



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-92/HUBCO-2008/22336-22338

November 18, 2022

**Subject: Decision of the Authority in the matter of adjustment of Calorific Value for Narowal Energy Limited (NEL) (formerly Hub Power Company Limited) Narowal (Case No. NEPRA/TRF-92/HUBCO-2008)**

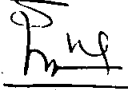
Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (02 Pages) in the matter of adjustment of Calorific Value for the period July 1, 2020 to March 31, 2021 in respect of Narowal Energy Limited in Case No. NEPRA/TRF-92/HUBCO-2008.

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 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.

3. Order of the Authority along with Annex-I shall be notified in the official Gazette.

Enclosure: As above

  
18.11.22  
( Syed Safer Hussain )

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

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

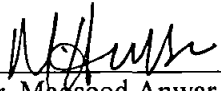
**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT OF CALORIFIC  
VALUE FOR NAROWAL ENERGY LIMITED (FORMERLY HUB POWER COMPANY  
LIMITED-NAROWAL (NEL)**

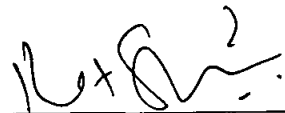
1. According to the decision of the Authority dated June 3, 2011 in the matter of calorific value adjustment mechanism, the Calorific Value (CV) of furnace oil is subject to adjustment on actual basis. The following was decided by the Authority:
  - i) To fix 18,364 Btu/lb as reference CV with no adjustment 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. Narowal Energy Limited (Formerly HUB Power Company Limited-Narowal) (NEL) 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, HDIP and SGS labs for the period covered from July 1, 2020 to March 31, 2021.
3. The Authority has decided to process the CV adjustment cases on the basis of weighted average CV value of Hydrocarbon Development Institute of Pakistan (HDIP) and SGS labs as per the decision dated September 1, 2021. The instant CV adjustment shall be subject to the final decision of the Writ Petitions filed by similar IPPs in the Honorable Lahore High Court.
4. The information and CV test reports of labs were analyzed in the light of the documentary evidence provided by NEL. Accordingly, an amount of **Rs. 2,706,302/-** (Two Million Seven Hundred Six Thousand and Three Hundred Two) payable by NEL to the power purchaser for the period of July 1, 2020 to March 31, 2021 has been assessed and approved on account of adjustment of actual monthly weighted average CV of HDIP & SGS labs against the reference CV of 18,364 Btu/lb. The detailed calculations are attached as **Annex-I**.

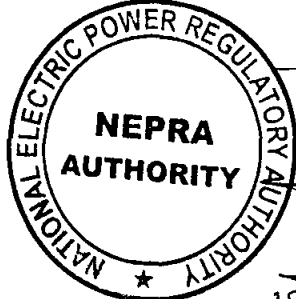
**ORDER**

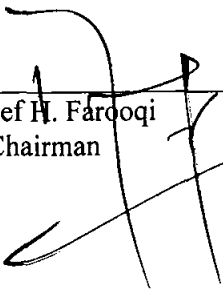
5. The Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) is hereby directed to deduct/adjust **Rs. 2,706,302/-** (Two Million Seven Hundred Six Thousand and Three Hundred Two) against the outstanding amount of NEL on account of adjustment of CV for the period of July 1, 2020 to March 31, 2021. CPPA-G is also directed to adjust/deduct the required amount as soon as possible.
6. 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. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member



  
Tauseef H. Farooqi  
Chairman

18 x 1221

## Narowal Energy Limited (Formerly HUBCO-Narowal)

## 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	Jul-20	18,364	12.8512	18,488	12.7647	(0.0865)	61,778,863	(5,343,872)
2	Aug-20	18,364	11.5339	18,364	11.5336	(0.0003)	94,805,020	(28,442)
3	Sep-20	18,364	11.9742	18,354	11.9810	0.0068	68,941,419	468,802
4	Oct-20	18,364	12.4791	18,335	12.4986	0.0195	20,478,517	399,331
5	Nov-20	18,364	12.4703	18,365	12.4696	(0.0007)	15,903	(11)
6	Dec-20	18,364	12.4703	18,341	12.4857	0.0154	12,388,905	190,789
7	Jan-21	18,364	12.2017	18,351	12.2105	0.0088	53,980,192	475,026
8	Feb-21	18,364	11.7037	18,316	11.7346	0.0309	9,629,188	297,542
9	Mar-21	18,364	11.7188	18,316	11.7497	0.0309	27,007,550	834,533
Total (Payable)/Receivable by IPP							349,025,557	(2,706,302)

