subject: Decision of the Authority in the matter of Fuel Price Adjustment for Pre-Cod Period w.e.f. December 02, 2022 to February 04, 2023 for Thar Coal Block-1 Power Generation Company (Private) Limited (Case No. NEPRA/TRF-360/ TCB-I-2015)**

Enclosed please find herewith the subject decision of the Authority along with **Annex-I to III** for Pre-Cod Period w.e.f. **December 02, 2022 to February 04, 2023** (total 04 pages) regarding the adjustment in fuel portion of energy charge part of tariff on account of variation in **Coal** prices(s) in respect of Thar Coal Block-1 Power Generation Company (Private) Limited in Case No. NEPRA/TRF-360/ TCB-I-2015.

Enclosure: As above

  
(Engr. Mazhar Iqbal Ranjha)

Copy to: (alongwith copy of subject Decision):

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 PRE-COD PERIOD W.E.F. DECEMBER 2, 2022 TO FEBRUARY 4, 2023 FOR THAR COAL BLOCK-1 POWER GENERATION COMPANY (PRIVATE) LIMITED.**

1. Pursuant to the decision of the Authority dated June 10, 2016 in the matter of approval of Thar Coal Upfront Tariff for 2x660 MW Coal Power Plant of Thar Coal Block-1 Power Generation Company (Pvt) Limited (hereinafter refer as "TCB-1") the fuel cost components for Pre-COD period are subject to adjustment on the basis of coal price variation which determined by Thar Coal Energy Board (TCEB) and notified in the official Gazette.
2. The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-


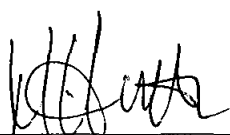
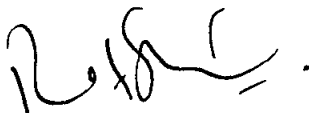
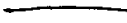

"Based on the documentary evidences and information submitted by TCB-1, the fuel cost components of the energy charge part of TCB-1's tariff are adjusted for variation in Thar coal price(s) for the Pre-COD period w.e.f. December 2, 2022 to February 4, 2023."

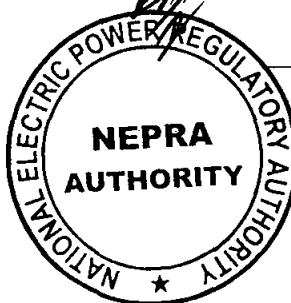
3. The revised energy charge part of TCB-1's tariff relating to fuel indicated hereunder shall be immediately applicable to the units delivered during the respective periods:

Period	Fuel Cost Component	
	Reference (Rs./kWh)	Revised (Rs./kWh)
December 2-31, 2022	3.9137	8.1529
January 1-31, 2023		8.3352
February 1-4, 2023		9.8579

4. Thar Coal Energy Board (TCEB) vide its decision dated June 22, 2023 determined reference financial close stage tariff for Sino Sindh Resources (Pvt) Ltd of Thar coal mine of 7.8 MTPA of Block-I of Thar coalfield. The general condition (ix) of TCEB determination defined that Pre-COD sale of lignite coal will be priced at the full first year tariff i.e. US\$ 44.97/ton. The proceeds of this sale will be utilized to finance the capital for expansion of mine to 7.6 MPTA capacity.
5. TCEB did not mention reference heating value of coal in its determination. TCEB vide its letter No. TCEB/Registrar/2-2/2015/FC Stage/5038 dated September 15, 2023 provided clarification that TCEB considered heat value of 11.30 MJ/Kg which is subject to adjustment as per actual at the time of mine coal COD tariff true-up.
6. This decision along with **Annex-I to III** 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.

**AUTHORITY**

 Mathar Niaz Rana (nsc) Member	 Engr. Maqsood Anwar Khan Member
 Engr. Rafique Ahmed Shaikh Member	 Amina Ahmed Member
 Waseem Mukhtar Chairman	



**Thar Coal Block-1 Power Generation Company (Pvt.) Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Pre-COD Adjustment on Account of Thar Coal Price Variation for December 2-31, 2022**

Fuel Price				
Description	Quantity	Coal Price*		Exchange Rate
	Tons	US\$/Ton	Rs./ Ton	Rs./ US\$
<b>Coal Consumption:</b>				
Consumption from Purchases During September 2022	147,914	44.97	9,825.95	218.50
Consumption from Purchases During December 2022	206,547	44.97	10,091.27	224.40
<b>Total Consumption:</b>	<b>354,461</b>	<b>44.97</b>	<b>9,980.55</b>	<b>221.94</b>

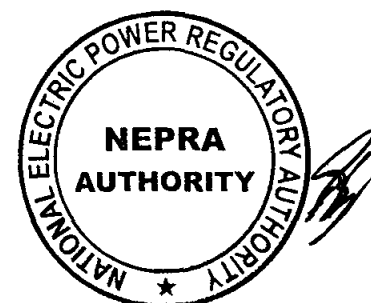
Fuel Cost Component			
Description	Units	Reference	Revised
Avg. price of stock consumed	Rs./ Ton	4,921.56	9,980.55
Heat Rate	Btu/kWh	8,751	8,749
Heating Value of Thar Coal	MMBTU/Ton	11.005	10.71
<b>Fuel Cost Component</b>		<b>Rs. 3.9137/kWh</b>	<b>Rs. 8.1529/kWh</b>

*Thar Coal & Energy Board vide its letter No. TCEB/Registrar/2-2/2015/FC Stage/5038 dated Sep 15, 2023 issued clarification to Sino Sindh Resources Ltd that they continued considering heat value of 11.30 MJ/kg, in line with the same that is available in feasibility stage. It shall be adjusted and actualized at COD Stage, if warranted.*

*Reference heating value shall be adjusted annually as per TCEB determination dated June 22, 2023.*

*Based on the data declared by Thar Coal Block-1 Power Generation Company (Pvt.) Limited*

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**Thar Coal Block-1 Power Generation Company (Pvt.) Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Pre-COD Adjustment on Account of Thar Coal Price Variation for January 2023**

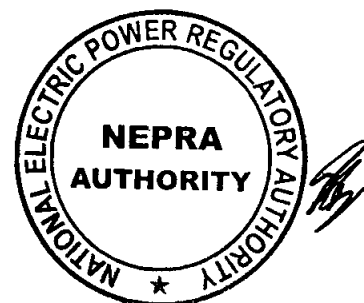
Fuel Price				
Description	Quantity	Coal Price*		Exchange Rate
	Tons	US\$/Ton	Rs./ Ton	Rs./ US\$
<b>Coal Consumption:</b>				
Consumption from Purchases During January 2023	442,598	44.97	10,203.69	226.90
<b>Total Consumption:</b>	<b>442,598</b>	<b>44.97</b>	<b>10,203.69</b>	<b>226.90</b>

Fuel Cost Component			
Description	Units	Reference	Revised
Avg. price of stock consumed	Rs./ Ton	4,921.56	10,203.69
Heat Rate	Btu/kWh	8,751	8,749
Heating Value of Thar Coal	MMBTU/Ton	11.005	10.71
<b>Fuel Cost Component</b>		<b>Rs. 3.9137/kWh</b>	<b>Rs. 8.3352/kWh</b>

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*Reference heating value shall be adjusted annually as per TCEB determination dated June 22, 2023.*

*Based on the data declared by Thar Coal Block-1 Power Generation Company (Pvt.) Limited*



**Thar Coal Block-1 Power Generation Company (Pvt.) Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Pre-COD Adjustment on Account of Thar Coal Price Variation for February 1-4, 2023**

Fuel Price				
Description	Quantity	Coal Price*		Exchange Rate
	Tons	US\$/Ton	Rs./ Ton	Rs./ US\$
<b>Coal Consumption:</b>				
Consumption from Purchases During February 2023	92,228	44.97	12,067.70	268.35
<b>Total Consumption:</b>	<b>92,228</b>	<b>44.97</b>	<b>12,067.70</b>	<b>268.35</b>

Fuel Cost Component			
Description	Units	Reference	Revised
Avg. price of stock consumed	Rs./ Ton	4,921.56	12,067.70
Heat Rate	Btu/kWh	8,751	8,749
Heating Value of Thar Coal	MMBTU/Ton	11.005	10.71
<b>Fuel Cost Component</b>		<b>Rs. 3.9137/kWh</b>	<b>Rs. 9.8579/kWh</b>

*Thar Coal & Energy Board vide its letter No. TCEB/Registrar/2-2/2015/FC Stage/5038 dated Sep 15, 2023 issued clarification to Sino Sindh Resources Ltd that they continued considering heat value of 11.30 MJ/kg, in line with the same that is available in feasibility stage. It shall be adjusted and actualized at COD Stage, if warranted.*

*Reference heating value shall be adjusted annually as per TCEB determination dated June 22, 2023.*

*Based on the data declared by Thar Coal Block-1 Power Generation Company (Pvt.) Limited*

