



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DG(Tariff)TRF-100/MFPA/18428-43

July 19, 2023

1.	Chief Executive Officer, Faisalabad Electric Supply Company Abdullahpur, Canal Bank Road Faisalabad	2.	Chief Executive Officer, Gujranwala Electric Power Company Ltd. 565/A, Model Town, G.T. Road, Gujranwala
3.	Chief Executive Officer, Hyderabad Electric Supply Co. Ltd. WAPDA Offices Complex, Hussainabad, Hyderabad	4.	Chief Executive Officer Islamabad Electric Supply Co. Ltd. Street # 40, Sector G-7/4, Islamabad.
5.	Chief Executive Officer, Lahore Electric Supply Company Ltd. 22-A, Queens Road, Lahore	6.	Chief Executive Officer Multan Electric Power Co. Ltd. MEPCO Headquarter, Khanewal Road, Multan
7.	Chief Executive Officer, Peshawar Electric Supply Company WAPDA House, Shami Road, Sakhi Chashma, Peshawar	8.	Chief Executive Officer Quetta Electric Supply Company Zarghoon Road, Quetta
9.	Chief Executive Officer, Sukkur Electric Power Company Ltd. Administration Block, Thermal Power Station, Old Sukkur.	10.	Chief Executive Officer Tribal Areas Electricity Supply Company Limited Room No. 213, 1 st Floor, WAPDA House, Shami Road, Sakhi Chashma, Peshawar

Subject: **Decision of the Authority in the matter of Fuel Charges Adjustment for the month of May 2023 for XWDISCOs along with Notification Thereof**

Enclosed please find herewith copy of the Decision of the Authority along with Additional Note each of Mr. Rafique Ahmed Shaikh, Member NEPRA and Mr. Tauseef H. Farooqi, Chairman NEPRA (total 13 Pages) regarding adjustment in fuel charges in respect of Ex-WAPDA Distribution Companies for the month of **May 2023** and its Notification i.e. S.R.O. 926 (I)/2023 dated July 19, 2023.

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


(Engr. Mazhar Iqbal Ranjha)

CC:

1. Secretary, Ministry of Energy (Power Division), 'A' Block, Pak Secretariat, Islamabad.
2. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
3. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
4. Member (Power), WAPDA, WAPDA House, Shahrah-e-Quaid-e-Azam, Lahore.
5. Managing Director, NTDC, 414 WAPDA House, Shahrah-e-Quaid-e-Azam, Lahore.
6. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited, Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES
ADJUSTMENT FOR THE MONTH OF MAY 2023 FOR EX-WAPDA DISCOS**

1. Pursuant to the provisions of Section 31(7) 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 notified in the Official gazette, 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 May 2023, necessary information as to the details of the actual fuel charges etc. was obtained from Central Power Purchasing Agency Guarantee Limited (CPPA-G).
3. The Authority has reviewed the information provided by CPPA-G seeking monthly fuel cost adjustment (FCA) and due diligence is done accordingly. From perusal of the information so provided by CPPA-G, the actual pool fuel cost for the month of May 2023 is Rs.9.8817/kWh, against the reference fuel cost component of Rs.7.8281/kWh as indicated in the Annexure-IV of the notified consumer-end tariff of Ex-WAPDA DISCOs for the FY 2022-23. The actual fuel charges, as reported by CPPA-G, for the month of May 2023 increased by Rs.2.0536/kWh (Annex-I) as compared to the reference fuel charges.
4. Notwithstanding the fact that the monthly adjustment on account of fuel charges variation is made in pursuance of the provisions of section 31(7) 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 in order to meet the ends of natural justice and to arrive at an informed decision, the Authority decided to conduct a hearing in the matter. The advertisement for hearing along-with salient features and details of the proposed adjustments, in the approved tariff, were published in newspapers on June 20, 2023 and also uploaded on NEPRA's Website for information of all concerned stakeholders.
5. The Authority conducted the hearing in the matter on July 05, 2023 at NEPRA Tower, Ataturk Avenue (East), G-5/1, Islamabad through zoom. 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/affected person were invited. Separate notices were also sent to the interested / affected parties.

On the date fixed for hearing, representatives from CPPA-G, National Power Control Center (NPCC)/NTDC, Media and General Public were present. However, no representation was made from WAPDA Power Privatization Organization (WPPO), Sui Southern Gas Company Limited (SSGCL), Sui Northern Gas Pipelines Limited (SNGPL) and Ministry of Finance despite serving the hearing notice.
7. The Authority observed that while submitting the monthly FCA request, CPPA-G and NTDC/NPCC certifies that;



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a) **2002 Power Policy Plants**

- i. All purchases have been made from Generation Companies having valid generation License issued by NEPRA.
- ii. Invoices of all Electricity Purchases have been processed in accordance with the rates, terms & conditions as determined by NEPRA. Payments related to periodical adjustments are also made as per decision of NEPRA.
- iii. The above statement is true, based on facts and from verifiable documentary evidence. In case of any deviation / variation observed if not rectified at later stage, CPPA-G will be responsible for the consequences arising out of any misstatement under NEPRA Act and its Rules & Regulations.

b) **1994 Power Policy Plants (HUBCO Inclusive)**

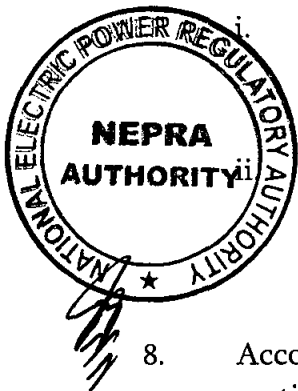
- i. All purchases have been made from IPPs under 1994 Policy, including HUBCO & Chasnupp and excluding Tavanir, having valid generation license issued by NEPRA.
- ii. Invoices of all Electricity Purchases have been made strictly in accordance with the rates, terms & conditions as stipulated in the respective Power Purchase Agreements.
- iii. All payments to IPPs are being made after observing all formalities provided in the respective Power Purchase Agreements.
- iv. All purchases have been made in accordance with the Power Purchase Agreement
- v. The above statement is true, based on facts and from verifiable documentary evidences. In case of any deviation / variation observed if not rectified at later stage, CPPA-G will be responsible for the consequences arising out of any misstatement under NEPRA Act and its Rules & Regulations.

c) **Power Plants Operations**

- i. It is certified that Merit Order was followed as defined under section 2(I)(x) of the NEPRA Licensing (Generation) Rules, 2000, while operating power plants in its fleet during month of May 2023.

Partial Loading of power plants strictly in accordance with the provision of their respective Power Purchase Agreement and the plants were operated on partial load as per system load demand variations and for fuel conversation where needed.

8. Accordingly for the purpose of instant FCA, the information along-with certification given by CPPA-G has been relied upon. In case of any variation, error, omission or misstatement found out at a later stage, CPPA-G shall be responsible and the same would adjusted in the subsequent monthly fuel charges adjustment.
9. The Authority observed that CPPA-G has purchased energy of 34.499 GWh from Tavanir Iran in May 2023 at a cost of Rs.811.6 million, however, contract between CPPA-G and Tavanir Iran for import of Power up-to 104 MW has expired on





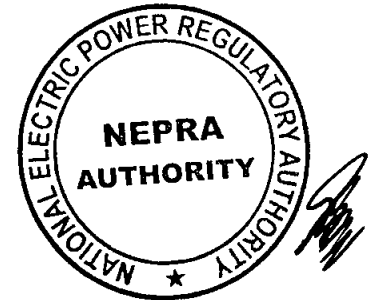
December 31, 2021. In view thereof, the cost of electricity purchased from Tavanir Iran is being allowed strictly on provisional basis, subject to its adjustment once the Authority decides the extension in the contract between CPPA-G and Tavanir Iran or otherwise. The cost being allowed on provisional basis is to avoid piling up of the cost and one time burdening of the consumers in future.

10. Regarding the current month cost of May 2023, the fuel cost of the following power plants have been adjusted downwards as per the Authority's latest approved FCC rates, as detailed below;

Plants	Energy (kWh)	Fuel Charge Claimed by CPPA-G - Rs.	Fuel Charge as per NEPRA approved FCC - Rs.	Adjustment in Rs.
Saif Power	92,908,318	2,674,429,130	2,661,979,786	(12,449,344)
Baloki	677,067,100	15,932,522,043	15,898,502,479	(34,019,564)
Total	769,975,418	18,606,951,173	18,560,482,265	(46,468,908)

11. CPPA-G also claimed net negative amount of Rs.366.53 million as previous adjustment in the FCA claim of May 2023.
12. For the remaining previous adjustments claims the same have been verified and accordingly considered while working out the instant Monthly Fuel Charges adjustment. A summary of the amounts claimed by CPPA-G and being allowed by the Authority is as under;

Power Plants	Prev. Adj. Claimed by CPPA-G Rs.	Prev. Adj. Allowed Rs.
Attock-Gen	4,664,620	4,664,619
Atlas Power	6,222,062	6,222,062
Nishat Power	643,277	643,277
Foundation Power	366,789,631	366,789,631
Orient	63,355,477	63,355,477
Saif	(7,050,971)	(7,050,971)
Engro Energy	154,503,162	154,503,162
Sapphire Power	683,480	683,480
Hubco Narowal	4,307,070	4,307,070
Liberty Power	1,887,705	1,887,705
Uch-II	(3,703,533)	(3,703,533)
China Hub Power (Pvt.)	(291,609)	(291,609)
Engro PowerGen Thar T	(5,035,500)	(5,035,500)
QATPL	(542,912,778)	(542,912,778)
Haveli Bahadur Shah	188,039,526	188,039,526
Baloki	(220,794,365)	(220,794,366)
Lucky Electric Power Co	(567,934)	(567,934)
Punjab Thermal Power (E	(30,452,462)	(30,452,462)
Thar Energy Limited	(296,227,498)	(296,227,498)
Thar Coal Block-1 Power	(38,371,905)	(38,371,907)
ThalNova Power Thar (P	(961,622)	(961,622)
Karachi Nuclear Power P	(9,528,076)	(9,528,076)
Karachi Nuclear Power P	(1,728,622)	(1,728,622)
GENCO-III ***	54	54
Total	(366,530,811)	(366,530,814)



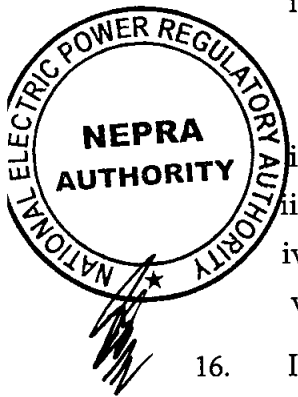
13. During the hearing, the Authority also observed that energy from expensive power plants was generated, during the month of May 2023. The Authority has been directing NPCC/NTDC & CPPA-G repeatedly to provide complete justification in this regard, to the satisfaction of the Authority and submit complete details for deviation from Economic Merit Order (EMO), showing hourly generation along-with the financial impact for deviation from EMO, if any, and the reasons, thereof.

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The Authority also directed CPPA-G/NPCC/NTDC in the previous monthly FCA decisions, as under;

- I. System Operator shall report to CPPA-G, within 24 hours, dispatch of generation plant(s) out of merit order along with reasons thereof. The copy of the report shall be sent to NEPRA simultaneously.
 - II. CPPA-G shall scrutinize the above mentioned dispatch report in terms of Scheduling and Dispatch Code (SDC) of Grid Code and prepare a report which shall comprise of;
 - a. all dispatch deviation from merit order;
 - b. the plants available but not dispatched ; and
 - c. Dispatch deviation justified or unjustified in terms of SDC of Grid Code along-with their financial impact.
 - III. CPPA-G shall share the report with the system operator and also submit it to NEPRA at the time of filing of monthly fuel price adjustment request.
14. The Authority observed that the required data/information was submitted by CPPA-G along-with the monthly FCA data of May 2023, however, the same was not as per the requirements of the Authority. Accordingly, CPPA-G was directed to submit that the report as per the desired format for consideration of the Authority.
15. It was observed that during May 2023, the System Operator had curtailed the drawl of energy from efficient power plants due to following reasons along-with financial impact of such deviations;
- i. Transmission line Outages (Permanent Fault) / HVDC Strategic table, Rs.864.66 million.
 - ii. Contractual Obligations (Take or Pay), Rs.46.96 million
 - iii. Transmission Network Congestion / Overloading, Rs.611.28 million
 - iv. Transformational Congestion / Overloading, Rs.99.20 million
 - v. Financial impact due to underutilization of efficient plants Rs.48.82 million
16. In view of the above, the financial impact on account deviation from EMO total amount of Rs. 1,670.92 million, is provisionally withheld from the FCA claim for the month of May 2023, till the time NTDC provides complete justification to the satisfaction of the Authority. Since the deduction is made by the Authority due to deviation from EMO by NPCC, which is part of NTDC, therefore, the Authority directs CPPA-G to pass on the impact of such deduction to NTDC.
17. NTDCCL, reported provisional T&T losses of 262.48 GWh i.e. 2.260%, based on energy delivered on NTDCCL system during May 2023. NTDC in addition also reported T&T losses of 35.491 GWh i.e. 2.927%, for PMLTC (HVDC) line. NTDCCL is allowed T&T losses of 2.639% only at 500KV and 220 KV network, while PMLTC (HVDC) is allowed T&T losses of maximum up-to 4.3%.
18. Accordingly, for the month of May 2023, T&T losses of 297.97 GWh have been verified for NTDCCL system only at 500KV and 220 KV network and PMLTC

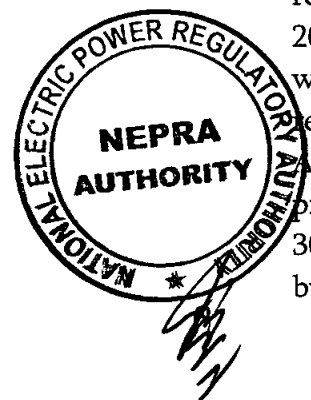


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(HVDC) being within the Authority's allowed limit have also considered while working out the FCA of May 2023.

19. In view of the above discussion, the Authority has calculated the fuel cost for the month of May 2023, after accounting for the aforementioned adjustments, and including costs arising out due to application of various factors, as provided in the respective PPAs of the Power Producers and claimed by CPPA-G in its FCA request. Here it is pertinent to mention that the amount arising out due to application of PPA factors, for the six RFO based IPPs, incorporated under 2002 Power Policy, is being allowed on provisional basis and shall be subject to adjustment, based on the final outcome of the ongoing *suo moto* proceedings against RFO based IPPs.
20. The Authority hereby directs CPPA-G to provide the Technically/financially verified data of each generation company pertaining to previous month along-with its next monthly FCA request, in order to ensure that any required adjustments are made in a timely manner.
21. CPPA-G in its request has also included 34.559 GWh for the Net Metering units procured during May 2023.
22. As per data provided by CPPA-G, during May 2023, Thatta power, Lodra Power, Omni, Kumhar Wala Power House, Dadu & Lucky cement supplied energy to the relevant discos as per their bilateral contract and claimed consequential costs.
23. The Authority, while approving the Power Acquisition Contract (PAC) filed by Sukkur Electric Power Company Ltd. (SEPCO) for Purchase of 8 MW from ANSML under NEPRA Interim Power Procurement (Procedures and Standards) Regulations 2005, decided that since the power acquisition contract is signed between ANSML and SEPCO, therefore, the costs must be accounted for in the basket of SEPCO instead of CPPA-G.
24. The Authority decided to deliberate the issue of treatment of energy procured through bilateral contract and net metering in detail with the stakeholders. Accordingly a discussion meeting was held on 09.02.2023, to discuss the modalities for treatment of cost & energy of ANSML and for any such future bilateral contracts by DISCOs, which was attended by Ministry of Energy and CPPA-G representatives. The Authority directed MOE and CPPA-G to provide their written comments in the matter and for any such future bilateral contracts by DISCOs.
25. CPPA-G vide its letter dated 07.03.2023, submitted its comments wherein, it referred the provision of NEPRA Act section 31(4) and National Electricity Policy 2021 clause 5.6.3, which states about uniform tariff. CPPA-G submitted that in line with Provision of NEPRA Act, and National Electricity Policy 2021, it is recommended that the Authority may continue to determine uniform Fuel charges adjustment in line with practice in place for all DISCOs. MOE, however did not provide any response. Considering the importance of matter, an email dated 30.03.2023 was again sent to MOE for provision of detailed comments at the earliest, but comments have not yet been filed.

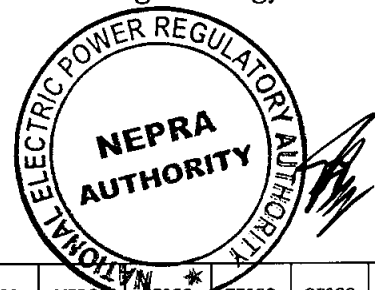


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26. The Authority understands that by accounting for the energy and cost of electricity supplied to DISCOs through bilateral contracts, if treated only in the individual basket of that DISCO would result in different FCAs for different DISCOs. It is also a fact that monthly FCAs are being made under a Uniform Tariff regime, and a uniform tariff for all XWDISCOs was notified by the Federal Government vide SRO dated 25.07.2022.
27. At the same time, in order to ensure true accounting of bilateral contracts, the Authority understands that energy as well cost for such bilateral procurements should be treated in the individual basket of DISCOs.
28. In view of the above, the Authority has decided to account for the energy and cost of power plants having bilateral contracts in the individual basket of each DISCOs, by excluding the same from CPPA-G basket for the month of May 2023. Similarly the net metering units have also been accounted for as part of Individual DISCOs basket. However, since a uniform tariff regime is in place in the country, therefore, the Authority has also worked out a National Average Uniform monthly FCA to be charged from all the consumers of XWDISCOs.
29. Based on the aforementioned discussion, separate FCA of each DISCO after accounting for the energy purchased from CPPA-G, bilateral contracts (Captive, SPPs) and Net metering as part of individual basket of each DISCO has been worked out, along-with National Average Uniform FCA (as per practice en-vogue for Quarterly adjustment) to be charged from consumers of XWDISCOs for the month of May 2023.
30. CPPA-G is directed to develop a proper mechanism for Inter DISCO settlement of FCA worked for each XWDISCOs and the FCA charged from consumers after consultation with DISCOS, in order to ensure proper accounting of energy and cost of each DISCO as per their own basket.

Description	Unit	CPPA-G Pool	K-Electric	T&T Loss Diff.	XWDISCOs
Energy Procured from CPPA-G Pool	GWh	11,896	791	4	11,102
Fuel Cost allocated from Pool	Rs. Mln	116,255	7,725	40	108,489
Actual Fuel Cost component (FCC) of CPPA-G Pool	Rs./kWh	9.7724	9.7724	9.7724	9.7724



Description	Unit	FESCO	GEPCO	HESCO	SEPCO	IESCO	LESCO	MEPCO	QESCO	TESCO	QESCO	National Avg. Uniform
Energy Procured from CPPA-G Pool	GWh	1,575	1,083	519	423	1,046	2,457	2,033	1,270	124	572	11,102
Energy Procured from Net Metering	GWh	2.70	3.04	0.10	0.15	11.84	8.91	5.40	2.37	-	0.05	34.56
Energy Procured from SPPs	GWh	-	-	18.38	8.11	-	-	1.17	-	-	-	27.66
Total Energy	GWh	1,577	1,086	537	431	1,058	2,466	2,040	1,273	124	572	11,164
Fuel Cost allocated from Pool	Rs. Mln	15,389	10,586	5,067	4,130	10,225	24,009	19,867	12,415	1,209	5,591	108,489
Fuel Cost for Energy Procured through bilateral contracts	Rs. Mln	-	-	101.4	55.2	-	-	-	-	-	-	157
Total Fuel Cost	Rs. Mln	15,389	10,586	5,169	4,186	10,225	24,009	19,867	12,415	1,209	5,591	108,646
Actual Fuel Cost component (FCC)	Rs./kWh	9.7557	9.7450	9.6250	9.7130	9.6631	9.7371	9.7409	9.7542	9.7724	9.7716	9.7320
Reference Fuel Cost component (FCC)	Rs./kWh	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281	7.8281
Fuel Charges Adjustment	Rs./kWh	1.9276	1.9170	1.7969	1.8849	1.8350	1.9090	1.9128	1.9261	1.9443	1.9435	1.9039
Recovery from Ref. Tariff	Rs. Mln	12,348	8,504	4,204	3,373	8,284	19,302	15,966	9,964	968	4,479	87,391
Recovery from National Avg. FCA	Rs. Mln	3,003	2,068	1,022	820	2,015	4,694	3,883	2,423	235	1,089	21,255
Total Recovery	Rs. Mln	15,351	10,572	5,226	4,194	10,298	23,996	19,849	12,387	1,204	5,568	108,646
Fuel Cost	Rs. Mln	15,389	10,586	5,169	4,186	10,225	24,009	19,867	12,415	1,209	5,591	108,646
Under/(Over) Recovery to be settled at CPPA-G level	Rs. Mln	(37)	(14)	57	8	73	(13)	(18)	(28)	(5)	(23)	-

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31. The Authority, after incorporating the aforementioned adjustments, has reviewed and assessed a National Average Uniform increase of Rs.1.9039/kWh (**Annex-II**) in the applicable tariff for XWDISCOs on account of variations in the fuel charges for the month of May 2023 as per the following details:

Actual National Avg. Uniform Fuel Charge Component for May 2023 for XWDISCOs Consumers	Rs.9.7320/kWh
Corresponding Reference Fuel Charge Component	Rs.7.8281/kWh
National Avg. Uniform Fuel Price Variation for the month of May 2023- Increase for XWDISCOs consumers	Rs.1.9039/kWh

32. In view of the aforementioned, the Authority has decided that adjustment as referred above;
- Shall be applicable to all the consumer categories except Electric Vehicle Charging Stations (EVCS) and lifeline consumers.
 - Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of May 2023.
 - XWDISCOs shall reflect the fuel charges adjustment in respect of May 2023 in the billing month of July 2023;
 - 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

Mathar Niaz Rana
19/7/23
Mathar Niaz Rana (nsc)
Member

Additional note is attached
Rafique Ahmed Shaikh
Member

Maqsood Anwar Khan
Engr. Maqsood Anwar Khan
Member

Ms. Amina Ahmed
Member

My additional note attached
Tauseef H. Farooqi
Chairman
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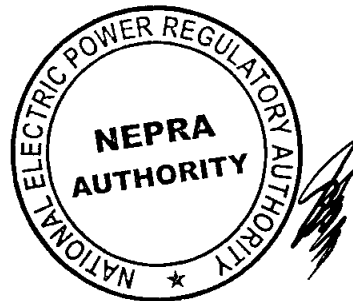
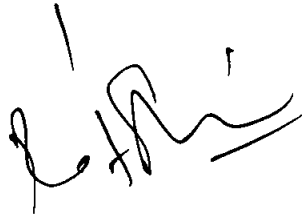
Additional Note

Regarding the Fuel Charges Adjustment of XWDISCOs for May 2023, there are several noteworthy points to consider. Firstly, despite the availability of dedicated and cost-effective gas, the utilization factor of power plants at Central Power Generation Company Limited (CPGCL), including the recently commissioned Guddu 747 machine, remained disappointingly low at 29%. The Guddu 747 steam turbine has been on forced outage since August 2022, resulting in the plant operating in an open cycle. This situation has had significant financial implications for both consumers and the national exchequer.

In terms of RLNG power plants, the Quaid-e-Azam Thermal Power Plant (QATPL) and the two power plants managed by the National Power Parks Management Company Limited at Haveli Bahadur Shah (HBS) and Baloki, stand out as the most efficient options in the Pakistan Power Sector, with efficiency levels surpassing 61%. During May 2023, the utilization factors of these three power plants were as follows: QATPL recorded approximately 75.46%, HBS approximately 85.14%, and Baloki approximately 68.94%. It is important to note that these power plants have accumulated claims totaling Rs. 3.461 billion due to part-load operation during the mentioned month. By fully utilizing these power plants, not only can load shedding be minimized, but part-load charges amounting to Rs. 3.461 billion can also be avoided.

Another significant development is the completion of the dedicated transmission line from TCB-I to Matiari on May 9, 2023. However, the constraints in feeding transmission lines have resulted in the curtailment of approximately 55.68 GWh from economically viable Thar Coal projects. The persistent constraints in the transmission system and the failure of the relevant departments to address these issues have caused substantial financial losses amounting to billions of rupees.

Additionally, there have been submissions from entities involved in facilitating the induction of Renewable Energy (RE) power plants. These complaints, raised at various forums including NEPRA, highlight concerns regarding delays which include delay in approval of RFPs. It is crucial to promptly investigate and resolve these issues.



Additional Note – FCA of XWDISCOs for May 2023

1. On the point raised by worthy Member (Technical) regarding lower utilization of efficient RLNG plants of QATPL, HBS and Balloki, the utilization factor has been worked out based on generation for the entire month, assuming 100% utilization of the dependable capacity of each plant for the entire month. I am of the considered view that utilization of each plant needs to be seen on hourly basis, keeping in view the Grid System stability as per the varying demand patterns, scheduled/ forced outages of the plants, fuel availability, grid code requirements etc. As explained by NPCC, the base load power plants are operated on part load as these plants can be ramped up or ramped down with the grid in minimum possible time, keeping in view the changing load patterns, that helps mitigate the impact of intermittencies of the renewable energy as well. Therefore, impact of part load charges needs to be analyzed in their own peculiar context.
2. When I took over as Chairman NEPRA, during my very first FCA hearing, it was noted that NPCC was not doing its job in the most professional manner. Accordingly, NEPRA M&E department was directed to analyze the operation of power plants in compliance to Merit Order on three grounds i.e. Underutilization of power plants, Transmission System constraints and Fuel shortage (especially RLNG). The financial impact due to "Underutilization of efficient power plants" and "System Constraints" is being deducted from day one in the monthly FCA determination. As mentioned at para 15-16 of the instant decision, an amount of around Rs.1,670 million has been deducted for the month of May 23 and up-till May 2023, a total amount of over Rs.36.6 billion has been withheld under above two heads. The deduction of Rs.1,670 million made during the month of May 23, includes followings;
 - a. Transmission line Outages (Permanent Fault) / HVDC Strategic table, Rs.864.66 million.
 - b. Contractual Obligations (Take or Pay), Rs.46.96 million
 - c. Transmission Network Congestion / Overloading, Rs.611.28 million
 - d. Transformational Congestion / Overloading, Rs.99.20 million
 - e. Financial impact due to underutilization of efficient plants Rs.48.82 million
3. However, impact due to RLNG shortage had not been deducted as procurement and allocation of RLNG is made by Petroleum division keeping in view its sectorial priorities. NPCC always maintains that they raise their demand for RLNG well within the stipulated time as agreed with Petroleum division through Power Division. Since NEPRA is the Regulator of Power Sector bearing no regulatory control over petroleum division, it is not within the rights of NEPRA to penalize Petroleum Division for not purchasing RLNG or not allocating the quantities as demanded by NPCC. Moreover, it is not professionally justified to penalize NPCC for not receiving the demanded quantities of RLNG from Petroleum division. Therefore, the Authority chose not to penalize NPCC for something which is not a failure on their part. However, the Authority being cognizant of the matter has already issued advisories to the Ministry of Energy, Power Division, to take up the matter with Petroleum Division for allocation of required quantities of RLNG to power sector on an expeditious manner so as to protect the consumers for any differential cost arising due to unavailability of RLNG.



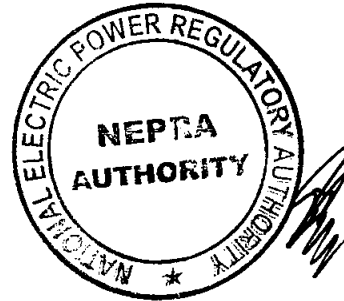
CENTRAL POWER PURCHASING AGENCY (CPPA)
Energy Procurement Report (Provisional)
For the Month of May 2023

S.No.	Power Producers	Fuel	Capacity (MW)	Energy KWh	Fuel Charges Rs.	VO&M Charges Rs.	EPP Billing month (Rs.)	Prev. Adjustment in Fuel Cost (Rs.)	Prev. Adjustment in VO&M (Rs.)	Prev. Adjustment in EPP Total Rs.	Supp. Charges	Total Fuel Cost Rs.	Total VO&M Rs.	Total Energy Cost (Rs.)
22	AEP Wind	Wind	50	20,201,340	-	-	-	-	-	-	-	-	-	-
23	Jhampir Wind	Wind	50	18,057,240	-	-	-	-	-	-	-	-	-	-
24	HAWA Wind	Wind	50	17,435,910	-	-	-	-	-	-	-	-	-	-
25	TGT	Wind	50	15,444,194	-	-	-	-	-	-	-	-	-	-
26	TGS	Wind	50	15,216,368	-	-	-	-	-	-	-	-	-	-
27	Tricon Boston-A	Wind	50	19,826,034	-	-	-	-	-	-	-	-	-	-
28	Tricon Boston-B	Wind	50	19,188,717	-	-	-	-	-	-	-	-	-	-
29	Tricon Boston-C	Wind	50	18,976,392	-	-	-	-	-	-	-	-	-	-
30	ZEPHYR Wind	Wind	50	3,816,960	-	-	-	-	-	-	-	-	-	-
31	Foundation Wind Energy-II (Pvt.) Limited	Wind	50	16,249,880	-	-	-	-	-	-	-	-	-	-
32	Master Green Energy Limited	Wind	50	18,452,700	-	-	-	-	-	-	-	-	-	-
33	Lucky Renewables (Private) Limited	Wind	50	20,531,020	-	-	-	-	-	-	-	-	-	-
34	ACT2 DIN Wind (Pvt) Ltd.	Wind	50	21,350,960	-	-	-	-	-	-	-	-	-	-
35	Artistic Wind Power (Pvt) Ltd.	Wind	50	20,898,110	-	-	-	-	-	-	-	-	-	-
36	Indus Wind Energy Ltd.	Wind	50	21,733,960	-	-	-	-	-	-	-	-	-	-
37	Lakeside Energy Limited	Wind	50	21,051,060	-	-	-	-	-	-	-	-	-	-
38	Liberty Wind Power-I Ltd.	Wind	50	20,033,650	-	-	-	-	-	-	-	-	-	-
39	DIN Energy Ltd.	Wind	50	19,591,590	-	-	-	-	-	-	-	-	-	-
40	Gul Ahmed Electric Limited	Wind	50	21,682,590	-	-	-	-	-	-	-	-	-	-
41	Atlas Solar Limited	Solar	100	21,776,200	-	-	-	-	-	-	-	-	-	-
42	Liberty Wind Power-II (Pvt) Ltd.	Wind	100	20,624,380	-	-	-	-	-	-	-	-	-	-
43	NASDA Green Energy Limited	Wind	50	21,865,370	-	-	-	-	-	-	-	-	-	-
44	Netro Wind Power Limited	Wind	50	25,733,850	-	-	-	-	-	-	-	-	-	-
45	Net Metering Net Exported units	Solar	-	34,559,489	-	-	-	-	-	-	-	-	-	-
46	BPPs	Mixed	257	27,664,767	156,569,525	-	156,569,525	-	-	-	-	156,569,525	-	156,569,525
	Sub-Total		2,893	758,309,872	156,569,525	-	156,569,525	-	-	-	-	156,569,525	-	156,569,525
	G-Total:		41,460	12,283,682,922	119,402,996,164	5,014,380,519	124,417,376,683	(366,530,811)	190,384,145	(176,146,665)	-	119,036,465,354	5,204,764,664	124,241,230,018
Summary														
1	Hydel			3,312,197,973	-	588,805,276	588,805,276	-	85,025,295	85,025,295	-	-	673,830,571	673,830,571
2	Coal			2,051,295,800	21,699,969,054	1,394,120,041	23,094,089,094	(341,456,068)	105,371,266	(236,084,802)	-	21,358,512,966	1,499,491,306	22,858,004,292
3	HSD			-	-	-	-	-	-	-	-	-	-	-
4	F.O.			240,965,340	5,500,443,437	468,016,588	6,068,460,025	17,724,734	(11,774)	-	-	5,618,168,172	468,004,814	6,086,172,985
5	Gas			1,270,903,790	15,829,273,991	872,909,900	16,702,183,890	517,589,261	(0)	-	-	16,346,563,251	872,909,900	17,219,773,151
6	RLNG			2,988,051,937	73,086,190,463	1,591,797,921	74,677,948,384	(549,132,039)	(641)	(549,132,680)	-	72,537,018,424	1,591,797,280	74,128,815,704
6	Nuclear			1,542,592,000	1,771,104,587	1,771,104,587	1,771,104,587	(11,256,698)	-	-	-	1,759,847,889	-	1,759,847,889
7	Import from Iran			34,499,000	811,620,466	-	811,620,466	-	-	-	-	811,620,466	-	811,620,466
8	Wind Power			606,581,470	-	-	-	-	-	-	-	-	-	-
9	Solar			124,063,635	-	-	-	-	-	-	-	-	-	-
10	Begasse			74,866,210	447,864,642	98,730,793	546,595,435	0	-	0	-	447,864,642	98,730,793	546,595,435
11	Mixed			27,664,767	156,569,525	-	156,569,525	-	-	-	-	156,569,525	-	156,569,525
	Totals For the month			12,283,682,922	119,402,996,164	5,014,380,519	124,417,376,683	(366,530,811)	190,384,145	(176,146,665)	-	119,036,465,354	5,204,764,664	124,241,230,018
	Prev. Adjustments :			(17,982,655)	(366,530,811)	190,384,145	(176,146,665)							
	GRAND TOTALS :			12,265,700,267	119,036,465,354	5,204,764,664	124,241,230,018							

Energy Cost (Rs.)	119,036,465,354	5,204,764,664	124,241,230,018
Cost not chargeable to DISCOs (Rs.)	907,507,653	-	907,507,653
EPP (Chargeable) (Rs.)	118,128,957,701	5,204,764,664	123,333,722,365
Energy Sold (KWh)	11,954,362,316	11,954,362,316	11,954,362,316
Avg. Rate (Rs./KWh)	9.8817	0.4354	10.3170

Reference Rate (Rs./KWh)	7.8281
FCA Rate Current month (Rs./KWh)	2.0536

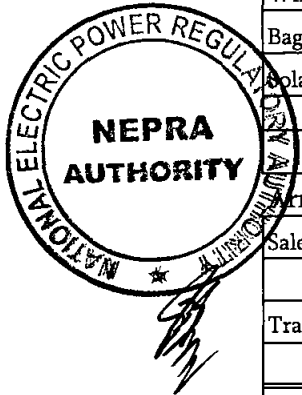
Dr. Manu. S



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Annex-II				
Source Wise Generation				
Sources	May 2023			
	Reference		Actual	
	GWh	%	GWh	%
Hydel	4,420.00	31.08%	3,312.20	27.10%
Coal	4,642.81	32.65%	2,061.30	16.87%
HSD	-	0.00%	-	0.00%
RFO	-	0.00%	240.97	1.97%
Gas	1,264.48	8.89%	1,270.90	10.40%
RLNG	884.98	6.22%	2,988.05	24.45%
Nuclear	2,021.84	14.22%	1,542.59	12.62%
Import Iran	47.39	0.33%	34.50	0.28%
Mixed	16.39	0.12%	-	0.00%
Wind	740.14	5.20%	606.58	4.96%
Baggasse	71.58	0.50%	74.87	0.61%
Solar	111.75	0.79%	89.50	0.73%
Total	14,221.35	100.0%	12,221.46	100.0%
Sale to IPPs	(20.22)	-0.14%	(27.24)	-0.22%
Transmission Losses	(425.67)	-2.99%	(297.97)	-2.438%
Net Delivered	13,775.46	96.9%	11,896.24	97.34%

Source Wise Fuel Cost/Energy Purchase Price				
Sources	May 2023			
	Reference		Actual	
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	-	-	-	-
Coal	78,221.87	16.8480	21,699.97	10.5273
HSD	-	-	-	-
RFO	-	-	5,600.44	23.2416
Gas	10,391.10	8.2177	15,829.27	12.4551
RLNG	16,264.58	18.3786	73,039.68	24.4439
Nuclear	1,934.10	0.9566	1,771.10	1.1481
Import Iran	881.34	18.5983	811.62	23.5259
Mixed	107.94	6.5872	-	-
Wind	-	-	-	-
Baggasse	439.00	6.1333	447.86	5.9822
Solar	-	-	-	-
Total	108,239.94	7.6111	119,199.96	9.7533
Arrears/ Previous Adjustments	-	-	(366.53)	(0.0300)
Sale to IPPs	(404.48)	-	(907.51)	(33.3092)
Grand Total	107,835.46	7.5826	117,925.92	9.6491
Transmission Losses	-	0.2454	-	0.2638
Total	107,835.46	7.8281	117,925.92	9.9129
EMO Deductions			(1,670.9)	(0.1405)
Net Total	107,835	7.8281	116,255	9.7724



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2. Mark. 2

National Electric Power Regulatory Authority



NOTIFICATION

Islamabad, the 19th day of July 2023

S.R.O. 926 (I)/2023: – Pursuant to Section 31(7) 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 adjustments on account of variations in fuel charges in the approved tariff of XWDISCOs. The following is the fuel charges adjustment for the month of May 2023 in respect of Ex-WAPDA Distribution Companies (XWDISCOs):

Description	May 2023
Actual National Avg. Uniform Fuel Charge Component for May 2023 for XWDISCOs Consumers	Rs.9.7320/kWh
Corresponding Reference Fuel Charge Component	Rs.7.8281/kWh
National Avg. Uniform Fuel Price Variation for the month of May 2023 - Increase for XWDISCOs Consumers	Rs.1.9039/kWh

Note: The Authority has reviewed and assessed an increase of Rs.1.9039/kWh in the applicable tariff for Ex-WAPDA DISCOs on account of variation in the fuel charges for the month of May 2023 as per the above details.

2. The above adjustment an Increase of Rs.1.9039/kWh shall be applicable to all the consumer categories except Electric Vehicle Charging Stations (EVCS) and lifeline consumers. The said adjustment shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the month of May 2023. XWDISCOs shall reflect the fuel charges adjustment in respect of May 2023 in the billing month of July 2023.

3. 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.

(Engr. Mazhar Iqbal Ranjha)
Registrar