



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-308/HSRPEL-2015/566-72

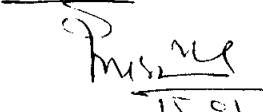
January 15, 2018

Director Commercial,
Huaneng Shandong Ruyi HSR (Pakistan) Energy (Private) Limited (HSR)
House No 105, Street 10, Block H, Phase 5,
DHA, Lahore

Subject: Decision of the Authority in the matter of Fuel Price Adjustment for Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited (HSR) [Case No. NEPRA/TRF-308/HSRPEL-2015]

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charge (Annex-I), Details of Shipments (Annex-II) and Marine Freight (Annex-III) (04 pages) regarding the fuel price adjustment on account of Coal price variation for the month of December 2017 in respect of Huaneng Shandong Ruyi (Pakistan) Energy (Private) Limited.

Enclosure: As above


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(Syed Safeer Hussain)

CC:

1. Secretary Ministry of Energy, '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
ENERCON Building, Sector G-5/2, Islamabad.



DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR HUANENG SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED.

Pursuant to the Decision of the Authority dated 31st March 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited (hereafter "HSR"), based on information submitted by HSR, the fuel portion of the energy charge part of HSR's tariff has been adjusted for variation in coal prices. The requested weighted average coal price US\$ 159.58/ton was found on higher side. In accordance with the prescribed mechanism, the revised coal prices have been worked out and are attached as Annex-II. The revised fuel cost component of energy charge part of HSR's tariff indicated hereunder shall be immediately applicable to the units delivered during the month.

Period	Revised Fuel Cost Component Rs./kWh
December 2017	5.5934

The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as Annex-I, Annex-II & Annex-III respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

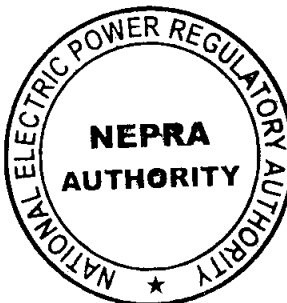
AUTHORITY

—
Himayat Ullah Khan
Member

—
Syed Masood-ul-Hassan Naqvi
Member

—
Saif Ullah Chattha
Vice Chairman

—
Brig (R) Tariq Saddozai
Chairman



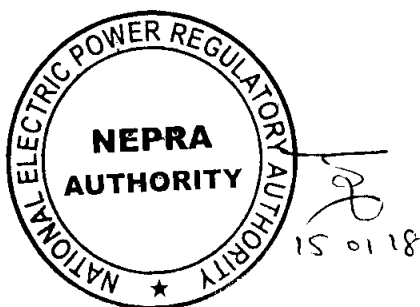
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Huaneng Shandong Ruyi Energy (Private) Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of December 2017

Description	Quantity	Net CV	Price
	Ton	kCal/Kg.	Rs/Ton
Consumption from Shipment No. HSR 34-2017	27,925	5,989	14,350
Consumption from Shipment No. HSR 28-2017	33,625	6,115	14,857
Consumption from Shipment No. HSR 36-2017	33,733	5,856	14,194
Consumption from Shipment No. HSR 38-2017	39,895	5,847	14,896
Consumption from Shipment No. HSR 42-2017	36,031	5,910	15,242
Consumption from Shipment No. HSR 43-2017	37,512	5,950	15,512
Consumption from Shipment No. HSR 44-2017	33,737	5,795	15,410
Consumption from Shipment No. HSR 45-2017	35,874	5,990	15,667
Consumption from Shipment No. HSR 46-2017	293	5,912	15,118
Total consumption	278,625	5,929	15,041

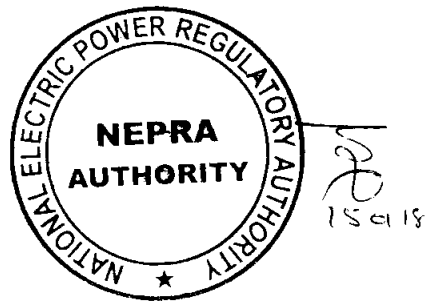
Description	Unit	Revised
Avg. Price of stock consumed during the month	Rs./ton	15,041
Avg. net calorific value of stock consumed during the month	kCal/kg	5,929
Avg. net calorific value of stock consumed during the month	BTU/kg	23,527.23
Net Heat Rates	BTU/kWh	8,749
Revised Fuel cost component for December 2017	Rs./kWh	5.5934

Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



Huaneng Shandong Ruyi Energy (Private) Company Limited
Details of Shipments

Shipment Number		HSR 28-2017	HSR 36-2017	HSR 38-2017	HSR 42-2017	HSR 43-2017	HSR 44-2017	HSR 45-2017	HSR 46-2017
Vessel Name		SKY GLOBE	RUINING H	DRACO OCEAN	GONG YIN I	KIRAN MARMARA	RUINING 2	YASA AYSEN	MAGIA
Bill of Lading (B/L) Date		1-Aug-17	29-Aug-17	20-Sep-17	4-Oct-17	14-Oct-17	12-Oct-17	17-Oct-17	24-Oct-17
L/C Number		LC28803B700144	LC28803B700145	LC28803B700146	LC28803B700139	LC28803B700147	LC28803B700143	LC28803B700150	LC28803B700151
API-4 Index for the month of B/L Date		86.68	86.68	91.52	90.99	90.99	90.99	90.99	90.99
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	6,115	5,856	5,847	5,910	5,950	5,795	5,990	5,912
Quantity	MT	42,091	40,008	43,979	40,058	43,999	40,003	42,901	42,840
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	88.34	84.60	89.19	89.63	90.23	87.88	90.84	89.66
Discount	US\$/Ton	-	(5.66)	(4.33)	(3.86)	-	-	-	(4.73)
Marine Freight Charges	US\$/Ton	14.37	15.70	15.86	17.98	15.67	17.38	16.64	17.65
Marine Insurance	US\$/Ton	0.10	0.09	0.10	0.10	0.11	0.11	0.11	0.10
CIF Coal Price	US\$/Ton	102.82	94.74	100.82	103.86	106.01	105.37	107.59	102.68
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	102.82	94.74	100.82	103.86	106.01	105.37	107.59	102.68
Other Charges:	US\$/Ton	9.90	11.76	12.25	12.37	12.76	12.45	12.64	12.39
(i) Port Handling Charges	US\$/Ton	4.06	4.06	4.06	4.06	4.06	4.06	4.06	4.06
(ii) Port Qasim Royalty Charg	US\$/Ton	-	2.40	2.40	2.40	2.40	2.40	2.40	2.40
(iii) Customs Duties & Cess	US\$/Ton	4.27	3.93	4.18	4.31	4.40	4.37	4.46	4.26
(iv) L/C Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
(iv) PDA Charges at Load Port	US\$/Ton	0.56	0.46	0.63	0.57	0.64	0.92	0.54	0.54
(v) PDA Charges at Discharge Port	US\$/Ton	0.91	0.80	0.88	0.93	1.17	0.59	1.07	1.02
Inland Freight Charges	US\$/Ton	26.74	26.74	26.74	26.74	26.74	26.74	26.74	26.74
Delivered Coal Price before adjustment of handling loss	US\$/Ton	139.46	133.23	139.81	142.97	145.51	144.55	146.97	141.81
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.39	1.33	1.40	1.43	1.46	1.45	1.47	1.42
Delivered Coal Price with losses at Power Plant	US\$/Ton	140.86	134.56	141.21	144.40	146.97	146.00	148.43	143.23
Exchange Rate	Rs./US\$	105.48	105.48	105.49	105.55	105.55	105.55	105.55	105.55
Delivered Coal Price with losses at Power Plant	Rs./Ton	14,857.39	14,193.80	14,896.31	15,241.75	15,512.19	15,410.25	15,667.29	15,117.51

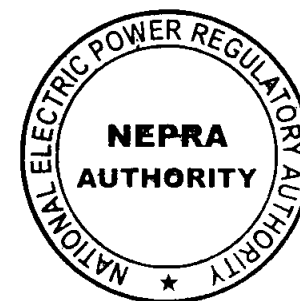


Huaneng Shandong Ruyi Energy (Private) Company Limited
Marine Freight

Description	Unit	SKY GLOBE	RUINING II	DRACO OCEAN	GONG YIN I	KIRAN MARMARA	RUINING 2	YASA AYSEN	MAGIA
Delivery Days:									
Voyage	Days	27.04	27.04	27.04	27.04	27.04	27.04	27.04	27.04
At Port	Days	8.132	8.132	8.132	8.132	8.132	8.132	8.132	8.132
Total	Days	35.17	35.17	35.17	35.17	35.17	35.17	35.17	35.17
Average Time Charter Rate	US\$/Day	8,940	9,580	11,042	11,430	10,910	10,831	11,387	12,457
Time Charter Cost	US\$	314,415	336,924	388,342	401,987	383,699	380,921	400,475	438,106
Bunker Consumption:									
Bunker during Voyage	Ton	878.72	878.72	878.72	878.72	878.72	878.72	878.72	878.72
Bunker during Port Days	Ton	40.66	40.66	40.66	40.66	40.66	40.66	40.66	40.66
MGO Consumption	Ton	3.90	3.90	3.90	3.90	3.90	3.90	3.90	3.90
Total	Ton	923.28	923.28	923.28	923.28	923.28	923.28	923.28	923.28
Bunker Price	\$/Ton	313.75	314.50	334.00	344.00	330.25	339.50	338.50	343.50
MGO Price	\$/Ton	530	540	540	560	560	560	560	560
Bunker Cost	US\$	290,522	291,251	309,179	318,450	305,809	314,313	313,394	317,991
Total Voyage Expense	US\$	604,937	628,174	697,520	720,438	689,508	695,234	713,869	756,097
Quantity Minimum	Tons	42,091	40,008	43,979	40,058	43,999	40,003	42,901	42,840
Marine Freight	\$/Ton	14.37	15.70	15.86	17.98	15.67	17.38	16.64	17.65

-PDA Charges both at load and discharge ports have been included in port handling charges.

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