



Mr. Safer Hussain,  
Registrar,  
National Electric Power Regulatory Authority,  
NEPRA Tower, Attaturk Avenue (East),  
Sector G-5/1,  
Islamabad.

Ref No. KE/BPR/NEPRA/2022/253  
June 8, 2022

**Subject: Monthly Cost Variation for the month of April 2022 under Multi-Year Tariff 2017 – 2023 - Revised**

Dear Sir,

This is with reference to our letter dated May 17, 2022 regarding Monthly Cost Variation for the month of April 2022 (enclosed).

In this regard, the calculation of Fuel Charge Adjustment for April 2022 in the aforementioned letter was based on the KE's petitioned rate for March 2022. NEPRA has determined the FCA for March 2022 dated May 27, 2022. In this regard please attached, revised calculation of monthly Fuel Cost Adjustment for April 2022 after updating the reference month of March 2022 with NEPRA's decision.

Summary of Revised cost variation for the month April 2022 is as below:

Month	Variation Amount (PKR Million)	Variation per unit (PKR / kWh)
April 2022 (Revised)	10,216	5.307
April 2022 (Original)	9,353	4.859

We would request NEPRA for expeditious processing of Monthly Fuel Cost of April 2022.

Sincerely,

**Ayaz Jaffar Ahmed**  
Director – Finance

**Enclosed:**

- Revised Calculation sheet of monthly variation – April 2022
- KE's Letter dated May 17, 2022

**K Electric Limited**

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

DESCRIPTION		Unit	Mar-22	Apr-22
			Reference	Current
<b>A)</b>	<b>Cost of fuel:</b>			
	Cost of fuel - KE	a	Mill Rs. 16,092.348	28,505.459
	Cost of fuel - Power Purchases	b	Mill Rs. 11,408.970	14,208.255
	Adjustment - Note 3	c	Mill Rs. (2.000)	-
	<b>Total</b>	<b>d = a + b + c</b>	<b>Mill Rs. 27,499.319</b>	<b>42,713.714</b>
<b>B)</b>	<b>Units Sent Out</b>			
	Units Sent Out - KE	e	GWh 590.638	891.158
	Units - Power purchases	f	GWh 1,038.207	1,033.751
	<b>Total</b>	<b>g = e + f</b>	<b>GWh 1,628.845</b>	<b>1,924.910</b>
<b>C)</b>	<b>Cost per unit on respective Sent Out</b>			
	Cost of fuel - KE	h = a / e	Rs./kWh 27.246	31.987
	Cost of fuel - Power Purchases	i = b / f	Rs./kWh 10.989	13.744
	Adjustment - Note 3	j = c / g	Rs./kWh (0.001)	-
	<b>Weighted Average Cost / Total cost per unit</b>	<b>k = d / g</b>	<b>Rs./kWh 16.883</b>	<b>22.190</b>
<b>D)</b>	<b>Cost per unit on total sent out - Note 1</b>			
	Cost of fuel - KE on total sent out	l = a / g	Rs./kWh 9.880	14.809
	Cost of fuel - Power Purchases on total sent out	m = b / g	Rs./kWh 7.004	7.381
	Adjustment - Note 3	n = c / g	Rs./kWh (0.001)	-
	<b>Weighted Average Cost / Total cost per unit</b>	<b>o = d / g</b>	<b>Rs./kWh 16.883</b>	<b>22.190</b>
<b>E)</b>	<b>Variation per unit - Note 2</b>			
	Cost of fuel - KE	p = l(Mar-22) - l(Dec-21)	Rs./kWh	4.929
	Cost of fuel - Power Purchases	q = m(Mar-22) - m(Dec-21)	Rs./kWh	0.377
	Adjustment - Note 3	r = n(Mar-22) - n(Dec-21)	Rs./kWh	0.001
	<b>Total Fuel Cost Adjustment</b>	<b>s = p + q + r</b>	<b>Rs./kWh</b>	<b>5.307</b>
<b>F)</b>	<b>Total Fuel Cost Adjustment</b>	t = s x 100	<b>Ps/kWh</b>	<b>530.73</b>
<b>G)</b>	<b>Variation amount</b>			
	Cost of fuel - KE	u = p x g	Mill Rs.	9,488.110
	Cost of fuel - Power Purchases	v = q x g	Mill Rs.	725.551
	Adjustment - Note 3	w = r x g	Mill Rs.	2.364
	<b>Total Fuel Cost Adjustment</b>	<b>x = u + v + w</b>	<b>Mill Rs.</b>	<b>10,216.024</b>

Note 1: As per mechanism given in MYT, weighted average cost for KE's fuel cost and power purchase is calculated by dividing fuel cost with total units sent out (KE+power purchase) in GWh as per Annexure II & III of MYT Decision

Note 2: Calculated as difference of current and reference month of cost per unit for the month

Note 3: KE had submitted the required data to NEPRA regarding the adjustments made by NEPRA with respect to EMO from July 2021 to March 2022 and request to allow the same in subsequent FCA determination.

Note 4: Fuel cost for the reference month March 2022 is inline with NEPRA's Decision for the month of March 2022

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION		Mar-22	Apr-22
		Reference	Current
<b>1</b>	<b><u>Units Generated - Actual</u></b>		
	<b>1a <u>UNITS GENERATED ON FURNACE OIL + (LDO Bifurcated)</u></b>		
	<b>i <u>Bin Qasim - I</u></b>		
	Unit 1	GWh 30.050	121.145
	Unit 2	GWh 50.690	112.014
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh 91.739	117.331
	Unit 6	GWh 106.340	122.434
	<b>Total unit generated on furnace oil - Bin Qasim - I</b>	<b>GWh 278.819</b>	<b>472.924</b>
	<b>1b <u>UNITS GENERATED ON INDIGENOUS GAS</u></b>		
	<b>i <u>Bin Qasim - I</u></b>		
	Unit 1	GWh -	-
	Unit 2	GWh -	0.000
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh -	0.082
	Unit 6	GWh -	0.023
	<b>Total unit generated on Indigenous Gas - Bin Qasim - I</b>	<b>GWh -</b>	<b>0.106</b>
	ii Bin Qasim II - 560 MW	GWh -	0.404
	iii Korangi Town Gas Turbine II	GWh -	0.016
	iv Site Gas Turbine II	GWh -	0.012
	v Korangi CCPP	GWh -	-
	<b>Total unit generated on Indigenous Gas</b>	<b>GWh -</b>	<b>0.538</b>
	<b>1c <u>UNITS GENERATED ON LNG</u></b>		
	<b>i <u>Bin Qasim - I</u></b>		
	Unit 1	GWh 0.193	-
	Unit 2	GWh 0.374	0.042
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh 0.233	15.079
	Unit 6	GWh 2.741	4.261
	<b>Total unit generated on LNG - Bin Qasim - I</b>	<b>GWh 3.541</b>	<b>19.383</b>
	ii Bin Qasim II - 560 MW	GWh 339.696	368.544
	iii Korangi Town Gas Turbine II	GWh 0.020	7.345
	iv Site Gas Turbine II	GWh 0.136	4.940
	v Korangi CCPP-220 MW	GWh -	3.255
	vi. BQPS III	3.596	-
	<b>Total unit generated on LNG</b>	<b>GWh 346.989</b>	<b>403.466</b>
	i Korangi CCPP - 220 MW	GWh 8.317	81.795
	<b>Total unit generated on HSD</b>	<b>GWh 8.317</b>	<b>81.795</b>
	<b>Total Units Generated - KE</b>	<b>GWh 634.124</b>	<b>958.722</b>

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION	Mar-22	Apr-22
	Reference	Current
<b>2 <u>Auxiliary Consumption - NEPRA allowed percentage</u></b>		
i <u>Bin Qasim - I</u>		
Unit 1	8.1%	8.1%
Unit 2	8.0%	8.0%
Unit 3	8.3%	8.3%
Unit 4	8.2%	8.2%
Unit 5	7.8%	7.8%
Unit 6	7.7%	7.7%
ii Bin Qasim II - 560 MW	6.1%	6.1%
iii Korangi Town Gas Turbine II	2.5%	2.5%
iv Site Gas Turbine II	2.5%	2.5%
v Korangi CCPP	6.9%	6.9%
vi BQPS III	2.1%	2.1%
<b>3 <u>Auxiliary Consumption - NEPRA allowed</u></b>		
<b>3a <u>AUXILIARY CONSUMPTION ON FURNACE OIL</u></b>		
i <u>Bin Qasim - I</u>		
Unit 1	GWh 2.437	9.825
Unit 2	GWh 4.055	8.961
Unit 3	GWh -	-
Unit 4	GWh -	-
Unit 5	GWh 7.110	9.093
Unit 6	GWh 8.199	9.440
<b>Total Auxiliary on Furnace Oil - Bin Qasim</b>	GWh <b>21.801</b>	<b>37.319</b>
<b>3b <u>AUXILIARY CONSUMPTION ON INDIGENOUS GAS</u></b>		
i <u>Bin Qasim - I</u>		
Unit 1	GWh -	-
Unit 2	GWh -	0.000
Unit 3	GWh -	-
Unit 4	GWh -	-
Unit 5	GWh -	0.006
Unit 6	GWh -	0.002
<b>Total Auxiliary on Indigenous Gas - Bin Qasim</b>	GWh -	<b>0.008</b>
ii Bin Qasim II - 560 MW	GWh -	0.025
iii Korangi Town Gas Turbine II	GWh -	0.000
iv Site Gas Turbine II	GWh -	0.000
v Korangi CCPP	GWh -	-
<b>Total Auxiliary on Indigenous Gas - KE</b>	GWh -	<b>0.034</b>
<b>3c <u>AUXILIARY CONSUMPTION ON LNG</u></b>		
i <u>Bin Qasim - I</u>		
Unit 1	GWh 0.016	-
Unit 2	GWh 0.030	0.003
Unit 3	GWh -	-
Unit 4	GWh -	-
Unit 5	GWh 0.018	1.169
Unit 6	GWh 0.211	0.329
<b>Total Auxiliary on LNG - Bin Qasim</b>	GWh <b>0.275</b>	<b>1.501</b>
ii Bin Qasim II - 560 MW	GWh 20.755	22.518
iii Korangi Town Gas Turbine II	GWh 0.000	0.184
iv Site Gas Turbine II	GWh 0.003	0.123
v Korangi CCPP	GWh -	0.225
vi. BQPS III	0.076	-
<b>Total Auxiliary on LNG - KE</b>	GWh <b>21.110</b>	<b>24.551</b>
<b>3d <u>AUXILIARY CONSUMPTION OF HSD</u></b>		
i Korangi CCPP - 220 MW	GWh 0.576	5.660
<b>Total Auxiliary on HSD</b>	GWh <b>0.576</b>	<b>5.660</b>
<b>Total auxiliary units- KE</b>	GWh <b>43.486</b>	<b>67.563</b>

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION		Mar-22	Apr-22
		Reference	Current
<b>4</b>	<b><u>UNITS SENT OUT</u></b>		
	<b>4a <u>UNITS SENT OUT ON FURNACE OIL</u></b>		
i	<u>Bin Qasim - I</u>		
	Unit 1	GWh 27.613	111.320
	Unit 2	GWh 46.635	103.052
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh 84.629	108.238
	Unit 6	GWh 98.142	112.994
	<b>Total units sent out on furnace oil - Bin Qasim - I</b>	<b>GWh 257.018</b>	<b>435.605</b>
	<b>4b <u>UNITS SENT OUT ON INDIGENOUS GAS</u></b>		
i	<u>Bin Qasim - I</u>		
	Unit 1	GWh -	-
	Unit 2	GWh -	0.000
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh -	0.076
	Unit 6	GWh -	0.021
	<b>Total units sent out on indigenous gas - Bin Qasim - I</b>	<b>GWh -</b>	<b>0.097</b>
	ii Bin Qasim II - 560 MW	GWh -	0.379
	iii Korangi Town Gas Turbine II	GWh -	0.016
	iv Site Gas Turbine II	GWh -	0.012
	v Korangi CCPP	GWh -	-
	<b>Total units sent out on indigenous gas - KE</b>	<b>GWh -</b>	<b>0.504</b>
	<b>4c <u>UNITS SENT OUT ON LNG</u></b>		
i	<u>Bin Qasim - I</u>		
	Unit 1	GWh 0.177	-
	Unit 2	GWh 0.344	0.039
	Unit 3	GWh -	-
	Unit 4	GWh -	-
	Unit 5	GWh 0.215	13.910
	Unit 6	GWh 2.530	3.933
	<b>Total units sent out on LNG - Bin Qasim - I</b>	<b>GWh 3.266</b>	<b>17.882</b>
	ii Bin Qasim II - 560 MW	GWh 318.941	346.026
	iii Korangi Town Gas Turbine II	GWh 0.019	7.161
	iv Site Gas Turbine II	GWh 0.132	4.816
	v Korangi CCPP	GWh -	3.030
	vi BQPS III	3.521	-
	<b>Total units sent out on LNG - KE</b>	<b>GWh 325.879</b>	<b>378.915</b>
	<b>4d <u>UNITS SENT OUT ON HSD</u></b>		
i	Korangi CCPP - 220 MW	GWh 7.741	76.134
	<b>Total units sent out on HSD</b>	<b>GWh 7.741</b>	<b>76.134</b>
	<b>Total units sent out KE</b>	<b>GWh 590.638</b>	<b>891.158</b>

**Work Sheet- Generation Fuel Cost Variation**

DESCRIPTION		Mar-22	Apr-22
		Reference	Current
<b>5</b>	<b><u>HEAT RATE AT BUS BAR</u></b>		
ia	<b><u>Bin Qasim - I - FO</u></b>		
	Unit 1	Btu/kWh	10,844
	Unit 2	Btu/kWh	10,653
	Unit 3	Btu/kWh	12,818
	Unit 4	Btu/kWh	13,006
	Unit 5	Btu/kWh	10,614
	Unit 6	Btu/kWh	10,785
ib	<b><u>Bin Qasim - I - Gas</u></b>		
	Unit 1	Btu/kWh	10,802
	Unit 2	Btu/kWh	10,650
	Unit 3	Btu/kWh	10,996
	Unit 4	Btu/kWh	10,899
	Unit 5	Btu/kWh	10,304
	Unit 6	Btu/kWh	10,249
ii	Bin Qasim II - 560 MW	Btu/kWh	8,381
iii	Korangi Town Gas Turbine II - Note 2	Btu/kWh	9,099
iv	Site Gas Turbine II - Note 3	Btu/kWh	8,746
v	Korangi CCPP - Note 3	Btu/kWh	8,377
vi	Korangi CCPP - HSD - Note 1	Btu/kWh	7,950

Note 1: KE has submitted IE's report of HSD heat rate test to NEPRA and requested to provisionally allow HSD Heat rates as per IE's test result & degradation table, for September 2021 and onwards till determination by NEPRA, subject to adjustment based on final determination. Accordingly, KE had requested heat rate of 8,104 btu / kWh based on IE's test results with part load & degradation table for September & October 2021.

However, NEPRA has provisionally considered heat rate of 7,950.183 btu/kWh (at 100% as given in Heat Rate report by IE) in FCA decision of September 2021 dated December 6, 2021 and stated that any adjustment, once the Authority approves the heat rate of KCCPP on HSD / Auxiliaries, would be adjusted subsequently along-with cost allowed previously.

Accordingly, KE has also used 7,950 btu / kWh for April 2022 with request to adjust the same in line with Heat rate determined by Authority considering IE's test results, part load adjustment and degradation factor.

Note 2: NEPRA issued its determination for KGTPS heat rate on November 05, 2021, and heat rate requested for April 2022 is based on the same.

Note 3: NEPRA has issued decision on KCCP & SGTPS heat rates on Sep 02, 2020 and Jan 18, 2021, respectively. However, KE has filed review motion against the decisions. Above claim is based on heat rates in NEPRA's aforementioned decisions and impact of revision pursuant to review decision will be separately claimed based on final determination.

Note 4: NEPRA issued its determination for BQPS I heat rate on Apr 21, 2022 and heat rate for April 2022 is based on the same. Further, KE has submitted the impact till March 2022 vide its letter dated Apr 28, 2022 and requested the Authority to include the impact in the Quarterly Tariff Variations from January 2021 to March 2022.

Work Sheet- Generation Fuel Cost Variation

DESCRIPTION		Mar-22	Apr-22
		Reference	Current
<b>6</b>	<b><u>Calorific Value - Furnace Oil</u></b>	Btu/kg	
		40,351	40,351
<b>7</b>	<b><u>FUEL PRICES</u></b>		
<b>7a</b>	Fuel Price - Indigenous Gas	Rs./MMBTU	857
<b>7b</b>	Fuel Price - Furnace Oil	Rs./Mton	113,671
<b>7c</b>	Fuel Price - Furnace Oil	Rs./MMBTU	2,817
<b>7d</b>	Fuel Price - LNG	Rs./MMBTU	3,083
<b>7e</b>	Fuel Price - HSD	Rs./MMBTU	3,466
<b>7f</b>	Fuel Price - HSD	Rs./Litre	125.59
<b>7g</b>	Fuel Price - BQPS III	Rs./MMBTU	5,317
<b>8</b>	<b><u>COST OF FUEL</u></b>		
<b>8a</b>	<b><u>Furnace oil</u></b>		
<b>i</b>	<b><u>Bin Qasim - I</u></b>		
	Unit 1	Mill Rs.	840.255
	Unit 2	Mill Rs.	1,399.114
	Unit 3	Mill Rs.	-
	Unit 4	Mill Rs.	-
	Unit 5	Mill Rs.	2,456.515
	Unit 6	Mill Rs.	2,833.543
	<b>Total Cost of Furnace Oil - Bin Qasim - I</b>	<b>Mill Rs.</b>	<b>7,529.426</b>
<b>8b</b>	<b><u>Indigenous Gas</u></b>		
<b>i</b>	<b><u>Bin Qasim - I</u></b>		
	Unit 1	Mill Rs.	-
	Unit 2	Mill Rs.	-
	Unit 3	Mill Rs.	0.002
	Unit 4	Mill Rs.	-
	Unit 5	Mill Rs.	0.733
	Unit 6	Mill Rs.	0.214
	<b>Total Cost of Indigenous Gas - Bin Qasim - I</b>	<b>Mill Rs.</b>	<b>0.949</b>
	ii Bin Qasim II - 560 MW	Mill Rs.	2.724
	iii Korangi Town Gas Turbine II	Mill Rs.	0.122
	iv Site Gas Turbine II	Mill Rs.	0.089
	v Korangi CCPP	Mill Rs.	-
	<b>Total Cost of Indigenous Gas - KE</b>	<b>Mill Rs.</b>	<b>3.884</b>
<b>8c</b>	<b><u>LNG</u></b>		
<b>i</b>	<b><u>Bin Qasim - I</u></b>		
	Unit 1	Mill Rs.	5.894
	Unit 2	Mill Rs.	11.300
	Unit 3	Mill Rs.	-
	Unit 4	Mill Rs.	-
	Unit 5	Mill Rs.	6.828
	Unit 6	Mill Rs.	79.950
	<b>Total Cost of LNG - Bin Qasim - I</b>	<b>Mill Rs.</b>	<b>103.972</b>
	ii Bin Qasim II - 560 MW	Mill Rs.	8,241.532
	iii Korangi Town Gas Turbine II	Mill Rs.	0.538
	iv Site Gas Turbine II	Mill Rs.	3.566
	v Korangi CCPP	Mill Rs.	-
	vi BQPS III	Mill Rs.	-
	<b>Total Cost of LNG - KE</b>	<b>Mill Rs.</b>	<b>8,349.607</b>
<b>8d</b>	<b><u>HSD</u></b>		
<b>i</b>	<b><u>Korangi CCPP</u></b>	Mill Rs.	213.315
	<b>Total Cost of HSD - KE</b>	<b>Mill Rs.</b>	<b>2,323.058</b>
	GIDC Arrears billed - Note 5		
	<b>Total cost of fuel - KE</b>	<b>Mill Rs.</b>	<b>16,092.348</b>
	<b>a</b>		<b>28,505.459</b>

**Work Sheet- Generation Fuel Cost Variation**

DESCRIPTION			Mar-22	Apr-22
			Reference	Current
<b>9</b>	<b>Variation in Cost of Fuel - KE</b>			
9a	Units Sent Out - KE	GWh	590.638	891.158
9b	Units - Power Purchases	GWh	1,038.207	1,033.751
	<b>Total Units Sent Out</b>	<b>b</b> <b>GWh</b>	<b>1,628.845</b>	<b>1,924.910</b>
9c	Cost per unit	c = a/b Rs./kWh	9.880	14.809
<b>9d</b>	<b>Variation per unit (Cost of Fuel - KE)</b>	<b>Rs./kWh</b>		<b>4.929</b>
<b>9e</b>	<b>Variation amount (Cost of Fuel - KE)</b>	<b>Mill Rs.</b>		<b>9,488.110</b>

Note 5: Installment of GIDC arrears amounting to PKR 2,425 million per month is being billed by SSGC as per Supreme court order dated November 02, 2020. However, NEPRA in its FCA decision for the month of June 2021 has stated "considering the fact that K-Electric has obtained stay order from the Honorable SHC in the matter, decided not to allow any amount on account of GIDC till final decision by the Honorable SHC in the matter". Accordingly, GIDC for the month of April 2022 will be claimed as per the final decision of Honorable SHC in the matter.

Note 6: BQPS III plant is currently under commissioning phase. The fuel cost incurred during commissioning for March is PKR 497 million and for April is 2 million. KE has requested vide letter dated March 22, 2022 to allow fuel costs during commissioning phase to be allowed at actual as plant is subject to open cycle and lower efficiency operations during this phase, which has been disallowed by NEPRA in March 2022 FCA decision. KE would reach out to NEPRA for consideration of the cost incurred and hence, the cost is not included in the FCA and will be adjusted based on the final decision of the Authority.



Work Sheet- Power Purchase

DESCRIPTION		Mar-22	Apr-22	
		Reference	Current	
<b>1 POWER PURCHASES</b>				
a	TAPAL	GWh	72.003	71.171
b	GUL AHMED	GWh	65.868	89.584
c	CPPA-G	GWh	776.560	745.668
d	ANOUD POWER	GWh	-	-
e	INT IND (IIL)	GWh	2.484	6.344
f	FFBL	GWh	33.723	38.983
g	SNPC	GWh	63.258	56.201
h	OURSUN	GWh	8.959	8.997
i	CPPA-G - 150 MW	GWh	-	-
j	GHARO SOLAR	GWh	10.605	11.259
k	LOTTE	GWh	4.439	5.186
l	LUCKY	GWh	0.308	0.358
	<b>GWh</b>		<b>1,038.207</b>	<b>1,033.751</b>
<b>2 COST OF POWER PURCHASES - FUEL COST</b>				
a	TAPAL	Mill Rs.	1,671.770	2,199.288
b	GUL AHMED	Mill Rs.	1,563.718	2,850.280
c	CPPA-G - Note 1	Mill Rs.	7,064.755	7,951.878
d	ANOUD POWER	Mill Rs.	-	-
e	INT IND (IIL)	Mill Rs.	26.509	67.625
f	FFBL	Mill Rs.	511.231	590.971
g	SNPC	Mill Rs.	431.930	383.299
h	OURSUN	Mill Rs.	-	-
i	CPPA-G - 150 MW	Mill Rs.	-	-
j	GHARO SOLAR	Mill Rs.	-	-
k	LOTTE	Mill Rs.	136.114	161.492
l	LUCKY	Mill Rs.	2.943	3.421
	<b>TOTAL</b>	<b>Mill Rs.</b>	<b>11,408.970</b>	<b>14,208.255</b>
<b>3 FUEL COST / UNIT</b>				
a	TAPAL	Rs./kwh	23.218	30.901
b	GUL AHMED	Rs./kwh	23.740	31.817
c	CPPA-G - Note 1	Rs./kwh	9.098	10.664
d	ANOUD POWER	Rs./kwh	-	-
e	INT IND (IIL)	Rs./kwh	10.670	10.659
f	FFBL	Rs./kwh	15.160	15.160
g	SNPC	Rs./kwh	6.828	6.820
h	OURSUN	Rs./kwh	-	-
i	CPPA-G - 150 MW	Rs./kwh	-	-
j	GHARO SOLAR	Rs./kwh	-	-
k	LOTTE	Rs./kwh	30.663	31.140
l	LUCKY	Rs./kwh	9.556	9.556
<b>4 VARIATION IN COST OF FUEL - POWER PURCHASES</b>				
<b>4a</b>	<b>Cost of Fuel - Power Purchases</b>	<b>a</b> Mill Rs.	<b>11,408.970</b>	<b>14,208.255</b>
	<b>Units Sent out:</b>			
	Units Sent Out - KE	GWh	590.638	891.158
	Units - Power Purchases	GWh	1,038.207	1,033.751
<b>4b</b>	<b>Total Units Sent Out</b>	<b>b</b> GWh	<b>1,628.845</b>	<b>1,924.910</b>
<b>4c</b>	<b>Cost per unit</b>	<b>c = a/b</b> Rs./kwh	<b>7.004</b>	<b>7.381</b>
<b>4d</b>	<b>Variation per unit (Cost of Fuel - Power Purchases)</b>	Rs./kwh		<b>0.377</b>
<b>4e</b>	<b>Variation amount (Cost of Fuel - Power Purchases)</b>	Mill Rs.		<b>725.551</b>

Note 1: CPPA-G's fuel cost for the month of April 2022 is based on the requested rate for April 2022 and is subject to adjustment based on determination for April 2022 to be issued by NEPRA.

Mr. Safeer Hussain,  
Registrar,  
National Electric Power Regulatory Authority,  
NEPRA Tower, Attaturk Avenue (East),  
Sector G-5/1,  
Islamabad.

Ref No. KE/BPR/NEPRA/2022/207  
May 17, 2022

**Subject: Monthly Cost Variation for the month of April 2022 under Multi-Year Tariff 2017 – 2023**

Dear Sir,

This is with reference to the mechanism for monthly and quarterly variations provided in the Multi-Year Tariff Determination of K-Electric Limited (KE) dated July 5, 2018 (MYT), notified vide SRO No. 576 (I)/2019 dated May 22, 2019.

In this regard, please find enclosed calculation of monthly variation for the month of April 2022 along with relevant supports, for Authority's approval. Please note that the calculation for the month of April 2022 is based on CPPA-G's requested rate for the month of April 2022 and it is subject to adjustment based on determination for April 2022 to be issued by NEPRA.

Moreover, installment of GIDC arrears amounting to PKR 2,425 million per month is being billed by SSGC as per Supreme Court order dated November 02, 2020. However, NEPRA in its FCA decision for the month of June 2021 has stated "*considering the fact that K-Electric has obtained stay order from the Honorable SHC in the matter, decided not to allow any amount on account of GIDC till final decision by the Honorable SHC in the matter*". Accordingly, GIDC for the month of April 2022 will be claimed as per the final decision of Honorable SHC in the matter.

Summary of cost variation for the month April 2022 is as below:

Month	Variation Amount (PKR Million)	Variation per unit (PKR / kWh)
April 2022	9,353	4.859

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 / mark-up / interest. All the requisite details including generation statistic sheets and invoices are enclosed.

#### Heat Rate

In the MYT, NEPRA determined provisional Heat rates for KE's generating plants and directed KE to conduct fresh Heat rate test for its plants, based on which final Heat rates will be determined by NEPRA.

In this regard, NEPRA has issued its decision on Heat rate for BQPS – II plant on January 1, 2020 and accordingly the calculations are based on Heat rates determined therein.

With respect to Heat Rate of KGTPS, NEPRA issued its determination on January 18, 2021 against which KE filed review motion. NEPRA issued its decision on the review motion on November 05, 2021. Accordingly, calculations for the month of April 2022 are based on Heat rates determined therein with request to adjust the impact of prior period in the pending quarterly tariff variation.

Further, with respect to Heat Rates of KCCP & SGTPS, NEPRA issued its determination on September 2, 2020 and January 18, 2021 respectively, against which KE has filed review motions. The required adjustment will be incorporated after the final heat rates are determined.


MY

Moreover, NEPRA issued its determination regarding the approval of Heat Rate for BQPS I Plant dated Apr 21, 2022. Accordingly, calculations for the month of April 2022 are based on approved Heat Rates. Further, KE has submitted the impact till March 2022 vide its letter dated Apr 28, 2022 and requested the Authority to include the impact in pending quarterly tariff variations from January 2021 to March 2022.

In addition, information for net metering as directed by the Authority to be included in FCA submission as additional information is also enclosed.

KE would humbly request NEPRA for expeditious processing of pending quarterly tariff variations for the period January 2021 to March 2022.

Sincerely,



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**Ayaz Jaffar Ahmed**  
Director – Finance

**Enclosed:**

- Calculation sheet of monthly variation – April 2022
- Supporting Documents for April 2022