



Registrar

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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Web: www.nepra.org.pk, E-mail: info@nepra.org.pk

No. NEPRA/TRF-71/NPL-2007/1233-1235  
February 6, 2014

Subject: **Decision of the Authority in the Matter of Adjustment of Calorific Value for Nishat Power Ltd. (Case No. NEPRA/TRF-71/NPL-2007)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with Annex-I (03 pages) regarding adjustment of Calorific Value for Nishat Power Ltd. in Case No. NEPRA/TRF-71/NPL-2007.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please note that Order of the Authority at para 5 of the Decision along with Annex-I needs to be notified in the official Gazette.

Enclosure: As above

( Syed Safeer Hussain )

Secretary,  
Ministry of Water & Power,  
Government of Pakistan  
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 NISHAT POWER LIMITED (NPL)**

1. According to the decision of the Authority dated 3<sup>rd</sup> June 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 18364 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 certified by the fuel supplier.
2. NPL was directed vide letter No. NEPRA/TRF-100-IPPs/10555-58 dated 29<sup>th</sup> August 2013 to submit consignment wise record of CV for its adjustment with respect to the reference CV of 18,364 Btu/lb duly supported with the copies of test reports certified by the fuel supplier for the period covered from 1<sup>st</sup> July 2011 to 30<sup>th</sup> June 2013 along with the calculation, in financial terms, of the annual impact of adjustment on account of CV.
3. NPL vide its letter No. NEPRA/NPL/0913-4334 dated 16-09-2013 submitted the required information. NPL calculated an amount of Rs. 375,590,573/- payable to the power purchaser as adjustment on account of actual CV comprising of Rs. 167,200,550 for the FY 2011-12 and Rs. 208,390,023 for the FY 2012-13. NPL provided consignment wise record of the fuel purchased and supplier's certificates of CV in support of its claim.
4. The information was analyzed in the light of the evidence provided by NPL. NPL calculation was based on units generated from 16<sup>th</sup> of a month to 15<sup>th</sup> of the next month, whereas the actual billing was done on the basis of units generated in a whole month i.e. from 1<sup>st</sup> to last day of each month. In order to bring consistency, the calculation has been revised accordingly, as a result thereof, Rs. 382,033,349/- payable to the power purchaser, has been assessed and approved on account of adjustment of actual monthly average CV against the reference CV of 18,364 Btu/lb for the period July 2011 to June 2013. The detailed calculations are attached as Annex-I.

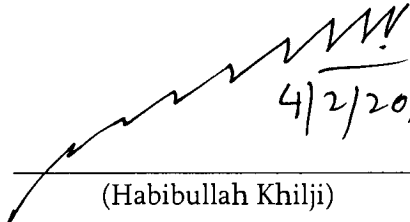





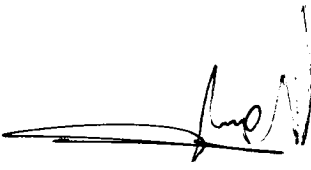
## Order

5. The Central Power Purchasing Agency is directed to deduct/adjust Rs. 382,033,349/- against outstanding amount of NPL on account of adjustment of calorific value for the period July 2011 to June 2013.
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(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

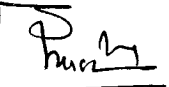
### Authority

  
4/2/2014  
(Habibullah Khilji)  
Member

  
(Maj (R) Haroon Rashid)  
Member

  
03.02.14  
(Khawaja Muhammad Naeem)  
Vice Chairman



  
06.02.14

**Nishat Power Limited**  
**Calculation of CV Adjustment for 2011-12**

Sr. No.	Month	Units billed	Standard CV	Approved FCC	Actual CV	Revised FCC	Difference	Differential Receivable/ (Payable) by the IPP
	Month	kWh	Btu/lb	Rs./kWh	Btu/lb	Rs./kWh	Rs./kWh	Rs.
1	Jul-11	118,859,129	18,364	12.7621	18,618	12.5880	(0.1741)	(20,694,521)
2	Aug-11	131,387,236	18,364	12.7768	18,603	12.6127	(0.1641)	(21,567,022)
3	Sep-11	113,348,923	18,364	13.0644	18,562	12.9250	(0.1394)	(15,796,006)
4	Oct-11	79,080,541	18,364	12.9448	18,505	12.8462	(0.0986)	(7,800,007)
5	Nov-11	62,923,925	18,364	13.0007	18,414	12.9654	(0.0353)	(2,221,286)
6	Dec-11	61,492,206	18,364	13.0942	18,558	12.9573	(0.1369)	(8,417,238)
7	Jan-12	75,766,096	18,364	13.6069	18,663	13.3889	(0.2180)	(16,516,721)
8	Feb-12	45,599,421	18,364	13.9940	18,674	13.7617	(0.2323)	(10,593,160)
9	Mar-12	123,510,668	18,364	14.7783	18,638	14.5610	(0.2173)	(26,833,678)
10	Apr-12	94,842,160	18,364	15.0585	18,552	14.9059	(0.1526)	(14,472,723)
11	May-12	70,573,100	18,364	15.2665	18,493	15.1600	(0.1065)	(7,515,554)
12	Jun-12	85,383,217	18,364	14.9759	18,602	14.7843	(0.1916)	(16,359,980)
Sub-Total		1,062,766,622						(168,787,897)

**Calculation of CV Adjustment for 2012-13**

Sr. No.	Month	Units billed	Standard CV	Approved FCC	Actual CV	Revised FCC	Difference	Differential Receivable/ (Payable) by the IPP
	Month	kWh	Btu/lb	Rs./kWh	Btu/lb	Rs./kWh	Rs./kWh	Rs.
1	Jul-12	90,449,588	18,364	14.1078	18,644	13.8959	(0.2119)	(19,163,941)
2	Aug-12	93,390,455	18,364	13.2109	18,592	13.0489	(0.1620)	(15,130,164)
3	Sep-12	115,792,231	18,364	14.1617	18,592	13.9880	(0.1737)	(20,109,605)
4	Oct-12	130,095,720	18,364	14.9165	18,475	14.8269	(0.0896)	(11,659,193)
5	Nov-12	101,341,617	18,364	14.5769	18,543	14.4362	(0.1407)	(14,260,214)
6	Dec-12	118,576,267	18,364	14.2685	18,586	14.0981	(0.1704)	(20,208,921)
7	Jan-13	123,473,283	18,364	13.8653	18,683	13.6286	(0.2367)	(29,231,179)
8	Feb-13	80,871,930	18,364	13.9688	18,593	13.7968	(0.1720)	(13,913,709)
9	Mar-13	92,628,349	18,364	14.3942	18,572	14.2330	(0.1612)	(14,932,624)
10	Apr-13	96,858,361	18,364	14.3486	18,603	14.1643	(0.1843)	(17,855,070)
11	May-13	123,112,613	18,364	14.0587	18,637	13.8528	(0.2059)	(25,353,292)
12	Jun-13	109,855,073	18,364	13.6522	18,505	13.5482	(0.1040)	(11,427,541)
Sub-Total		1,276,445,487						(213,245,453)
Grant Total								(382,033,349)

