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The Registrar
NEPRA,
Islamabad.

Ref. No. RA&SP/NEPRA/071/1485
Dated: November 18, 2016

Subject: **PROVISIONAL MONTHLY FUEL COST ADJUSTMENT (FCA) DUE TO VARIATION IN FUEL AND POWER PURCHASE PRICE FOR THE MONTH OF OCTOBER 2016**

Dear Sir,

This is with reference to fuel cost adjustment based on units sent out for the month of October 2016, as per the Multi Year Tariff Petition (I-MYT Petition) filed by K-Electric (KE) for the period commencing from July 1, 2016 to June 30, 2026.

Required Monthly Adjustment (Provisional):

This submission is based on provisional power purchase rate of NTDC. The units sent out on Gas and Furnace oil at BQPS-I have been worked out in the ratio of actual units generated on Gas & Furnace Oil at BQPS-I. The summarized position is as under;

DESCRIPTION	October 2016 (Over September-16)	
	(Mill. Rs.)	(Ps./kWh)
Fuel Price Variation	196.786	13.024
Power Purchase Price Variation	526.420	34.840
Total Fuel Costs Adjustment	723.206	47.864

Economic Dispatch Order

KE dispatches as per Economic Merit Order from its own generating units (with the available fuel resources) and import from external sources. It is also certified that the cost of fuel and power purchase claim does not include any amount of late payment surcharge/ markup/ interest. All the requisite details including generating statistic sheets and invoices are attached.

As the I-MYT petition is in process of approval, this submission is provisional and in case of any adjustments, revised petition will be filed accordingly.

Sincerely,

M. Aamir Ghaziani
Director (Finance & Regulations)

Encl.

K-Electric Limited

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K Electric Limited (Formerly KESC Ltd.)

FCA for the month of October-2016

SUMMARY OF REQUIRED ADJUSTMENT ON ACCOUNT OF VARIATION IN COST OF FUEL AND POWER PURCHASES

DESCRIPTION		Unit	Sep-16	Oct-16
I	a. Monthly Variation in			
	i Fuel Price	Mill Rs.	153.474	196.786
	ii Power Purchase Price - Fuel component	Mill Rs.	(165.855)	526.420
	iii Total Monthly Variation (i + ii) - Over Reference Tariff	Mill Rs.	<u>(12.381)</u>	<u>723.206</u>
	b. Units Sent Out	Mill kWh	1,477.099	1,510.943
II	a. Monthly Variation in FSA - due to			
	i Fuel Price	Ps/kWh	10.390	13.024
	ii Power Purchase Price - Fuel component	Ps/kWh	(11.228)	34.840
	b. Monthly increase/decrease to be passed to Consumers (i+ii)	Ps/kWh	(0.838)	47.864

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION		Sep-16	Oct-16
1 UNITS SENT OUT - KE			
1a UNITS SENT OUT ON GAS			
i Bin Qasim	Mill kWh	119.263	75.921
ii Bin Qasim II - CCPP	Mill kWh	334.196	352.257
iii Korangi Gas 2	Mill kWh	45.561	42.087
iv Site Gas 2	Mill kWh	39.476	47.738
v Korangi combined *	Mill kWh	109.570	123.743
Total	Mill kWh	648.065	641.745
1b UNITS SENT OUT ON F. OIL			
i Bin Qasim	Mill kWh	242.559	268.928
Total	Mill kWh	242.559	268.928
1c TOTAL UNITS SENT OUT (1 + 2)			
i Bin Qasim	Mill kWh	361.823	344.848
ii Bin Qasim II - CCPP	Mill kWh	334.196	352.257
iii Korangi Gas 2	Mill kWh	45.561	42.087
iv Site Gas 2	Mill kWh	39.476	47.738
v Korangi combined	Mill kWh	109.570	123.743
Total	Mill kWh	890.625	910.673
2 HEAT RATE AT BUS BAR			
2a Heat Rate of GAS - of item 1			
i Bin Qasim	Btu/kWh	10,650	10,650
ii Bin Qasim II - CCPP	Btu/kWh	8,605	8,605
iii Korangi Gas 2	Btu/kWh	9,500	9,500
iv Site Gas 2	Btu/kWh	9,500	9,500
v Korangi combined	Btu/kWh	9,110	9,110
2b Conversion Factor			
i Bin Qasim	Kg/kWh	0.264	0.264
ii Korangi Thermal	Kg/kWh	0.340	0.340
3 FUEL PRICES			
a. Fuel Prices- Gas (Rs/MMBTu)	Rs/MMBTu	613	613
b. Fuel Price -F.O (Rs/Kg)	Rs/Kg	30,209	32,212
4 COST OF FUEL			
4a COST OF GAS			
i Bin Qasim	Mill Rs	778.605	495.643
ii Bin Qasim II - CCPP	Mill Rs	1,762.839	1,858.108
iii Korangi Gas 2	Mill Rs	265.322	245.094
iv Site Gas 2	Mill Rs	229.887	278.000
v Korangi combined	Mill Rs	611.884	691.034
Total	Mill Rs	3,648.537	3,567.879
4b COST OF FURNACE OIL			
i Bin Qasim	Mill Rs	1,934.459	2,286.928
Total	Mill Rs	1,934.459	2,286.928
4c TOTAL COST OF FUEL			
i Bin Qasim	Mill Rs	2,713.064	2,782.572
ii Bin Qasim II - CCPP	Mill Rs	1,762.839	1,858.108
iii Korangi Gas 2	Mill Rs	265.322	245.094
iv Site Gas 2	Mill Rs	229.887	278.000
v Korangi combined	Mill Rs	611.884	691.034
Total	Mill Rs	5,582.996	5,854.808

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION		Sep-16	Oct-16
5	<u>COST OF FUEL PER KWH</u>		
a	Bin Qasim Rs/kWh	7.498	8.069
b	Bin Qasim II - CCPP Rs/kWh	5.275	5.275
c	Korangi Gas 2 Rs/kWh	5.824	5.824
d	Site Gas 2 Rs/kWh	5.824	5.824
e	Korangi combined Rs/kWh	5.584	5.584
6	<u>INCREASE/DECREASE IN COST OF FUEL PER KWH</u>		
a	Bin Qasim Rs/kWh		0.571
b	Bin Qasim II - CCPP Rs/kWh		-
c	Korangi Gas 2 Rs/kWh		-
d	Site Gas 2 Rs/kWh		-
e	Korangi combined Rs/kWh		-
7	<u>INCREASE / DECREASE IN FUEL COST OVER PREVIOUS MONTH</u>		
a	Bin Qasim Mill Rs		196.786
b	Bin Qasim II - CCPP Mill Rs		-
c	Korangi Gas 2 Mill Rs		-
d	Site Gas 2 Mill Rs		-
e	Korangi combined Mill Rs		-
	Total Mill Rs		196.786
8	<u>INCREASE / DECREASE IN TARIFF</u>		
	<u>TO BE PASSED IN THE MONTHLY BILLS</u>		
a	Fuel price variation Mill Rs		196.786
b	Units Sent Out - KE Mill kWh		910.673
c	Power Purchase Mill kWh		600.270
d	Total Units Sent Out (b + c) Mill kWh		1,510.943
e	Increase / Decrease in Tariff		
	To be passed on to the consumers - FSA Ps/kWh		13.024

Work Sheet- Power Purchase Cost Variation

DESCRIPTION		Sep-16	Oct-16
1 POWER PURCHASES			
a	KANUPP Mill kWh	24.926	39.259
b	TAPAL Mill kWh	59.462	52.850
c	GUL AHMED Mill kWh	63.200	61.402
d	NTDC/WAPDA Mill kWh	428.146	435.412
e	ANOUD POWER Mill kWh	4.934	4.942
f	INT IND (IIL) Mill kWh	5.807	6.404
	TOTAL Mill kWh	586.475	600.270
2 COST OF POWER PURCHASE - FUEL COST			
a	KANUPP Mill Rs	166.610	266.676
b	TAPAL Mill Rs	387.033	355.722
c	GUL AHMED Mill Rs	428.100	445.000
d	NTDC/WAPDA Mill Rs	1,566.672	2,064.462
e	ANOUD POWER Mill Rs	32.111	33.043
f	INT IND (IIL) Mill Rs	33.747	37.282
	TOTAL Mill Rs	2,614.274	3,202.186
3 COST OF POWER PURCHASE- Fuel Cost/kWh			
a	KANUPP Rs/kWh	6.684	6.793
b	TAPAL Rs/kWh	6.509	6.731
c	GUL AHMED Rs/kWh	6.774	7.247
d	NTDC/WAPDA Rs/kWh	3.659	4.741
e	ANOUD POWER Rs/kWh	6.508	6.686
f	INT IND (IIL) Rs/kWh	5.811	5.821
	AVERAGE Rs/kWh	4.458	5.335
4 INCREASE / DERCREASE IN FUEL COMPONENT OF POWER PURCHASE - TO BE PASSED IN THE MONTHLY BILLS			
a	Average Monthly Fuel cost Rs/kWh		5.335
b	Reference Rate - Previous Month Rs/kWh		4.458
c	Increase / Decrease in Avg. Rate Rs/kWh		0.877
d	Total Power Purchase Mill kWh		600.270
e	Increase / Decrease in Fuel Cost Mill Rs		526.420
5 INCREASE / DERCREASE IN TARIFF TO BE PASSED IN THE MONTHLY BILLS			
a	Fuel price variation in cost of power purchase		526.420
b	Units Sent Out - KE Mill kWh		910.673
c	Power Purchase Mill kWh		600.270
d	Total Units Sent Out (b + c) Mill kWh		1,510.943
e	Increase / Decrease in Tariff to be passed on to the consumers - FSA Ps/kWh		34.840

K-Electric Limited

Oct-16

Description	MMBTU (As per Bills)	Cubic Meters	GCV AS PER BILLS	GCV AS PER BTU's ON BILLS	MMCF	MMCFD	BTU/CF	MMBTUs	Amount excluding Meter rent	Meter rent	Total Amount of SSGC Bills	Rs/ MMBTU
BIN QASIM												
18143200	38,304.3416	1,015,826	1,062.370	1,062.36774	36.056	1.163	1,359.574	38,304.42	23,480,561	2,500	23,483,061	613.00
M2121941	37,916.5946	1,005,543	1,062.370	1,062.36774	35.691	1.151	1,345.811	37,916.68	23,242,872	2,500	23,245,372	613.00
M12169664	257,634.4483	6,832,431	1,062.370	1,062.36774	242.510	7.823	9,144.472	257,635.00	157,929,917	2,500	157,932,417	613.00
18143201	38,750.4977	1,027,658	1,062.370	1,062.36774	36.476	1.177	1,375.409	38,750.58	23,754,055	2,500	23,756,555	613.00
M2121940	247,469.3516	6,562,854	1,062.370	1,062.36774	232.941	7.514	8,783.673	247,469.88	151,698,713	2,500	151,701,213	613.00
18143197	251,731.8543	6,675,895	1,062.370	1,062.36774	236.954	7.644	8,934.966	251,732.39	154,311,627	2,500	154,314,127	613.00
Total	871,807.0881	23,120,207	1,062.3700	1,062.36774	820.63	26.47	30,943.905	871,808.9402	534,417,745	15,000	534,432,745	613.00
BIN QASIM COMBINED CYCLE POWER PLANT												
16128821	573,987.9342	15,222,083	1,062.370	1,062.36774	540.291	17.429	20,373.117	573,989.15	351,854,604	2,500	351,857,104	613.00
M16647823	587,371.2598	15,577,007	1,062.370	1,062.36774	552.889	17.835	20,848.145	587,372.51	360,058,582	2,500	360,061,082	613.00
M16647821	599,814.3092	15,906,995	1,062.370	1,062.36774	564.601	18.213	21,289.798	599,815.58	367,686,172	2,500	367,688,672	613.00
M16647825	613,177.6875	16,261,390	1,062.370	1,062.36774	577.180	18.619	21,764.118	613,178.99	375,877,922	2,500	375,880,422	613.00
16647822	648,314.7431	17,193,220	1,062.370	1,062.36774	610.255	19.686	23,011.272	648,316.12	397,416,938	2,500	397,419,438	613.00
Total	3,022,665.9338	80,160,695	1,062.370	1,062.36774	2,845.2162	91.781	107,286.450	3,022,672.36	1,852,894,218	12,500	1,852,906,718	613.00
KORANGI TOWN GAS TURBINE-II												
16128823	263,351.8664	7,251,312	1,023.210	1,023.21290	257.377	8.302	9,347.360	263,351.12	161,434,694	3,000	161,437,694	613.00
15300069	130,466.4044	3,592,352	1,023.210	1,023.21290	127.507	4.113	4,630.749	130,466.03	79,975,906	2,500	79,978,406	613.00
16844632	11,619.2701	319,933	1,023.210	1,023.21290	11.356	0.366	412.412	11,619.24	7,122,613	2,500	7,125,113	613.00
Total	405,437.5409	11,163,597	1,023.210	1,023.21290	396.240	12.782	14,390.521	405,436.39	248,533,213	8,000	248,541,213	613.00
SITE GAS TURBINE-II												
16392828	255,488.5523	7,119,983	1,010.970	1,010.97097	252.716	8.152	9,068.278	255,488.31	156,614,483	3,000	156,617,483	613.00
16392831	204,022.0188	5,685,708	1,010.970	1,010.97097	201.808	6.510	7,241.531	204,021.82	125,065,498	2,500	125,067,998	613.00
Total	459,510.5711	12,805,691	1,010.970	1,010.97097	454.5240	14.662	16,309.810	459,510.13	281,679,981	5,500	281,685,481	613.00
KORANGI COMBINED CYCLE POWER PLANT												
18143203	356,244.8901	9,869,958	1,016.900	1,016.90302	350.323	11.301	12,644.485	356,243.83	218,378,029	2,500	218,380,529	613.00
13403410	343,788.1021	9,524,834	1,016.900	1,016.90323	338.074	10.906	12,202.344	343,787.01	210,742,062	2,500	210,744,562	613.00
16844633	441,584.0768	12,234,324	1,016.900	1,016.90323	434.244	14.008	15,673.494	441,582.68	270,691,039	2,500	270,693,539	613.00
Total	1,141,617.0690	31,629,116	1,016.900	1,016.90316	1,122.6409	36.214	40,520.324	1,141,613.52	699,811,130	7,500	699,818,630	613.00
Total KE Generating Stations	5,901,038.2029	158,879,306	1,046.423	1,046.42303	5,639.2472	181.911	209,451.010	5,901,041.34	3,617,336,287	48,500	3,617,384,787	613.00

Vendor	Inv Date	Invoice No	Quantity	Total Cost	Total GST Amount	Total Financial charges (PSO)	Grand Total (PSO)
PSO	1-Oct-16	965399275	2,491	79,374,907.00	15,874,981		
PSO	2-Oct-16	965399276	1,991	63,449,904.00	12,689,981		
PSO	3-Oct-16	965403649	2,490	79,357,634.00	15,871,527		
PSO	4-Oct-16	965408747	2,489	79,320,571.00	15,864,114		
PSO	5-Oct-16	965413498	2,494	79,488,966.00	15,897,793		
PSO	6-Oct-16	965416404	2,496	79,540,339.00	15,908,068		
PSO	7-Oct-16	965418833	2,492	79,413,023.00	15,882,605		
PSO	8-Oct-16	965424540	2,494	79,466,977.00	15,893,395		
PSO	9-Oct-16	965424541	2,491	79,397,789.00	15,879,558		
PSO	10-Oct-16	965432695	2,490	79,360,821.00	15,872,164		
PSO	11-Oct-16	965432697	2,492	79,406,426.00	15,881,285		
PSO	12-Oct-16	965432700	2,493	79,436,414.00	15,887,283		
PSO	13-Oct-16	965436684	2,493	79,446,708.00	15,889,342		
PSO	14-Oct-16	965440475	2,492	79,403,079.00	15,880,616		
PSO	15-Oct-16	965447755	2,493	79,460,699.00	15,892,140		
PSO	16-Oct-16	965450766	2,492	84,548,936.00	16,909,787		
PSO	17-Oct-16	965451515	2,491	84,517,513.00	16,903,503		
PSO	18-Oct-16	965454240	2,488	84,432,136.00	16,886,427		
PSO	19-Oct-16	965457907	2,486	84,351,712.00	16,870,342		
PSO	20-Oct-16	965463609	2,899	98,371,103.00	19,674,221		
PSO	22-Oct-16	965467156	2,997	101,686,217.00	20,337,243		
PSO	22-Oct-16	965473845	2,991	101,490,893.00	20,298,179		
PSO	23-Oct-16	965473846	2,991	101,503,754.00	20,300,751		
PSO	24-Oct-16	965477758	2,990	101,474,639.00	20,294,928		
PSO	25-Oct-16	965481687	2,699	91,575,921.00	18,315,184		
PSO	26-Oct-16	965485827	2,694	91,403,197.00	18,280,639		
PSO	27-Oct-16	965490044	2,491	84,515,070.00	16,903,014		
PSO	28-Oct-16	965494996	1,989	67,491,774.00	13,498,355		
PSO	29-Oct-16	965499767	1,979	67,161,596.00	13,432,319		
PSO	30-Oct-16	965499769	1,494	50,682,329.00	10,136,466		
PSO	31-Oct-16	965503717	1,493	50,674,185.00	10,134,837		
PSO							
			76,545	2,521,205,232	504,241,047	-	-