



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-368/TEL-2016/1134-38

January 23, 2023

Chief Executive Officer
Thar Energy Limited
11th Floor, Ocean Tower, Block-9,
Main Clifton Road, Karachi

Subject: **Decision of the Authority in the matter of Fuel Price Adjustment for Pre-COD Sale for Thar Energy Limited (TEL) [Case No. NEPRA/TRF-368/TEL-2016]**

Enclosed please find herewith the subject decision of the Authority along with Schedules of Fuel Cost Part of Energy Charge (**Annex-I & II**) (**03 pages**) regarding the adjustment of the Fuel Cost Component of the energy charge part of Thar Energy Limited's Tariff for July 2022 and August 2022 on account of variation in Thar Coal Price(s) for Pre-COD sale.

Enclosure: As above

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(Engr. Mazhar Iqbal Ranjha)

CC:

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, Shaheen Plaza, 73-West, Fazl-e-Haq Road, Blue Area, Islamabad

DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENTS FOR PRE-COD SALE FOR THAR ENERGY LIMITED

1. Pursuant to the decision of the Authority dated October 18, 2016, in the matter of approval of Thar Coal Upfront Tariff for 330 MW Coal Power Plant of Thar Energy Limited (TEL) and based on the documentary evidences and information submitted by TEL, Fuel Cost Components (FCCs) of the energy charge part of TEL's tariff for July 2022 & August 2022 are adjusted for variation in Thar coal price(s) for Pre-COD sale after the synchronization of the complex under Section 8.8 of PPA. The revised energy charge part of TEL's tariff relating to fuel indicated hereunder shall be immediately applicable to the units delivered during the respective months:

Period	Fuel Cost Component	
	Reference (Oct 18, 2016)	Revised
July 2022	4.1244	8.4109
August 2022		8.9795

2. Thar Coal Energy Board (TCEB) vide its decision dated October 5, 2018 determined reference tariff of Thar Coal Block II of Phase II in the matter of reference contract stage tariff for Sindh Engro Coal Mining Company Ltd (SECMC) for developing mine expansion to 7.6 MPTA. 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\$ 46.10/Ton. The proceeds of this sale will be utilized to finance the capital for expansion of mine to 7.6 MPTA capacity.
3. TEL vide its letter dated September 20, 2022 also requested for indexation/adjustment of the relevant tariff components for July-September 2022 quarter. The Authority has considered the request and decided to allow Pre-COD sale of energy to the extent of fuel cost only.
4. The above referred revised fuel cost components along with Annex-I & II 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.
5. CPPA(G) to ensure that all payments are consistent with tariff determination(s).

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Tauseef H. Farooqi
Chairman

Thar Energy Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Thar Coal Price Variation for the month of July 2022

Fuel Price				
Description	Quantity	Coal Price*		Exchange Rate
	Tons	US\$/Ton	Rs./ Ton	Rs./ US\$
Coal Consumption:				
Consumption from Purchases During July 2022	17,518	47.59	9,770.23	205.30
**Total Consumption:	17,518	47.59	9,770.23	205.30

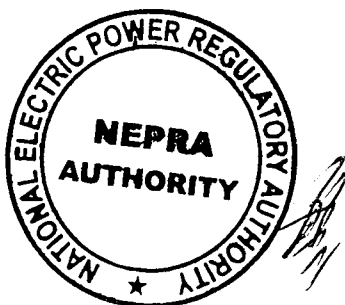
*Coal Price including transportation of US\$ 1.45/Ton

Fuel Cost Component			
Description	Units	Reference	Revised
Avg. price of stock consumed	Rs./ Ton	4,921.56	9,770.23
Heat Rate	Btu/kWh	9,222	9,222
Heating Value of Thar Coal	MMBTU/Ton	11.005	10.71
Fuel Cost Component		Rs. 4.1244/kWh	Rs. 8.4109/kWh

Reference heating value as per TCEB determination for years 1 - 8 is 11.30 MJ/KG (LHV)

Reference heating value shall be indexed annually as per TCEB determination

**Based on the data declared by Thar Energy Limited.



Thar Energy Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Thar Coal Price Variation for the month of August 2022

Fuel Price				
Description	Quantity	Coal Price*		Exchange Rate
	Tons	US\$/Ton	Rs./ Ton	Rs./ US\$
Coal Consumption:				
Consumption from Purchases During July 2022	21,838	47.59	9,770.23	205.30
Consumption from Purchases During Aug 2022	14,591	47.59	11,419.22	239.95
**Total Consumption:	36,429	47.59	10,430.70	219.18

*Coal Price including transportation of US\$ 1.45/Ton

Fuel Cost Component			
Description	Units	Reference	Revised
Avg. price of stock consumed	Rs./ Ton	4,921.56	10,430.70
Heat Rate	Btu/kWh	9,222	9,222
Heating Value of Thar Coal	MMBTU/Ton	11.005	10.71
Fuel Cost Component		Rs. 4.1244/kWh	Rs. 8.9795/kWh

Reference heating value as per TCEB determination for years 1 - 8 is 11.30 MJ/KG (LHV)

Reference heating value shall be indexed annually as per TCEB determination

**Based on the data declared by Thar Energy Limited.

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