



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-242/HSML-2014/ 12649-53

August 08, 2024

Subject: **Decision of the Authority for Indexation/Adjustment in Fuel Cost Component of Hamza Sugar Mills Limited from October 01, 2018 to September 30, 2024**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with Annex-1(a) & 1(b) (total 03 pages) regarding Indexation/Adjustment of Fuel Cost Component in the tariff of Hamza Sugar Mills Limited w.e.f. **October 01, 2018 to September 30, 2024** in Case No. NEPRA/ TRF-242/HSML-2014.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat
Islamabad.

Copy to:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. General Manager, Hamza Sugar Mills Ltd., A/22, S.I.T.E., Mauripur Road, Karachi-75730



**DECISION OF THE AUTHORITY FOR INDEXATIONS/ADJUSTMENT IN FUEL COST COMPONENT OF
HAMZA SUGAR MILLS LIMITED FROM OCT 01, 2018 TO SEP 30, 2024**

Pursuant to the Authority's decision(s) dated May 12, 2017, July 16, 2019, and February 07, 2024 the Fuel Cost Component ("FCC") of Hamza Sugar Mills Ltd (HSML) is required to be adjusted.

2. Based on which HSML vide letter dated June 12, 2024 has submitted its request for adjustment in FCC from Oct 01, 2018 to Sep 30, 2024. Accordingly, the Authority in its collective and joint wisdom considering all the aspects, decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:

"Indexation/adjustment from Oct 01, 2018 to Sep 30, 2024 has been made in the FCC in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components for the relevant period are indicated in **Annex-1(a)** and **Annex-1(b)** which shall be immediately applicable".

3. The adjusted/ indexed FCC attached as **Annex-1(a)** and **Annex-1(b)** is to be notified in the official Gazette in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

4. CPPAGL to ensure that all the payments are consistent with tariff determination.

AUTHORITY

(Mathar Niaz Rana (nsc))
Member

(Engr. Maqsood Anwar Khan)
Member

(Rafique Ahmed Shaikh)
Member

(Amina Ahmed)
Member



(Waseem Mukhtar)
Chairman

Annex-1 (a)

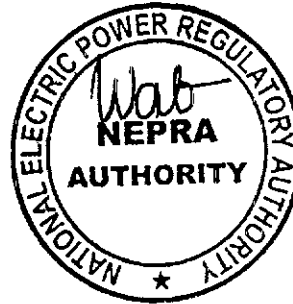
Hamza Sugar Mills Limited
Fuel Price Components from Oct 01, 2018 to Sep 30, 2024

Period	Revised Fuel Cost component (FCC)
	Rs. /kWh
w.e.f. 1st October, 2018 to 30th September 2019	8.0368
w.e.f. 1st October, 2019 to 30th September 2020	9.2262
w.e.f. 1st October, 2020 to 30th September 2021	9.8025
w.e.f. 1st October, 2021 to 30th September 2022	11.3187
w.e.f. 1st October, 2022 to 30th September 2023	11.8846
w.e.f. 1st October, 2023 to 30th September 2024	12.4788

Detailed working is attached as Annex-1 (b)

Based on the data declared by HSML

2-4987



Hamza Sugar Mills Limited
Fuel Price Components from Oct 01, 2018 to Sep 30, 2024

For the period from Oct 01 - Sep 30	Coal Price FOB (Rev.) Yearly Avg. (USD/TON)	Marine Freight [18.83 x BIX(Rev)/BIX(Ref)] (USD/TON)				Marine Insurance (USD/TON)	Coal Price CIF (Rev) (USD/TON)	Higher of CPCIF or Floor Price of Coal i.e. (\$100.67/TON)	Exchange Rate (Relevant Monthly Average)	CPCIF Coal Price (PKR/TON)	CV Ratio of Bagasse to Coal	Revised Bagasse Price (PKR/TON)	Bagasse Required (Kg / kWh)	Revised FCC (PKR/kWh)
	A	Fixed Value B	*BIX(Rev) C	BIX(Ref) D	Revised Value E = (B*C/D)	F = [CPFOB(Rev)x0.1%]	G = (A+E+F)	H > 100.67 or G	I	J = (H x I)	K	L = (J x K)	KG/kWh	M = L/1000 x 2.017
2018-19	97.1767	18.83	443.68	629.64	13.27	0.0972	110.54	110.54	124.3000	13.740	0.29	3,985	2.017	8.0368
2019-20	76.5750	18.83	464.09	629.64	13.88	0.0766	90.53	100.67	156.6900	15.774	0.29	4,575	2.017	9.2262
2020-21	65.9475	18.83	358.93	629.64	10.73	0.0659	76.75	100.67	166.4773	16.759	0.29	4,860	2.017	9.8025
2021-22	101.7675	18.83	429.35	629.64	12.84	0.1018	114.7094	114.71	168.6991	19.351	0.29	5,612	2.017	11.3187
2022-23	05% annual indexation on the applicable bagasse price for the previous year as per NEPRA determination dated 07-02-2024 i.e. 5,612 x 1.05											5,893	2.017	11.8846
2023-24	05% annual indexation on the applicable bagasse price for the previous year as per NEPRA determination dated 07-02-2024 i.e. 5,893 x 1.05											6,187	2.017	12.4788

*BIX = Bunker Index Price

Based on the data declared by HSML

