

**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR
THE MONTH OF NOVEMBER 2009 FOR XWDISCOs**

Pursuant to the amendment made in the Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997 through Ordinance dated July 31 2009, the Authority is required;

- i) to review the fuel charges in the approved tariff on account of any variation whatsoever; and
 - ii) to determine overall electricity tariff on quarterly basis.
2. In compliance thereof, the Adjustment on account of Power Purchase Price (PPP) would be passed on to the consumers in two stages. According to the modified mechanism the fuel charges in the approved tariff would be adjusted on the basis of actual variation against the corresponding monthly reference pool values without taking into account the impact of Transmission and Distribution (T&D) losses.
3. While considering the adjustment request for the month of November, 2009, the Authority observed that the Actual fuel cost component of Rs. 5.18/kWh also included Rs. 0.35/kWh (Rs. 2.174 billion) on account of previous months' adjustment. The Authority noted that the amount claimed as previous month's adjustment was not duly supported with proper documentary evidence. Given the substantial impact on the consumers the Authority has decided to set aside the Rs.2.174 billion and the matter is being taken up with the concerned stakeholders i.e. Ministry of Finance, Ministry of Water & Power and Central Power Purchasing Agency.
4. The Authority on the basis of information considers that there was a genuine upward variation of Rs.0.51/kWh in fuel charges of approved tariff for the month of November 2009 as per the following:

Actual Fuel Cost Component for November 2009	Rs. 4.83/kWh
Corresponding Reference Fuel Cost Component (Determined) for the month of November 2009	Rs. 4.32/kWh
Fuel Price Variation	Rs. 0.51/kWh





5. The above adjustment shall be applicable to all the consumer categories except lifeline consumers of all the DISCOs. All the DISCOs are accordingly advised that the adjustment of fuel charges determined by the Authority for the month of November, 2009 should be shown separately in the consumer's bill and the billing impact should be worked out on the basis of consumption by the consumer in the month of November 2009.

AUTHORITY

(Zafar Ali Khan)
Member

23/12/09

(Maqbool Ahmad Khawaja)
Member

(Ghiasuddin Ahmed)
Member/Vice Chairman

(Khalid Saeed)
Chairman

