



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-92/HUBCO-2008/ 18339-43

July 17, 2023

Subject: Decision of the Authority in the matter of Adjustment of Calorific Value for July–December 2021 for Narowal Energy Limited(CASE NO. NEPRA/TRF-92/HUBCO-2008)

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 Pages) in the matter of adjustment of Calorific Value for the period July 1, 2021 to December 31, 2021 in respect of Nishat Power Ltd. 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.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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

Copy to: (alongwith copy of subject Decision):

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. Chief Executive Officer, Narowal Energy Ltd. [formerly Hub Power Co. Ltd. (HUBCO)], 11th Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi Tele: 021 – 3587 4677

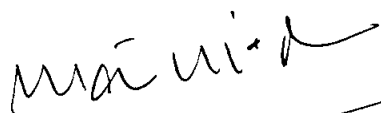
DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT OF CALORIFIC VALUE FOR JULY TO DECEMBER 2021 FOR NAROWAL ENERGY LIMITED (FORMERLY HUB POWER COMPANY LIMITED-NAROWAL (NEL)).

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. The IPPs were informed vide letter dated February 7, 2017 that future CV adjustment shall be made on quarterly basis. The IPPs were further directed to get CV tested from Hydrocarbon Development Institute of Pakistan (HDIP) and SGS labs.
3. Accordingly, 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, 2021 to December 31, 2021.
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. 14,461,442/-** (Fourteen Million Four Hundred Sixty One Thousand Four Hundred and Forty Two) receivable by NEL from the power purchaser for the period of July 1, 2021 to December 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 pay **Rs. 14,461,442/-** (Fourteen Million Four Hundred Sixty One Thousand Four Hundred and Forty Two) to NEL on account of adjustment of CV for the period of July 1, 2021 to December 31, 2021.
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



Mathar Niaz Rana (nsc)
Member



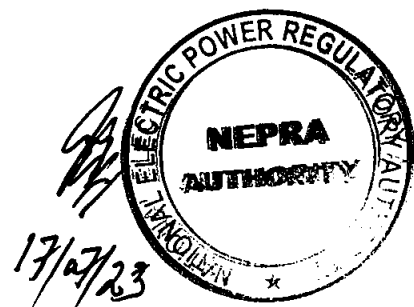
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Tauseef H. Farooq
Chairman

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-21	18,364	15.8980	18,479	15.7990	(0.0990)	89,694,852	(8,879,790)
2	Aug-21	18,364	18.2028	18,365	18.2013	(0.0015)	101,844,151	(152,766)
3	Sep-21	18,364	18.2119	18,374	18.2020	(0.0099)	75,857,172	(750,986)
4	Oct-21	18,364	19.7987	18,227	19.9473	0.1486	103,425,273	15,368,996
5	Nov-21	18,364	20.1071	18,200	20.2883	0.1812	13,740,434	2,489,767
6	Dec-21	18,364	20.1088	18,200	20.2900	0.1812	35,244,054	6,386,223
Total (Payable)/Receivable by IPP							419,805,936	14,461,442

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