



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-125/SECL-2009/2310-14
February 23, 2018

Chief Executive Officer
Sapphire Electric Company Ltd.
7-A/K, Main Boulevard, Gulberg-II
Lahore

Subject: Decision of the Authority in the Matter of Fuel Price Adjustment Based on RLNG for Sapphire Electric Company Ltd. (Case No. NEPRA/TRF-125/SECL-2009)

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charges, applicable w.e.f. 1st January, 2018 at Annex-I (02 pages) regarding the adjustment in fuel portion of energy charge part of tariff on account of fuel price variation for **RLNG** prices in respect of Sapphire Electric Company Ltd.

Enclosure: As above


(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 BASED ON
RLNG FOR SAPPHIRE ELECTRIC COMPANY LIMITED**

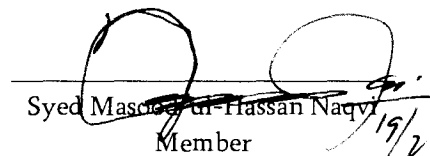
1. Pursuant to Decision of the Authority dated September 21, 2011 and May 3, 2016 in the case of Sapphire Electric Company Limited (hereinafter "SECL"), the fuel portion of energy charge part of tariff of SECL has been adjusted for variation in fuel price.
2. Oil & Gas Regulatory Authority (hereinafter "OGRA") vide its decision dated January 3, 2018 has determined provisional RLNG price for the Pakistan LNG Limited (hereinafter "PLL") under Petroleum Products (Petroleum Levy) Ordinance, 1961 and Petroleum Products (Petroleum Levy) Rules, 1967 for December 2017 and January 2018.
3. Based on Provisional RLNG price determination by OGRA for PLL, SECL vide letter No. SECL/NEPRA/2009 dated January 16, 2018 submitted its request for revision of Fuel Cost Component (hereinafter "FCC") for the month of January 2018. Further, SECL submitted Sui Northern Gas Pipelines Limited (hereinafter "SNGPL") letters No. GMB-37(1974) & GMB-37(2190) dated January 24, 2018 & February 9, 2018, respectively, wherein SNGPL invoiced to SECL US\$10.6161/MMBTU for the 3rd & 4th week of January 2018. SNGPL invoiced to SECL, as per the clause 4 of the Interim Agreement for Supply of RLNG dated January 13, 2018.
4. Based on OGRA's notification dated January 3, 2018, FCC on RLNG of SECL has been revised. The revision has been made on provisional basis and final FCC shall be made after notification of final RLNG price by OGRA and submission of fuel invoice(s) by SECL. The revised FCC indicated hereunder shall be immediately applicable on unit delivered basis:

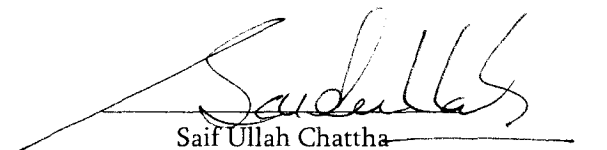
Period	Revised Fuel Cost Component (Rs/kWh)
With Effect From 1 st January 2018	8.6701

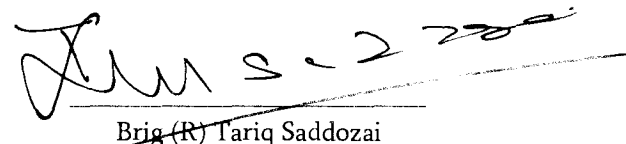
5. The above referred revised fuel cost component of energy charge part of tariff attached as **Annex-I** is to be notified in the official gazette, in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

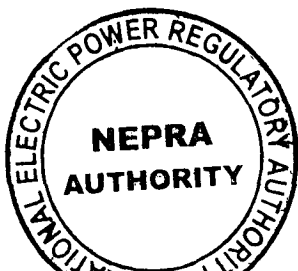
Authority

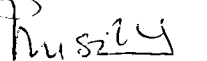

Himayat Ullah Khan
Member


Syed Masood ul-Hassan Naqvi
Member


Saif Ullah Chattha
Vice Chairman 21-2-2018


Brig (R) Tariq Sadozai
Chairman




23.02.18

Sapphire Electric Company Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on account of Fuel Price Variation for RLNG w.e.f. 1st January 2018

Period	Provisional RLNG Price HHV	*Provisional RLNG price HHV	**Provisional RLNG price LHV	Reference Gas Price LHV	Reference Fuel Cost Component	Revised Fuel Cost Component
	USD/MMBTU	Rs/MMBTU	Rs/MMBTU	Rs/MMBTU	Rs/kWh	Rs/kWh
Jan-18	10.6161	1174.3530	1300.6582	368.11	2.4538	8.6701

*Exchange rate Rs. 110.62/USD based on SBP weighted average customer exchange rate of January 3, 2018 has been used to work out provisional RLNG Price

**RLNG price is adjusted for LHV-HHV factor of 1.107553

-FCC has been revised on the basis of provisional RLNG price determined by OGRA for Pakistan LNG Limited.

