



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-71/NPL-2007/ 34995-99

October 19, 2023

Subject: **Decision of the Authority in the matter of Adjustment of Calorific Value from April to June 2022 for Nishat Power Limited (NPL) (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 **April to June 2022** 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 FROM APRIL TO JUNE 2022 FOR NISHAT POWER LIMITED (NPL).

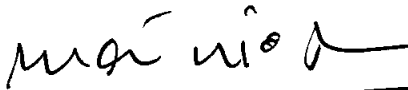
1. According to the Decision of the Authority dated June 3, 2011 in the matter of calorific value adjustment mechanism, the calorific value (CV) of furnace oil is subject to adjustment on actual basis. The following was decided by the Authority:
 - i) To fix 18,364 Btu/lb as reference CV with no adjustment 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 April 1, 2022 to June 30, 2022.
4. The Authority in its collective and joint wisdom decided with consensus as under; which will be hereunder called as decision of the Authority in the matter:-

“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. 39,664,919/-** (Thirty Nine Million Six Hundred Sixty Four Thousand Nine Hundred and Nineteen) payable by NPL to the power purchaser for the period of April 1, 2022 to June 30, 2022 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**.

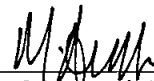
The Central Power Purchasing Agency Guarantee Limited (CPPA-G) is hereby direct to deduct/adjust of **Rs. 39,664,919/-** (Thirty Nine Million Six Hundred Sixty Four Thousand Nine Hundred and Nineteen) against the outstanding amount of NPL on account of adjustment of CV for the period of April 1, 2022 to June 30, 2022. CPPA-G is also directed to deduct/adjust the required amount as soon as possible.”

5. 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



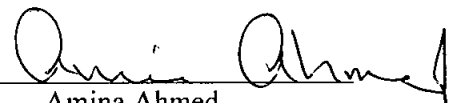
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member

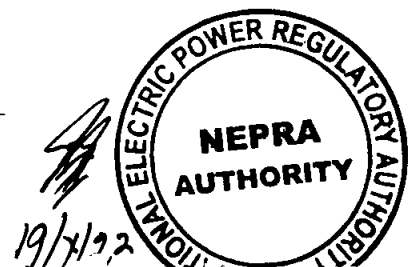


Amina Ahmed
Member



Waseem Mukhtar
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	Apr-22	18,364	21.6372	18,488	21.4923	(0.1449)	91,549,453	(13,265,516)
2	May-22	18,364	32.2451	18,476	32.0504	(0.1947)	94,223,211	(18,345,259)
3	Jun-22	18,364	33.7611	18,412	33.6723	(0.0888)	90,699,826	(8,054,145)
Total (Payable)/Receivable by IPP							276,472,490	(39,664,919)

- Based on the data declared by Nishat Power Limited.

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