

**National Electric Power Regulatory Authority**

**NOTIFICATION**



Islamabad, the 06 day of January, 2023

**S.R.O. 14 (I)/2023.** - In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the Decision of the Authority in the matter of adjustment of Calorific Value for the period July 1, 2020 to March 31, 2021 in respect of Nishat Chunian Power Ltd. in Case No. NEPRA/TRF-70/NCPL-2007.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.

  
(Engr. Mazhar Iqbal Ranjha)  
Registrar





**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT OF CALORIFIC VALUE  
FOR NISHAT CHUNIAN POWER LIMITED (NCPL)**

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 Chunian Power Limited (NCPL) 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. NCPL also informed that in case of delivered price(s) of Low Sulphur Furnace Oil (LSFO) is greater than the High Sulphur Furnace Oil (HSFO), NEPRA has benchmarked LSFO's price(s) with HSFO prevailing in the relevant period. Therefore, in such cases, CV of HSFO fuel is benchmarked for LSFO.
3. The Authority has decided to process the CV adjustment cases on the basis of 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. 34668/2022 filed by NCPL 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. 29,194,182/-** (Twenty Nine Million One Hundred Ninety Four Thousand and One Hundred Eighty Two) payable by NCPL 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**

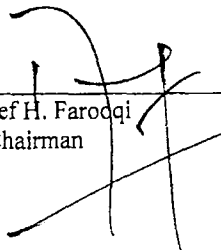
5. The Central Power Purchasing Agency Guarantee Limited (CPPA-G) is hereby directed to deduct/adjust **Rs. 29,194,182/-** (Twenty Nine Million One Hundred Ninety Four Thousand and One Hundred Eighty Two) against the outstanding amount of NCPL on account of adjustment of calorific value for the period of July 1, 2020 to March 31, 2021. CPPA-G is also directed to adjust/deduct 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.

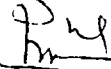
**AUTHORITY**

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

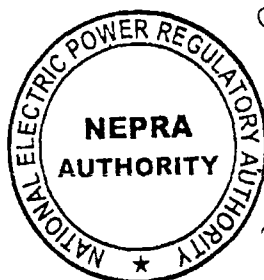


  
Tauseef H. Farooqi  
Chairman

  
18.11.22

**NISHAT CHUNIAN 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	10.7477	18,543.44	10.6437	(0.1040)	72,413,050	(7,531,340)
2	Aug-20	18,364	11.4931	18,482.63	11.4193	(0.0738)	83,888,302	(6,188,362.68)
3	Sep-20	18,364	12.2069	18,522.67	12.1023	(0.1046)	88,678,483	(9,272,969.58)
4	Oct-20	18,364	11.8764	18,389.44	11.8600	(0.0164)	18,359,964	(301,706.74)
5	Nov-20	18,364	12.1224	18,591.81	11.9739	(0.1485)	4,738,709	(703,883.88)
6	Dec-20	18,364	12.6070	18,573.72	12.4646	(0.1424)	1,800,698	(256,331.70)
7	Jan-21	18,364	10.9044	18,419.76	10.8714	(0.0330)	68,766,575	(2,269,923.83)
8	Feb-21	18,364	10.6126	18,389.38	10.5980	(0.0146)	15,267,275	(223,617)
9	Mar-21	18,364	11.7380	18,463.10	11.6750	(0.0630)	38,823,604	(2,446,048)
<b>Total (Payable)/Receivable by IPP</b>							<b>392,736,660</b>	<b>(29,194,182)</b>





REGISTRAR

**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

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No. NEPRA/TRF-70/ 279-81


January 06, 2023

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Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY IN THE  
MATTER OF ADJUSTMENT OF CALORIFIC VALUE FOR THE PERIOD  
JULY 1, 2020 TO MARCH 31, 2021 IN RESPECT OF NISHAT CHUNIAN  
POWER LTD.**

In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), enclosed please find herewith '*Decision of the Authority in the matter of adjustment of Calorific Value for the period July 1, 2020 to March 31, 2021 in respect of Nishat Chunian Power Ltd.*' for immediate publication in the official gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification [03 pages & CD]

  
(Engr. Mazhar Iqbal Ranjha)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. **Syed Mateen Ahmed**, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad [w.r.t. NEPRA's Decision issued vide No. 22348-22350 dated November 18, 2022]