



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-71/NPL-2007/22342-22344

November 18, 2022

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

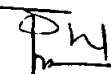
Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (02 Pages) in the matter of adjustment of Calorific Value for the period July 1, 2020 to March 31, 2021 in respect of 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 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 NISHAT POWER LIMITED (NPL)**

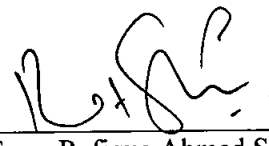
1. According to the Decision of the Authority dated June 3, 2011 in the matter of calorific value adjustment mechanism, the calorific value (CV) of furnace oil is subject to adjustment on actual basis. The following was decided by the Authority:
 - i) To fix 18,364 Btu/lb as reference CV with no adjustment 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. Nishat Power Limited (NPL) 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 Petition No. 34659/2022 filed by NPL 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 NCPL. Accordingly, an amount of **Rs. 27,496,915/-** (Twenty Seven Million Four Hundred Eighty Six Thousand and Nine Hundred Fifteen) payable by NPL 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**.

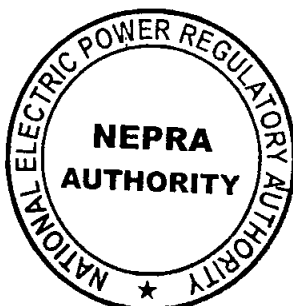
ORDER

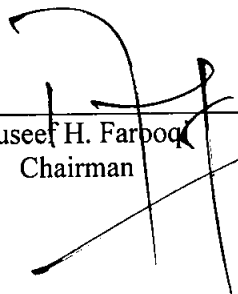
5. The Central Power Purchasing Agency Guarantee Limited (CPPA-G) is hereby direct to deduct/adjust of **Rs. 27,496,915/-** (Twenty Seven Million Four Hundred Eighty Six Thousand and Nine Hundred Fifteen) against the outstanding amount of NPL on account of adjustment of CV for the period of July 1, 2020 to March 31, 2021. CPPA-G is also directed to deduct/adjust 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. Farooq
Chairman

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NISHAT POWER LIMITED
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	11.2375	18,414	11.2068	(0.0307)	75,327,240	(2,312,546)
2	Aug-20	18,364	11.6993	18,414	11.6673	(0.0320)	84,442,787	(2,702,169)
3	Sep-20	18,364	12.0951	18,533	11.9851	(0.1100)	66,676,396	(7,334,404)
4	Oct-20	18,364	11.9540	18,500	11.8658	(0.0882)	8,951,146	(789,491)
5	Nov-20	18,364	12.4490	18,651	12.2576	(0.1914)	4,179,032	(799,867)
6	Dec-20	18,364	11.9674	18,431	11.9242	(0.0432)	7,053,092	(304,694)
7	Jan-21	18,364	11.4870	18,476	11.4171	(0.0699)	71,736,912	(5,014,410)
8	Feb-21	18,364	10.9258	18,753	10.6992	(0.2266)	13,843,936	(3,137,036)
9	Mar-21	18,364	11.4037	18,661	11.2224	(0.1813)	28,142,850	(5,102,299)
Total (Payable)/Receivable by IPP							360,353,391	(27,496,915)

