



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-71/NPL-2007/18315-19

July 17, 2023

Subject: **Decision of the Authority in the matter of Adjustment of Calorific Value for July–December 2021 for Nishat Power Limited (Case No. NEPRA/TRF-71/NPL-2007)**

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-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.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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.
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, Nishat Power Ltd., 1-B Aziz Avenue, Canal Bank, Gulberg-V, Lahore

DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT OF CALORIFIC VALUE FOR JULY TO DECEMBER 2021 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. 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, 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, 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 NPL. Accordingly, an amount of **Rs. 40,965,923/-** (Forty Million Nine Hundred Sixty Five Thousand Nine Hundred and Twenty Three) payable by NPL to 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 direct to deduct/adjust of **Rs. 40,965,923/-** (Forty Million Nine Hundred Sixty Five Thousand Nine Hundred and Twenty Three) against the outstanding amount of NPL on account of adjustment of CV for the period of July 1, 2021 to December 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




Mathar Niaz Rana (nsc)
Member



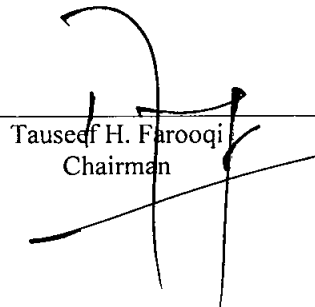
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Tauseef H. Farooqi
Chairman

2/2



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-21	18,364	16.3035	18,496	16.1871	(0.1164)	75,699,404	(8,811,411)
2	Aug-21	18,364	17.5533	18,485	17.4381	(0.1152)	97,331,163	(11,212,550)
3	Sep-21	18,364	17.9246	18,418	17.8718	(0.0528)	78,220,606	(4,130,048)
4	Oct-21	18,364	19.5235	18,424	19.4599	(0.0636)	100,435,494	(6,387,697)
5	Nov-21	18,364	21.2622	18,495	21.1122	(0.1500)	8,355,175	(1,253,276)
6	Dec-21	18,364	22.7962	18,605	22.5013	(0.2949)	31,098,478	(9,170,941)
Total (Payable)/Receivable by IPP							391,140,320	(40,965,923)

2/2

