



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/TRF-100/MFPA/13703-21

October 04, 2016

1. Chief Executive Officer, FESCO, Faisalabad.
2. Chief Executive Officer, GEPCO, Gujranwala.
3. Chief Executive Officer, HESCO, Hyderabad.
4. Chief Executive Officer, IESCO, Islamabad.
5. Chief Executive Officer, LESCO, Lahore.
6. Chief Executive Officer, MEPCO, Multan.
7. Chief Executive Officer, PESCO, Peshawar.
8. Chief Executive Officer, QESCO, Quetta
9. Chief Executive Officer, SEPCO, Sukkur.
10. Chief Executive Officer, TESCO, Peshawar.

Subject: **Decision of the Authority in the matter of Fuel Charges Adjustment for the Month of August 2016 for XWDISCOs along with Notification Thereof**

Enclosed please find herewith copy of the decision of the Authority (16 pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of August 2016 along with its Notification i.e. S.R.O 937(I)/2016 dated 04.10.2016.

2. XWDISCOs are directed that while charging the fuel charges adjustment from their consumers, the Order of the Honourable Court(s), if any, be kept in mind and ensure compliance with the Order(s) of the Court(s), whatsoever, in this regard. In case of non-compliance of Courts Order the concerned DISCO shall be held responsible for violating / defying the orders of the Honourable Court(s).

Enclosure: As above (Decision alongwith Notification is also available on NEPRA's website)

(Syed Safer Hussain) 04.10.16

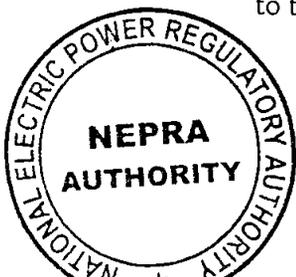
CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Water & Power, 'A' Block, Pak Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Managing Director, PEPCO, WAPDA House, Lahore.
5. Member (Power), WAPDA, WAPDA House, Lahore.
6. Managing Director, NTDC, 414 WAPDA House, Lahore.
7. Registrar, Supreme Court of Pakistan, Islamabad.
8. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited  
6<sup>th</sup> Floor, Shaheed-e-Millat Secretariat, Jinnah Avenue, Blue Area, Islamabad
9. General Manager, WAPDA Power Privatization Organization (WPPO) of NTDC, Lahore.



**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES  
ADJUSTMENT FOR THE MONTH OF AUGUST 2016 FOR EX-WAPDA DISCOS**

1. Pursuant to the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (NEPRA Act) read with the mechanism/formula determined by the Authority in the tariff determinations for Ex-WAPDA DISCOs for the Financial Year 2014-15, the Authority has to make adjustments in the approved tariff on account of any variations in the fuel charges on a monthly basis.
2. In order to make adjustments in the approved tariff of the Ex-WAPDA DISCOs due to variations in the fuel charges for the month of August 2016, necessary information as to the details of the actual fuel charges etc. was obtained from Central Power Purchasing Agency Guarantee Limited (CPPA-G).
3. Notwithstanding the fact that the monthly adjustment on account of fuel charges variation is made in pursuance of the provisions of section 31(4) of the NEPRA Act as well as on the basis of a mechanism/formula already determined by the Authority in its annual tariff determinations for Ex-WAPDA DISCOS, yet the impact of such adjustments, if any, is to be paid by the consumers of electricity, therefore, the salient features and details of the proposed adjustments in the approved tariff were published in newspapers on September 24, 2016 and also uploaded on NEPRA's Website for information of all concerned. In order to provide an opportunity of hearing to all concerned and to meet the ends of natural justice, the Authority decided to conduct a public hearing on the issue on September 30, 2016 at NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad. The date of hearing was mentioned in the advertisement published in newspapers and also uploaded on NEPRA's website whereby participation in the hearing and filing of comments/objections from any interested person were invited. Separate notices were also sent to the interested / affected parties.





4. On the date fixed for the hearing, representatives from CPPA-G, National Power Control Center (NPCC), NTDC and media were present; however, no representative from WAPDA Power Privatization Organization (WPPO), Sui Southern Gas Company Limited (SSGCL), Sui Northern Gas Pipelines Limited (SNGPL), Ministry of Water & Power and Ministry of Finance attended the hearing despite service of notice. Written Comments were received from M/s Anwar Kamal Law Associates (AKLA).
5. A brief of the points raised by AKLA, *inter alia*, relevant to monthly Fuel Charges Adjustment (FCA) are as under;
  - i. NEPRA instead of analyzing the issues raised by AKLA in the process of monthly Fuel Charges Adjustment, has stated in its previous decision that the issues do not relate to FCA. The Authority, through monthly FCA, not only adjusts the effect of fuel price but also adjusts the generation mix to actual values as against the reference values, thus providing an opportunity of effective monitoring of the performance of power plants and their despatch by the System Operator and can also be used as a tool to evaluate the impact of Regulatory decisions made in the past.
  - ii. The price of electricity in Pakistan is probably highest in the Region despite the fact that prices of petroleum products in the world have come down to their lowest level. NEPRA is working against the interest of the economy and the consumers of electricity in Pakistan, in a non-transparent manner and is promoting inefficiencies and making the economy weaker and weaker.
  - iii. For the last many months there is huge variation in the projected fuel cost vis a vis the actual cost determined. The higher side projection of fuel cost is deliberate with a view to resolve the liquidity issues by over recovering the amount from consumers and retain it with the Power Purchaser and the





DISCOs for longer duration, for which no premium is paid to the consumers. Since the existing projection is in favor of DISCOs, CPPA and the Government and against the interest of the consumers, all these organizations, in collusion with NEPRA, are delaying the Tariff Determination and Notification process, which has a severe adverse financial impact, keeping in view the "Time Value of Money". AKLA in this regard has suggested to introduce the same FCA mechanism as is provided in the K-Electric Consumer end-tariff. AKLA, in support of its argument with regard to projection of NEPRA to determine higher Reference Fuel Cost component in consumer-end Tariff, submitted a comparison of the plant wise actual generation vis a vis projection by NEPRA for the period from January 2014 to July 2016.

- iv. NEPRA has failed to determine the consumer end tariff of DISCOs in timely manner. The consumer-end Tariff of DISCOs for the financial year 2015-16, supposed to be notified before 1<sup>st</sup> July 2015, has not been notified yet. The beneficiaries of non-notification of Consumer-End Tariff are the DISCOs, CPPA and their owners. The Notifications of these Consumers-end Tariffs are being delayed either in the form of Review Motions or Reconsideration Requests, which is causing loss to the electricity consumers and affecting the country's economy adversely.
- v. The late determination and notification of tariff means that the previously determined higher Tariff, which is continuously decreasing for the last three years due to decrease in oil prices in the International Market, is causing loss to the consumers and gain to the DISCOs on the principle of time value of money. NEPRA should have amended the Schedule-IV, which is same for all DISCOs, and Generation Mix, which is prepared at one CPPA-G level, forthwith. AKLA in support of its submissions also provided a year wise detail of dates of consumer-end Tariff determination by NEPRA for various DISCOs for the last five years.





- vi. There is delay in deciding the monthly FCAs by the Authority. The processing of FCA for the month of May 2016 beyond 7<sup>th</sup> of June 2016 is gross violation of the provisions of NEPRA Law (Section 31(4)) and is against the interest of the consumers and favors the power purchaser when DISCOs have to refund the over recovered amount to the consumers. AKLA in this regard also provided data for the last 21 months, showing delay in deciding the FCAs.
  - vii. AKLA also highlighted the issue of underutilization of power plants by mentioning that Non-operation of available Electricity Generation Capacity and giving preference to load-shedding to unduly protect electricity suppliers against losses due to their in-efficiencies is illegal, immoral and un-ethical. The non-utilized or under-utilized power plants will get capacity payments as the nature of their PPA is take or pay, which is against the interest of the consumers on account of load shedding and is also against the interest of Country's economy.
6. The concerns so raised by AKLA have been considered by the Authority and it has been observed that all the issues raised by AKLA, relevant to FCA, have been duly addressed by the Authority in the FCA decision for the respective month. However, other issues, highlighted by AKLA in its earlier correspondence, like payment of Capacity Charges, induction of non-base load high cost solar & wind power plants, grant of generation license to dual fuel (Gas & HSD) Power Plants with long term 'Take or Pay' basis contracts, without confirming that these Plants have entered into a Gas Supply Agreement for the term of their License or not, allowing conversion of old in-efficient power plants from RFO to Coal, GST, setting-up of imported coal power plants in mid country, being not pertaining to the Fuel Charges Adjustment cannot be considered here.





7. The Authority on the issue of lower oil prices noted that impact of the same has already been accounted for by the Authority in its tariff determinations of XWDISCOs for the FY 2015-16, wherein the projected prices of Furnace oil and HSD have been revised downwards from around Rs.65,000/MT to Rs.47,981/MT and Rs.91/liter to Rs.61/liter respectively as compared to FY 2014-15, resulting in lower determined tariff of Rs.10.90/kWh for the FY 2015-16 as compared to Rs.12.33/kWh for the FY 2014-15. However, the tariff determined for the FY 2015-16 has not yet been notified by GoP, owing to which the impact of monthly FCA is on the higher side which is continuously being passed on to the consumers since November 2014. AKLA itself has acknowledged the fact that for the last many months there is huge variation in the projected fuel cost vis a vis the actual fuel cost which is being allowed to the consumers through monthly FCAs. A summary of the monthly FCA for the last two years, allowed to the consumers is as under;

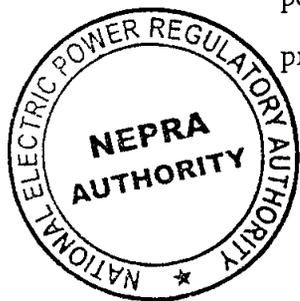
Month	Reference FCC (Rs. /kWh)	Approved FCC (Rs. /kWh)	FCA Allowed (Rs. /kWh)
Jul 14	7.06	7.50	0.43
Aug 14	7.08	6.77	(0.30)
Sep 14	6.25	6.77	0.52
Oct 14	7.55	7.07	(0.48)
Nov 14	7.42	4.45	(2.97)
Dec 14	9.53	6.29	(3.24)
Jan 15	11.36	9.28	(2.08)
Feb 15	9.00	4.57	(4.43)
Mar 15	9.63	6.01	(3.62)
Apr 15	8.93	7.07	(1.86)
May 15	8.10	5.41	(2.69)
Jun 15	6.83	4.63	(2.20)
Jul 15	6.49	4.36	(2.14)
Aug 15	6.46	3.85	(2.60)
Sep 15	6.43	3.55	(2.88)
Oct 15	7.34	5.52	(1.81)
Nov 15	7.30	5.33	(1.98)
Dec 15	8.10	4.27	(3.84)
Jan 16	9.87	5.82	(4.04)
Feb 16	7.26	2.90	(4.36)
Mar 16	8.10	5.26	(2.84)
Apr 16	7.63	3.69	(3.94)
May 16	6.78	3.45	(3.32)
Jun 16	6.83	4.49	(2.34)
Jul 16	6.49	4.00	(2.49)



*(Handwritten mark)*



8. Regarding the point of promotion of inefficiencies by NEPRA, the Authority observed that while determining the tariff of any generation company or the DISCOs, certain efficiency parameters in terms of Heat Rates, Auxiliary Consumptions and T&D losses is fixed by the Authority and in case the performance of the Generation Company or the DISCO falls short of the allowed targets, the impact of the same is not passed on to the consumers, rather the same is borne by the company itself. Thus the claim of AKLA of promotion of inefficiencies by NEPRA is not true.
9. On the concerns raised by AKLA regarding projection of higher Fuel Price projections while determining reference fuel cost component in consumer end tariff of Distribution companies, it is observed that such projections are made on the best estimates keeping in view the past trends and available national / international reports for future projections of oil prices. Since the variation in fuel prices depends upon many factors and it is not possible to apprehend and foresee all of them. In view of the aforesaid reason, the fuel price adjustment mechanism is prescribed so that neither the consumers nor the DISCOs suffer on account of downward or upward variation in fuel prices since the Authority cannot change its projection on mark to mark basis and in case of any variation in fuel prices with that of reference prices, the same is either recovered from the consumers or benefit of the same is passed on to the consumers through monthly FCA. Therefore, the Authority considers that the AKLA's observation in this regard having no bearing on the consumers is not valid. The Authority being cognizant of the declining trend of fuel prices has already taken into account this reduction while setting up the reference fuel prices pertaining to FY 2015-16, thereby revising the Schedule IV of the tariff determinations for the FY 2015-16. The actual average RFO prices during the FY 2014-15 remained at around Rs.56,121 [excluding Sales Tax and including freight] per metric ton and came to a lower level of Rs. 40,411 per metric ton. The RFO prices in Pakistan are not only affected by the international market but also by the





exchange rate parity. Based on the international market condition, it can be presumed that this lower trend shall continue in the future as well, consequently, for the FY 2015-16, RFO prices have been assumed on an average of Rs.47,981 per metric ton [excluding Sales Tax and including freight] after incorporating the possible determinants of RFO prices. Similarly the HSD prices for the FY 2015-16, have been assumed on an average of Rs.61.29 per litre [excluding Sales Tax], keeping in view the declining trend of HSD price in FY 2014-15, which remained on average Rs.76.89 per litre during the FY 2014-15.

10. The Authority also noted that monthly adjustment on account of Fuel Cost variations is done in accordance with the prescribed mechanism / formula, which is notified in the official gazette and impact of such adjustment either increase or decrease, is passed on to the consumers of electricity. The mechanism / formula is determined by the Authority through a detailed and comprehensive determination and prior to such determination, replies, comments, objections etc. were invited from any interested persons, however, the commentator did not contest on the issue, in those proceedings, therefore, now the commentator is estopped to raise those concerns at the time of adjustment being done in accordance with the formula already settled through legal proceedings.
11. The Authority on the issue of late determination of tariff observed that the Tariff Standard & Procedures Rules 1998 (The Rules) do not provide any time frame for submission of the Tariff Petitions. AKLA has rightly stated that the tariff for any particular year should be determined prior to start of the year, therefore, in order to ensure timely determination of consumer end tariff, the Authority issued the NEPRA guidelines for determination of consumer-end tariff (Methodology & Process) notified vide SRO. 34(I) 2015 dated 16.01.2015, wherein, timelines for the submission of Tariff Petitions have been prescribed. As per the Guidelines, the XWDISCOs are required to file their tariff petitions for the concerned Financial





year either under Single Year Tariff Regime or under Multi-Year Tariff Regime by January 31, of the previous Financial Year.

12. Pursuant to the aforementioned guidelines, the tariff petitions for the FY 2015-16 were required to be filed by XWDISCOs by January 31, 2015, however, none of the XWDISCOs filed its tariff petition by the due date.
13. The Authority has observed that all the determinations in respect of XWDISCOs were issued within the timelines prescribed under the Rules as mentioned in the table below;

S. No	XWDISCOs	Petition Filing Date	Petition Admission Date	Determination Date
1	FESCO (MYT)	11-08-2015	26-08-2015	31-12-2015
2	FESCO (SYT)	12-08-2016	01-09-2015	29-02-2016
3	GEPCO (SYT)	19-08-2015	09-09-2015	29-02-2016
4	MEPCO (SYT)	26-08-2015	08-10-2015	29-02-2016
5	SEPCO (SYT)	27-08-2015	08-10-2015	29-02-2016
6	IESCO (MYT)	26-10-2015	05-11-2015	29-02-2016
7	LESCO (MYT)	27-10-2015	05-11-2015	08-03-2016
8	QESCO (SYT)	22-12-2015	08-10-2015	25-03-2016
9	HESCO (SYT)	23-12-2015	28-01-2016	01-04-2016
10	TESCO (SYT)	03-02-2016	17-02-2016	08-04-2016

14. AKLA has rightly pointed out that the tariff for the FY 2015-16 should have been determined before the start of the Year so that it could have been implemented w.e.f. July, 2015, however because of the delayed filing of tariff petitions, the process for the determination of tariff for the FY 2015-16 was delayed.
15. Subsequently the Motion for Leave for Review (MLR) filed by XWDISCOs against the Authority's tariff determinations and the Reconsideration Requests filed by the GoP have also been disposed-off, therefore, the point of AKLA for any delay on part of NEPRA in determination of tariff is not justified.





16. Here it is clarified that the tariff so determined by the Authority has to be notified by the Federal Government as per section 31(4) of the NEPRA Act, 1997, to become effective. However, the said tariff has not yet been notified by the GoP and the XWDISCOs have filed Writ Petitions against the Authority's determinations in the different high courts, pending adjudication.
17. The Authority has observed that there is no delay on the part of NEPRA in processing of the monthly FCA. The notification in the matter of FCA for the month of May 2016 was issued on June 29, 2016 within six working days of the conduct of hearing. Similarly for the month of August 2016, the decision is being issued without any delay to ensure that benefit of reduction in fuel prices is passed on to the consumers in the month of October 2016.
18. The Authority also understands that neither conduct of hearing nor filing of intervention requests etc. is a pre-requisite for the purposes of making fuel charges adjustments, however, the same is being done in pursuance of the Order of the Honorable Lahore High Court, wherein, the question pertaining to "fuel adjustments" was settled as under:-  
  
*"There can be no escape from the fact that any adjustment would affect the rights of the consumers. Even if the provisions for publication of notice, intervention or participation of commentators, were not directly applicable, yet the principle of natural justice necessarily be read in every statute, and no order could be passed without affording opportunity of hearing to the persons likely to be affected."*
19. Since the impact of any adjustment is to be passed on to the consumers, therefore, in order to meet the ends of natural justice, public hearing is held and written / oral comments or objections are invited from the interested / affected parties before making any adjustments, which requires additional time. Thus, no unnecessary delay is involved in processing of the monthly FCA on the part of the Authority.
20. At the same time, the Authority is also cognizant of the late submission of FCA requests by CPPA-G and had issued show cause notice to CPPA/ NTDC on August





- 27, 2015 under Rule 4 (8) & (9) of the NEPRA (Fines) Rules, 2002, based on the analysis of data provided by CPPA / NTDC for the period from January 2014 to April 2015. Consequent to the unsatisfactory response of CPPA/ NTDC to the show cause notice, the Authority declared NTDC/CPPA a delinquent for deliberately violating the explicit directions of the Authority regarding submission of the Fuel Price Adjustment data in the specified time period and imposed a fine of Rs.1,000,000/- (Rupees One Million Only) on CPPA/ NTDC. NTDC / CPPA has challenged the same in the Honorable Lahore High Court.
21. AKLA while submitting its concerns regarding underutilization of Power Plants although has not mentioned any specific power plant which has been underutilized in the month of August 2016, however, the Authority being already cognizant of the issues of plant utilization, economic merit order had issued certain directions to CPPA-G / NTDC in its previous FCA decisions regarding Economic Merit Order, Underutilization of Plants and provision of real time access of NPCC's data. The Authority observed that these issues have been taken up by the Authority with CPPA-G / NTDC separately and proceedings in this regard are under process. Further, NPCC (NTDC) also certifies, with its monthly FCA request, to the effect that the plants were operated on Partial Load due to less demand in the system and transmission/ distribution network constraints.
22. The Authority has gone through the information provided by CPPA-G seeking monthly fuel adjustment and due diligence is also done accordingly. From perusal of the information so provided by CPPA-G, the actual pool fuel charge for the month of August 2016 is Rs.3.9562/kWh, against the reference fuel cost component of Rs.6.4562/kWh as indicated in the Annexure-IV of the Authority's determination pertaining to the Ex-WAPDA DISCOs for FY 2014-15. The actual fuel charges for the month of August 2016 decreased by Rs.2.5000/kWh (Annex-I&II) as compared to the reference fuel charges.





23. The Authority noted that CPPA-G has worked out the Fuel cost of Nandipur for the month of August 2016 based on FCC of Rs.8.4561/kWh, whereas the Authority's approved FCC in respect of Nandipur w.e.f. 31<sup>st</sup> March 2016 is Rs.4.9481/kWh. Accordingly, for the instant FCA adjustment of August 2016, fuel cost of Nandipur of Rs.4.9481/kWh has been used.
24. Similarly in the matter of energy supplied by Guddu (747), the CPPA-G has used FCC of Rs.4.2036/kWh. The Authority approved reference FCC of Rs.4.0806/kWh in the tariff determination of Guddu 747 dated April 26, 2016, based on Gas price of Rs.588.23/MMBTU (488.23 Gas Price + 100 GIDC), subject to adjustment on account of variation in fuel price as and when notified by the relevant Authority. Since the Authority's approved rate is Rs.4.0806/kWh, therefore, for the purpose of instant FCA adjustment, FCC of Rs.4.0806/kWh has been used.
25. The Authority further noted with great concern that CPPA-G has purchased 14.387 GWh from TPS Quetta in the month of August 2016 having a fuel cost of Rs.123.728 million, which is not a licensee of NEPRA. Accordingly, the Authority has decided not to include the energy as well as the fuel cost of the energy purchased from TPS Quetta in the total cost while working out the FCA of August 2016 and also directs CPPA-G to ensure compliance of its direction with respect to the generation license of TPS Quetta.
26. As per details provided by CPPA-G, 7.84 GWh were purchased by XWDISCOs from small and captive power plants. CPPA-G provided actual details of energy purchased from these plants. According to the details provided by CPPA-G, the actual fuel cost of this energy is Rs.60.49 million, however, the same works out to be Rs.60.45 million as per NEPRA approved rates. Accordingly for the instant adjustment, cost of Rs.60.45 million has been considered on account of fuel cost component of energy purchased from small and captive power plants. Further, the





fuel cost of JDW and RYK, Bagasse based Power Plants, has also been adjusted as per the Authority's approved rates.

27. The Authority has approved tariff of Northern Power Generation Company Limited (NPGCL) for the FY 2015-16 vide its determination dated January 22, 2016 whereby the Authority revised the Block wise unit wise reference Fuel cost component of NPGCL owing to revision of the heat rates and based on the prevalent fuel prices. The said tariff, however, has not been notified yet. Here it is pertinent to mention that previously tariff determination in the matter of NPGCL was made in 2006 and based on the references as per the determination of 2006, FCC of NPGCL were revised by the Authority to be applicable w.e.f. January 31, 2016. NPGCL has claimed the Fuel cost for the month of August 2016 within the range of revised FCC approved by the Authority vide its decision dated January 22, 2016. Accordingly, the Authority, for the purpose of instant adjustment of FCA the month of August 2016, has considered the fuel cost claimed by NPGCL based on Authority's latest determination of January 22, 2016. This is being allowed on provisional basis, in order to protect the consumers from any sudden price hike, subject to its adjustment as per the actual FCC for the respective month to be approved by the Authority once the tariff determination dated January 22, 2016 is notified.
28. CPPA-G reported NTDC transmission losses of 324.18 GWh i.e. 3.01% during August 2016, which are higher than the Authority's assessed transmission losses of 3% as per its determination dated 23.04.2015 for NTDC, notified vide SRO No. 696(I) 2015 dated 23.07.2015. Accordingly, for calculation of FCA for August 2016, losses in excess of 3% have not been taken into account meaning thereby that the impact of increased transmission losses has not be passed on to the consumers.
29. The Authority, after incorporating the aforementioned adjustments, has reviewed and assessed a decrease of Rs.3.8913/kWh in the applicable tariff for XWDISCOs on





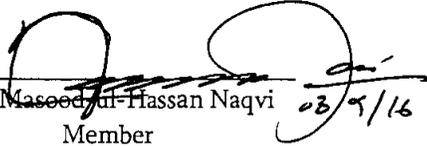
account of variations in the fuel charges for the month of August 2016 as per the following details:

Actual Fuel Charges Component for August 2016	Rs. 3.8913 /kWh
Corresponding Reference Fuel Charges Component	Rs. 6.4562/kWh
Fuel Price Variation for the month of August 2016-Decrease	(Rs.2.5648/kWh)

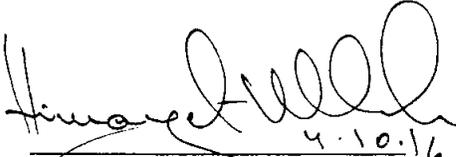
30. In view of the aforementioned, the Authority has decided that adjustment as referred to in Para 29 above:

- Shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming up-to 300 units and Agriculture Consumers of all the XWDISCOs. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.
- Shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of August 2016.
- XWDISCOs shall reflect the fuel charges adjustment in respect of August 2016 in the billing month of October 2016.
- While effecting the Fuel Adjustment Charges, the concerned XWDISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

AUTHORITY

  
Syed Masood ul-Hassan Naqvi  
Member  
03/9/16

  
Maj (R) Haroon Rashid  
Member  
4/7/16

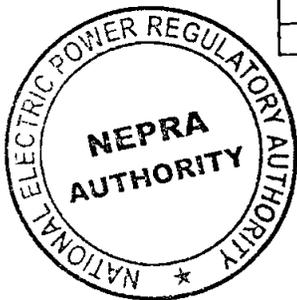
  
Himayat Ullah Khan  
Vice Chairman  
4.10.16.

  
Brig (R) Tariq Saddozai  
Chairman



**CENTRAL POWER PURCHASING AGENCY (CPPA)**  
**Energy Procurement Report (Provisional)**  
**Aug-2016**

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Ra.	VO&M Ra.	Total Energy Cost (Rs.)	
1	Hydel							
	i. WAPDA	Hydel	6,902.00	4,147,708,694	-	451,187,752	451,187,752	
	ii. Jangrao	Hydel	30.00	18,889,380	-	30,148,541	30,148,541	
	iii. Puhara	Hydel	17.90	6,104,160	-	1,739,686	1,739,686	
	iv. Malakand-II SHYDO	Hydel	81.45	60,018,000	-	12,504,500	12,504,500	
v. Loralai	Hydel	84.00	30,645,000	-	9,506,150	9,506,150		
<b>Hydel Total:</b>			<b>7,115.36</b>	<b>4,249,586,214</b>	<b>-</b>	<b>505,086,629</b>	<b>505,086,629</b>	
2	<b>Ex-WAPDA GENCOs</b>							
	<b>GENCO-I</b>							
	Jamshoro Block 1	RFO	205.00	67,338,000	571,247,891	6,226,785	577,476,656	
	Jamshoro Block 2	RFO	470.00	93,961,579	875,566,999	8,691,400	884,258,399	
	Unit 2-4	Gas		188,313,921	1,335,523,664	14,644,838	1,360,167,702	
	Kotri 1-2	Gas	17.00	(413,850)	-	-	0	
	<b>Jamshoro Total</b>			<b>796.50</b>	<b>318,198,650</b>	<b>2,782,338,554</b>	<b>29,564,203</b>	<b>2,812,902,757</b>
	<b>GENCO-II</b>							
	Guddu CC 11-13	Gas	390	79,576,643	726,216,627	6,482,832	731,699,459	
	Central Block 2	Gas		132,305,778	894,347,368	9,115,868	903,463,236	
	Guddu CC 1-10	Gas	530	18,386,403	186,521,108	1,267,443	187,788,661	
	Guddu Steam 3-4	Gas	340	22,698,388	154,119,985	1,583,917	165,683,902	
	Guddu 747	Gas	747	418,772,400	1,751,947,962	124,948,366	1,876,896,328	
	<b>Central Total</b>			<b>2,147.00</b>	<b>669,748,600</b>	<b>3,743,153,050</b>	<b>142,378,425</b>	<b>3,885,531,476</b>
	<b>GENCO-III</b>							
	Northern Block 1	RFO	558.00	252,459,822	2,430,918,311	32,619,751	2,463,736,062	
	MG Unit 1-3	Gas		-	-	-	0	
	Northern Block 2	RFO	270.00	121,497,015	1,132,335,568	18,794,612	1,148,130,192	
	Northern Block 3	RFO	360.00	140,337,478	1,499,814,100	18,243,972	1,518,057,972	
	Nandipur	RFO	411.35	157,533,000	1,332,114,165	111,430,844	1,443,653,009	
	HSD			-	-	-	-	
	<b>Northern Total:</b>			<b>1,979.35</b>	<b>671,827,115</b>	<b>6,395,182,156</b>	<b>178,297,079</b>	<b>6,573,479,335</b>
	<b>GENCO-IV</b>							
		Coal	31.20	10,438,000	46,968,912	2,163,797	49,132,709	
	<b>Total:</b>			<b>31.20</b>	<b>10,438,000</b>	<b>46,968,912</b>	<b>2,163,797</b>	<b>49,132,709</b>
<b>GENCO-V</b>								
	RFO	425.00	-	-	-	-		
<b>Total:</b>			<b>425.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>GENCOs Total:-</b>			<b>5,381.05</b>	<b>1,671,213,865</b>	<b>12,968,642,872</b>	<b>352,403,505</b>	<b>13,321,046,177</b>	
3	<b>IPPs</b>							
	1	Kot Addu Block 1	RFO		216,848,800	1,444,800,330	99,120,000	1,543,720,330
			RLNG	325	-	-	-	0
			HSD		1,222,400	14,534,997	323,914	14,858,911
		Kot Addu Block 2	RFO		337,366,200	2,454,853,328	217,067,235	2,681,920,563
			RLNG	762	1,923,700	13,277,140	592,958	13,870,098
			HSD		-	-	-	0
	Kot Addu Block 3	RLNG	349	4,834,700	32,383,764	2,895,400	35,079,164	
		HSD		26,791,200	361,574,848	24,182,079	365,676,826	
	<b>KAPCO Total</b>			<b>1,338.00</b>	<b>586,889,000</b>	<b>4,331,224,107</b>	<b>342,901,585</b>	<b>4,675,125,692</b>
	2	Hub Power	RFO	1,200.00	674,048,700	5,024,099,867	118,025,745	6,142,125,412
	3	Kohinoor Energy	RFO	124.00	72,873,000	816,325,081	43,185,060	659,518,141
	4	AES Lalpur	RFO	350.00	135,072,900	1,040,206,128	22,876,892	1,063,083,020
	5	Pak Gen Power Limited	RFO	348.80	128,531,800	986,373,092	21,789,811	1,008,142,103
	6	Southern Power	RFO	110.47	-	-	-	-
	7	Habibullah	Gas	129.15	76,397,126	443,806,182	34,157,157	477,963,339
	8	Fauji Kabirwala	Gas	151.20	92,642,570	458,100,835	12,218,082	500,318,917
	9	Roush	RLNG	395.00	277,706,580	1,842,708,231	77,269,126	1,919,977,359
	10	Saba Power	RFO	125.55	42,944,170	341,998,781	7,313,392	349,312,173
	11	Japan Power	RFO	107.00	-	-	-	-
12	Uch	Gas	551.25	381,686,000	1,022,142,813	90,077,896	1,112,220,709	
13	Altam	Gas	27.12	20,762,920	137,686,400	14,070,832	151,757,232	
14	Liberty	Gas	211.85	133,933,100	638,179,560	44,004,573	682,264,133	
15	Davis Emergen	RLNG	10.00	7,103,604	52,824,269	3,010,762	56,435,031	
16	Chashma Nuclear	Nucl.	300.00	206,852,000	260,219,816	-	260,219,816	
17	Chashma Nuclear-II	Nucl.	315.00	225,342,000	240,958,201	-	240,958,201	
18	Tavanir Iran	Import	96.00	44,718,882	474,020,149	-	474,020,149	
<b>Sub-Total:</b>			<b>6,888.19</b>	<b>3,109,304,132</b>	<b>17,840,873,312</b>	<b>832,560,115</b>	<b>18,673,433,427</b>	

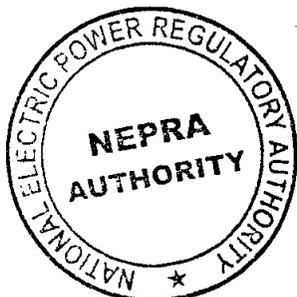


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CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
Aug-2016

S.No.	Power Producer	Fuel	Dep. Capacity (MW)	Energy KWh	FCC Rs.	VO&M Rs.	Total Energy Cost (Rs.)
1	Attock-Gen	RFO	196.18	97,602,597	552,101,214	89,813,910	641,915,124
2	Atlas Power	RFO	213.86	102,601,983	715,905,783	94,096,288	810,002,071
3	Nisbat Power	RFO	195.31	101,519,827	690,284,170	93,185,381	783,469,551
4	Foundation Power	Gas	171.48	123,060,473	764,789,753	46,142,869	760,932,622
		Gas		60,073,687	348,203,175	-	348,203,175
5	Orient	HSD	212.70	30,435,249	386,990,683	10,894,949	397,885,552
6	Nisbat Churnian	RFO	186.72	108,256,606	740,216,312	98,946,540	839,162,852
		Gas		73,729,886	404,285,416	26,881,917	431,157,335
7	Sail Power	HSD	203.89	25,383,976	312,516,584	13,369,687	326,875,161
8	Engro Energy	Gas	212.88	158,160,450	868,065,389	51,997,719	1,010,063,105
		Gas		66,052,025	306,419,703	19,851,768	326,271,483
		HSD	203.17	36,737,975	436,645,915	16,588,034	454,243,949
10	Mubco Narowal	RFO	213.82	90,384,888	683,201,012	89,998,902	663,199,914
11	Liberty Power	RFO	196.14	123,346,649	658,935,415	126,097,278	863,032,664
		Gas		86,053,737	383,241,882	24,928,064	408,169,946
12	Malware	HSD	199.24	22,587,220	279,495,448	11,941,863	281,437,311
		Gas	380.75	267,181,401	1,254,488,951	65,885,618	1,310,344,469
14	JDW-I	Bagasse	26.35	17,399,900	164,599,499	7,476,737	112,076,236
15	JDW-II	Bagasse	26.35	17,116,990	102,892,774	7,364,741	110,247,615
16	RYK	Bagasse	24.01	6,415,200	32,553,475	2,328,911	34,880,386
17	Chinot Power	Bagasse	82.46	29,823,360	172,610,569	14,334,633	186,945,202
	Sub-Total:		2,831.95	1,583,242,790	10,325,293,030	883,913,823	11,209,306,653
	<b>IPPs Total:</b>		<b>8,720.14</b>	<b>4,702,546,852</b>	<b>28,166,266,342</b>	<b>1,718,473,738</b>	<b>29,882,760,080</b>
	Others						
	L. TPS-Quetta	Gas	25.00	14,387,000	123,728,200	991,264	124,719,464
	K. Zorlu	Wind	56.40	17,258,470	-	81,741	81,741
	M. FPCEL	Wind	49.50	12,960,970	-	-	-
	N. TGF	Wind	49.50	14,346,830	-	-	-
	V. Foundation	Wind	49.50	28,508,790	-	-	-
	VI. Sapphire Wind Power	Wind	49.50	7,579,170	-	-	-
	VII. Younus Energy Ltd.	Wind	49.50	1,979,130	-	-	-
	VIII. Quid-e-Azam Solar Park	Solar	100.00	12,990,190	-	31,895,174	31,895,174
	IX. Apollo Solar Park	Solar	100.00	12,060,900	-	36,044,582	36,044,582
	X. Best Green Energy	Solar	100.00	13,464,520	-	-	-
	XI. Crest Energy	Solar	100.00	13,606,500	-	-	-
	XII. SPPs	Mixed	256.90	7,039,176	60,488,941	-	68,488,941
	Others Total		985.80	156,860,946	184,215,141	69,002,761	253,217,902
	<b>G Total:</b>		<b>22,202.35</b>	<b>10,760,206,677</b>	<b>41,319,124,155</b>	<b>2,842,966,633</b>	<b>43,962,090,788</b>
<b>Summary</b>							
1	Hydel			4,249,585,214	-	505,086,629	605,086,629
2	Coal			10,438,000	46,968,912	2,183,797	49,132,709
3	HSD			142,158,920	1,790,758,105	79,020,425	1,669,778,530
4	F.O.			3,054,423,823	23,900,077,359	1,294,712,879	25,094,790,238
5	Gas			2,343,989,788	12,291,784,951	678,310,136	12,870,095,087
6	RLNG			291,270,584	1,941,193,404	64,168,248	2,025,361,682
7	Nuclear			432,194,000	881,178,017	-	501,178,017
8	Import from Iran			44,718,882	474,020,149	-	474,020,149
9	Wind Power			82,832,960	-	81,741	81,741
10	Solar			62,002,210	-	67,929,756	67,929,756
11	Bagasse			68,954,440	412,856,317	31,493,022	444,149,339
	Mixed			7,039,176	60,488,941	-	68,488,941
	Total For The month			10,760,206,677	41,319,124,155	2,842,966,633	43,962,090,788
	Prev. Adjustment				156,944,486	-	156,944,486
	Grand Total:			10,768,206,677	41,476,068,641	2,842,966,633	44,119,035,274
<b>Energy Sale Price</b>							
	Energy Cost (Rs.)				41,476,068,641	2,842,966,633	44,119,035,274
	Cost not chargeable to DISCOs (Rs.)				150,788,374	-	150,788,374
	EPP (Chargeable) (Rs.)				41,325,300,267	2,842,966,633	43,968,266,900
	Energy Sold (KWh)				10,445,680,037	10,445,680,037	10,445,680,037
	Avg. Rate (Rs./KWh)				3.956210	0.253020	4.209230



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Source Wise Generation						
Sources	AUGUST 2015		AUGUST 2016			
	Actual		Reference		Actual	
	GWh	%	GWh	%	GWh	%
Hydel	4,382.39	41.66%	3,969.05	41.43%	4,249.59	39.42%
Coal	3.00	0.03%	13.25	0.14%	10.44	0.10%
HSD	279.21	2.65%	145.53	1.52%	142.16	1.32%
RFO	2,767.43	26.31%	3,111.15	32.48%	3,054.42	28.33%
Gas/ RLNG	2,684.69	25.52%	1,803.26	18.82%	2,635.26	24.45%
Nuclear	181.68	1.73%	373.84	3.90%	432.19	4.01%
Import Iran	44.22	0.42%	35.55	0.37%	44.72	0.41%
Mixed	33.67	0.32%	91.05	0.95%	7.84	0.07%
Wind	94.29	0.90%	35.07	0.37%	82.63	0.77%
Baggasse	33.94	0.32%	1.96	0.02%	68.95	0.64%
Solar	14.74	0.14%	-	0.00%	52.00	0.48%
<b>Total</b>	<b>10,519.25</b>	<b>100.00%</b>	<b>9,579.71</b>	<b>100.00%</b>	<b>10,780.21</b>	<b>100.00%</b>
Sale to IPPs	(4.98)	-0.05%	-	0.00%	(10.34)	-0.10%
Transmission Losses	(293.37)	-2.79%	(287.39)	-3.00%	(324.18)	-3.01%
Net Delivered	10,220.89	97.16%	9,292.32	97.00%	10,445.680	96.90%

## Source Wise Fuel Cost/Energy Purchase Price

Sources	AUGUST 2015		AUGUST 2016			
	Actual		Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-	-	-
Coal	13.51	4.4998	47.85	3.6118	46.97	4.4998
HSD	860.88	13.8279	2,859.06	19.6456	1,790.76	12.5970
RFO	2,969.30	9.3839	45,759.39	14.7082	23,800.08	7.7920
Gas/RLNG	12,831.09	4.7794	9,519.03	5.2788	14,232.98	5.4010
Nuclear	221.54	1.2194	494.27	1.3221	501.18	1.1596
Import Iran	464.26	10.5000	375.04	10.550	474.02	10.6000
Mixed	226.57	6.7302	926.90	10.18005	60.49	7.7160
Wind	-	-	-	-	-	-
Baggasse	195.79	5.7695	11.3121	5.7702	412.66	5.9845
Solar	-	-	-	-	-	-
<b>Total</b>	<b>43,782.95</b>	<b>4.1622</b>	<b>59,992.86</b>	<b>6.2625</b>	<b>41,319.12</b>	<b>3.8329</b>
Supplemental Charges	(4,286.32)	(0.4075)	-	-	156.94	0.0146
Sale to IPPs	(99.48)	(19.9639)	-	-	(150.77)	(14.5771)
<b>Grand Total</b>	<b>39,397.14</b>	<b>3.7452</b>	<b>59,992.86</b>	<b>6.2625</b>	<b>41,325.30</b>	<b>3.8334</b>
Transmission Losses	-	0.1093	-	0.1937	-	0.1228
<b>Net Total</b>	<b>39,397.14</b>	<b>3.8546</b>	<b>59,992.86</b>	<b>6.4562</b>	<b>41,325.30</b>	<b>3.9562</b>

National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the October 4, 2016

937  
S.R.O. (I)/2016: – Pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended through Regulation of Generation, Transmission and Distribution of Electric Power (Amendment) Act 2011, the National Electric Power Regulatory Authority makes and notifies the following adjustment in the approved tariff on account of variation in fuel charges for the month of August 2016 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

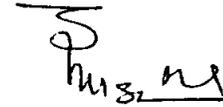
Actual Fuel Charges Component for August 2016	Rs. 3.8913/kWh
Corresponding Reference Fuel Charges Component	Rs. 6.4562 /kWh
<b>Fuel Price Variation for the month of August 2016 - (Decrease)</b>	<b>(Rs. 2.5648/kWh)</b>

Note: The Authority has reviewed and assessed a decrease of (Rs. 2.5648/kWh) in the applicable tariff for XWDISCOs on account of variation in the fuel charges for the month of August 2016 as per the above details.

2. The above adjustment a decrease of (Rs.2.5648/kWh) shall be applicable to all the consumer categories except lifeline consumers, domestic consumers consuming upto 300 units and agriculture consumers of all the XWDISCOs. It is hereby clarified that negative adjustment on account of monthly FCA is also applicable to the domestic consumers having Time of Use (ToU) meters irrespective of their consumption level.

3. The said adjustment shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of August 2016 by the XWDISCOs. XWDISCOs shall reflect the fuel charges adjustment in respect of August 2016 in the billing month of October 2016.

4. While affecting the Fuel Adjustment Charges, the concerned XWDISCOs shall keep in view and strictly comply with the orders of the courts notwithstanding this order.



(Syed Safer Hussain)

Registrar

Amatti

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24.10.16