



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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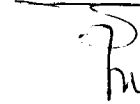
No. NEPRA/TRF-308/HSRPEL-2015/18265-69
November 3, 2017

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 October 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.

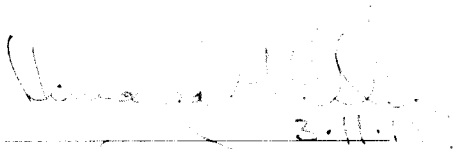
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR HUANENG
SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED.**


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\$ 144.45/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.

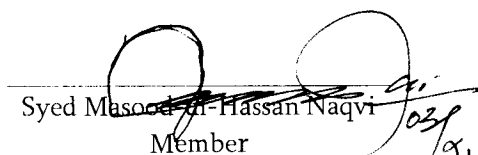
Period	Revised Fuel Cost Component Rs./kWh
October 2017	4.8583

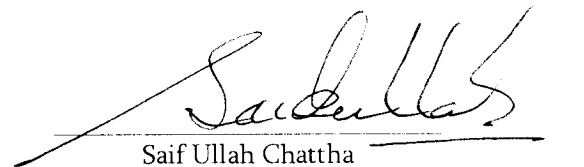
The above referred revised fuel cost component along with revised coal prices and revised marine freight charges attached as Annex-I, Annex-II & Annex-III respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission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

AUTHORITY


Himayat Ullah Khan
Member

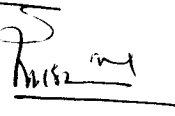

Maj (R) Haroon Rashid
Member


Syed Masood Ali-Hassan Naqvi
Member


Saif Ullah Chattha
Vice Chairman



Brig (R) Tariq Saddozai
Chairman

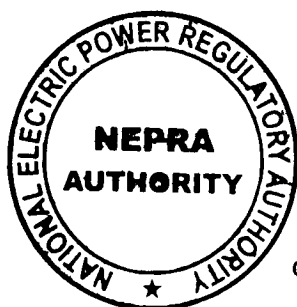

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Huaneng Shandong Ruyi Energy (Private) Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of October 2017

Description	Quantity	Net CV	Price
	Ton	kCal/Kg.	Rs/Ton
Consumption from Shipment No. HSR 19-2017	16,826	5,845	12,624
Consumption from Shipment No. HSR 20-2017	40,880	5,854	12,583
Consumption from Shipment No. HSR 21-2017	35,174	5,950	12,724
Consumption from Shipment No. HSR 22-2017	38,385	6,068	13,272
Consumption from Shipment No. HSR 23-2017	37,229	6,045	13,277
Consumption from Shipment No. HSR 24-2017	38,191	6,036	13,822
Consumption from Shipment No. HSR 25-2017	28,397	6,079	13,970
Total consumption	235,082	5,990	13,198

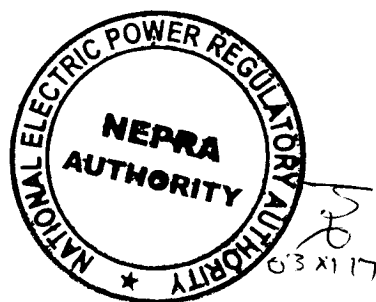
Description	Unit	Revised
Avg. Price of stock consumed during the month	Rs./ton	13,198
Avg. net calorific value of stock consumed during the month	kCal/kg	5,990
Avg. net calorific value of stock consumed during the month	BTU/kg	23,768
Net Heat Rates	BTU/kWh	8,749
Revised Fuel cost component for October 2017	Rs./kWh	4.8583

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 Shipmnets

Shipment Number		HSR 20-2017	HSR 21-2017	HSR 22-2017	HSR 23-2017	HSR 24-2017	HSR 25-2017
Vessel Name		FRIENDLY SEAS	NAUTICAL ALICE	RUINING 3	RUINING 2	GONG YIN1	THOR MAXIMUS
Bill of Lading (B/L) Date		27-May-17	25-May-17	30-Jun-17	8-Jul-17	6-Jul-17	15-Jul-17
L/C Number		LC28803B700095	LC28803B700115	LC28803B700103	LC28803B700104	LC28803B700105	LC28803B700107
API-4 Index for the month of B/L Date		72.42	72.42	77.60	81.59	81.59	81.59
Base Calorific Value	kCal/Kg	6,000	6,000	6,000	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,854	5,950	6,068	6,045	6,036	6,079
Quantity	MT	43,758	43,222	40,115	40,021	40,117	42,773
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	70.66	71.82	78.48	82.20	82.08	82.66
Discount	US\$/Ton	-	-	(1.82)	(6.54)	(1.81)	(0.49)
Marine Freight Charges	US\$/Ton	13.88	14.00	13.96	14.12	14.41	13.84
Marine Insurance	US\$/Ton	0.08	0.09	0.09	0.09	0.09	0.10
CIF Coal Price	US\$/Ton	84.62	85.90	90.71	89.87	94.77	96.10
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	84.62	85.90	90.71	89.87	94.77	96.10
Other Charges:	US\$/Ton	7.67	7.72	7.92	7.89	8.09	8.15
(i) Port Handling Charges	US\$/Ton	4.06	4.06	4.06	4.06	4.06	4.06
(ii) Customs Duties & Cess	US\$/Ton	3.51	3.56	3.76	3.73	3.93	3.99
(iii) L/C Charges	US\$/Ton	0.10	0.10	0.10	0.10	0.10	0.10
Inland Freight Charges	US\$/Ton	26.74	26.74	26.74	26.74	26.74	26.74
Delivered Coal Price before adjustment of handling loss	US\$/Ton	119.03	120.36	125.37	124.50	129.61	130.99
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.19	1.20	1.25	1.24	1.30	1.31
Delivered Coal Price with losses at Power Plant	US\$/Ton	120.22	121.57	126.62	125.74	130.90	132.30
Exchange Rate	Rs./US\$	104.67	104.67	104.81	105.59	105.59	105.59
Delivered Coal Price with losses at Power Plant	Rs./Ton	12,583.39	12,724.37	13,271.54	13,277.12	13,822.02	13,969.85



Huaneng Shandong Ruyi Energy (Private) Company Limited
Marine Freight

Description	Unit	FRIENDLY SEAS	NAUTICAL ALICE	RUINING 3	RUINING 2	GONG YIN 1	THOR MAXIMUS
Delivery Days:							
Voyage	Days	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
Total	Days	35.17	35.17	35.17	35.17	35.17	35.17
Average Time Charter Rate	US\$/Day	8,824	8,852	7,695	7,947	8,520	8,537
Time Charter Cost	US\$	310,336	311,320	270,629	279,492	299,644	300,242
Bunker Consumption:							
Bunker during Voyage	Ton	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
MGO Consumption	Ton	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
Bunker Price	\$/Ton	320.50	317.00	312.25	308.25	300.50	315.00
MGO Price	\$/Ton	555	555	550	545	545	530
Bunker Cost	US\$	296,825	293,608	289,221	285,524	278,399	291,671
Total Voyage Expense	US\$	607,161	604,928	559,850	565,016	578,043	591,913
Quantity Minimum	Tons	43,758	43,222	40,115	40,021	40,117	42,773
Marine Freight	\$/Ton	13.88	14.00	13.96	14.12	14.41	13.84



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