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National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/ADG(Trf)/TRF-68/APL-2007/16840-44

October 21, 2025

Subject: **Decision of the Authority in the matter of Adjustment of Calorific Value from April 2023 to June 2024 for Atlas Power Limited (APL)**

Dear Sir,

Please find enclosed herewith the decision of the Authority alongwith **Annex-I** (total 03 Pages) in the matter of adjustment of Calorific Value for the period **April 2023 to June 2024** in respect of Atlas Power Ltd. in Case No. NEPRA/TRF-68/APL-2007.

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 Calendar days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, 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, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
2. Mr. Shehriyar Abbasi, Deputy Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Atlas Power Limited (APL), 26/27 K.M. Lahore-Sheikhupura Road, Sheikhupura



**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT OF
CALORIFIC VALUE FROM APRIL 2023 TO JUNE 2024 FOR ATLAS POWER
LIMITED (APL).**

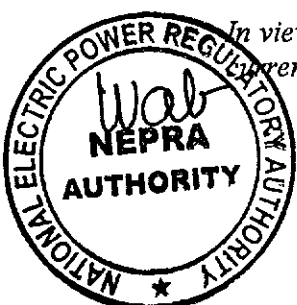
1. According to the decision of the Authority dated June 3, 2011 in the matter of calorific value adjustment mechanism, the calorific value (CV) of furnace oil is subject to adjustment on actual basis. The following was decided by the Authority:
 - i) To fix 18,364 Btu/lb as reference CV with no adjustment below the minimum limit agreed in the FSA.
 - ii) To direct the IPPs to maintain and submit, annually a detailed record of consignment wise CV of the oil received and consumed by IPPs for power generation for its adjustment with respect to reference calorific value duly supported with the copies of test reports.
2. The IPPs were informed vide letter dated February 7, 2017 that future CV adjustment shall be made on quarterly basis. The IPPs were also directed on March 22, 2018 to get CV tested from Hydrocarbon Development Institute of Pakistan (HDIP) and SGS labs and IPPs after some reservations started complying the direction of Authority w.e.f. February 1, 2020. Further, the Authority replaced HDIP lab with FFBL Lab and IPPs were directed to get CV tested from FFBL and SGS labs from May 2023 onwards vide letter dated May 9, 2023.
3. Accordingly, Atlas Power Limited (APL) submitted the consignment wise record of CV for adjustment against the reference CV of 18,364 Btu/lb duly supported with the copies of test reports of Refinery, FFBL and SGS labs for the period covered from April 1, 2023 to June 30, 2024 and requested an amount of **Rs. 37,594,903/-** (Thirty Seven Million Five Hundred Ninety Four Thousand Nine Hundred and Three) payable by APL to Central Power Purchasing Agency (Guarantee) Limited (CPPA-G).
4. The Authority after detailed deliberation and in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"The information and CV test reports of labs were analyzed in the light of the documentary evidences provided by APL. Accordingly, an amount of **Rs. 37,594,903/-** (Thirty Seven Million Five Hundred Ninety Four Thousand Nine Hundred and Three) payable by APL to the power purchaser for the period of April 1, 2023 to June 30, 2024 has been assessed and approved on account of adjustment of actual monthly weighted average CV of FFBL & SGS labs against the reference CV of 18,364 Btu/lb. The detailed calculations are attached as **Annex-I**. The Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) is hereby directed to deduct/adjust **Rs. 37,594,903/-** (Thirty Seven Million Five Hundred Ninety Four Thousand Nine Hundred and Three) against the outstanding amount of APL on account of adjustment of CV for the period of April 1, 2023 to June 30, 2024. CPPA-G is also directed to deduct/adjust the required amount as soon as possible."
5. Further, APL vide letter dated January 7, 2025 w.r.t. the Negotiated Settlement Agreement (NSA) and submitted the following:

"We refer to the NSA dated October 25, 2024. Pursuant to clause 2.2 of the NSA, the Power Purchase Agreement (PPA), Implementation Agreement (IA) and Guarantee were terminated/matured effective October 1, 2024.

Furthermore, the Power Purchaser shall adjust PKR 4.763 billion under clause 2.3(e) of the NSA, which states: The Power Purchaser shall adjust PKR 4.763 billion as past savings in fuel, fuel inventory gains and O&M (up to September 30, 2024).

In view of the above, we hereby withdraw our applications regarding the CV adjustment currently pending before NEPRA, effective October 1, 2024."



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6. The above request of APL was considered. In the opinion of the Authority, the CV adjustment pertains to the period before October 1, 2024 and cannot be left unattended. Therefore, the Authority has decided to adjust CV till September 30, 2024. Accordingly, APL is directed to submit the CV adjustment request for July-September 2024 quarter on the basis of actual CV test reports.
7. The above order of the Authority along with **Annex-I** shall 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.

AUTHORITY



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Engr. Maqsood Anwar Khan
Member



Waseem Mukhtar
Chairman



ATLAS POWER LIMITED
Calculation of CV Adjustment

Sr. No.	Month	Reference CV (BTU/lb)	Approved FCC (Rs./kWh)	Revised CV (BTU/lb)	Revised FCC (Rs./kWh)	Difference (Rs./kWh)	Units Billed (kWh)	Differential Amount (Rs.)
1	Apr-23	18,364	18.6230	18,451	18.5354	(0.0876)	30,045,090	(2,631,950)
2	May-23	18,364	17.9172	18,405	17.8771	(0.0401)	48,124,781	(1,929,804)
3	Jun-23	18,364	22.3990	18,405	22.3491	(0.0499)	78,838,284	(3,934,030)
4	Jul-23	18,364	26.7349	18,545	26.4735	(0.2614)	16,502,008	(4,313,625)
5	Aug-23	18,364	30.0721	18,508	29.8385	(0.2336)	60,319,865	(14,090,720)
6	Sep-23	18,364	31.6521	18,476	31.4599	(0.1922)	25,334,584	(4,869,307)
7	Dec-23	18,364	35.8888	18,407	35.8044	(0.0844)	28,942,352	(2,442,735)
8	Jan-24	18,364	33.5006	18,388	33.4561	(0.0445)	91,562,229	(4,074,519)
9	Jun-24	18,364	28.8942	18,349	28.9171	0.0229	30,209,055	691,787
Total (Payable)/Receivable by IPP							409,878,248	(37,594,903)
- Based on the data declared by Atlas Power Limited.								

