

(CORPORATE PLANNING & BUDGET SECTION)

SUKKUR ELECTRIC POWER COMPANY

FINANCE DIRECTORATE, SEPCO

LOCAL BOARD AREA, MINARA ROAD, SUKKUR

E-mail: fdsepco@yahoo.com

Phone# 071-9310970 Fax: - 071-9310980

No.FD/SEPCO/Suk/CPC/278-82

Dated: - 29/08/2018

✓ The Registrar,
National Electric Power Regulatory Authority,
NEPRA Tower, Attaturk Avenue, Sector G-5/1,
Islamabad.

For information & info H
- SA (I) - I
E.K.B.
03/09/18
- SA (Tech) - DG (M&E)
- MF
e: chairman
MO/AC (M&E)
M (E) - 1

Subject: - RE SUBMISSION OF QUARTERLY ADJUSTMENT OF POWER PURCHASE PRICE IN RESPECT OF SEPCO FOR FY 2017-18. (LICENCE # 21/DL/2011)

- Ref nce
- Ministry of Energy (Power Division) letter No.p1-4(18)/2015-16 dated 28th March,2018
 - This office letter No. FD/SEPCO/Budget/CP&C/5144-45 dated 15-03-2018
 - This office letter No. FD/SEPCO/Budget/CP&C/5589-90 dated 14-06-2018
 - This office letter No. FD/SEPCO/Budget/CP&C/166-167 dated 10-08-2018

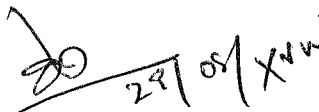
Kindly, this is in continuation to above referred letters regarding quarterly adjustment, pursuant to Authority's guidelines for determination of consumer end Tariff (Methodology and Process 2015) and Re-Determination FY 2015-16 by the Authority.

SEPCO is hereby re-submitting quarterly adjustments for the FY 2017-18 on account of the following components of power purchase cost:

- Capacity Charges
- Use of system charges
- Variable O&M
- Fixed O&M cost of solar & wind power plants.

The details quarter wise calculation is attached as per Annex-A, for your perusal and further action, please.

DA/as above


29/08/2018
FINANCE DIRECTOR
SEPCO, SUKKUR

Copies to

- The Director General (Finance) PEPCO, 712-WAPDA House, Lahore.
- The Chief Executive Officer, CPPA-G Islamabad.
- The Chief Executive Officer, SEPCO, Sukkur.
- The Section Officer (Tariff), Ministry of Energy, Power Division, Islamabad.

REGISTRAR
Dy. No: 8713
Dated: 03-09-18

Senior Advisor Tariff-I
Dy No: 7204
Date: 4-9-18

ADG (Tariff) 968
Dy. No: 05-9-18
Date: 05-9-18



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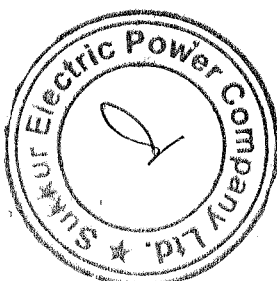
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SUKKUR ELECTRIC POWER COMPANY (SEPCO)

Impact of Quarterly Adjustment (FY 2017-18)

Particular	SEPCO				[Rs. In M]
	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Total FY 2017-18
1- Capacity Charges					
Reference as per XWDISCOs notified tariff	3,078	2,530	2,809	3,966	
Actual as per CPPA-G Invoice	4,062	3,710	3,925	6,439	
Less / (Excess)	984	1,181	1,116	2,473	5,753
2- Use of System Charges					
Reference as per XWDISCOs notified tariff	299	229	234	496	
Actual as per CPPA-G Invoice	366	342	336	424	
Less / (Excess)	67	114	102	(71)	211
3- Variable O&M Component of Energy Price					
Reference as per XWDISCOs notified tariff	365	259	239	442	
Actual as per CPPA-G Invoice	421	271	234	412	
Less / (Excess)	56	13	(5)	(30)	34
4- Impact of T&D Losses on Monthly FPA	(801)	(709)	(543)	187	(1,866)
5- Fixed Fixed O&M of Wind & Solar	640	275	255	856	2,026
Quarterly Adjustment Recoverable / (Excess)	947	873	925	3,414	6,158

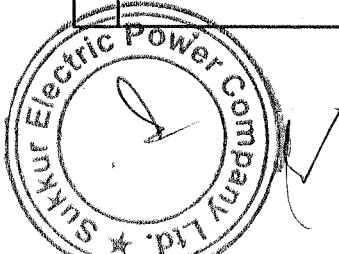


Quarterly Adjustments	1st Quarter (Jul-17 to Sep-17)	2nd Quarter (Oct-17 to Dec-17)	3rd Quarter (Jan-18 to Mar-18)	4th Quarter (Apr-18 to Jun-18)
EPP Adjustment				
EPP - Jul				
Reference	6.4933	7.3369	9.8670	6.7227
Actual	4.7843	5.1318	6.8889	6.2729
Disallowed	0.0004	0.0497	0.2640	0.2400
Defferd	0.0000	0.0000	0.0000	0.0000
Fuel Price Adjustment Allowed	(1.7094)	(2.2548)	(3.2421)	(0.6898)
EPP - Aug				
Reference	6.4562	7.3040	7.2603	5.2908
Actual	4.6480	5.8313	5.0675	6.6123
Disallowed	0.0117	1.6416	0.0938	0.1003
Defferd	0.0000	0.0000	0.0000	0.0000
Fuel Price Adjustment Allowed	(1.8199)	(3.1143)	(2.2866)	1.2212
EPP - Sep				
Reference	6.4326	8.1037	8.0985	4.9927
Actual	6.3610	5.3283	7.0866	5.6974
Disallowed	2.1225	0.2090	0.8732	0.1963
Defferd	0.0000	0.0000	0.0000	0.0000
Fuel Price Adjustment Allowed	(2.1941)	(2.9844)	(1.8851)	0.5084

A IMPACT OF LOSSES

Target Losses for the quarter (Notified) 27.50% 27.50% 27.50% 29.75%

1st Month of the Quarter	2nd Month of Quarter	3rd Month of the Quarter		
Units Received (MkWh)	505	404	296	373
Units to be sold (MkWh)	366	293	215	262
Units without Life Line / Life Line and Agr. (MkWh)	366	293	215	262
Adjustment already given (Mln Rs)	(626)	(660)	(697)	(181)
Adjustment that should have been allowed (Mln Rs)	(863)	(910)	(961)	(257)
Impact of disallowed costs (Mln Rs)	0	20	78	89
Remaining adj. for the quarter only allowed (Mln Rs)	(237)	(250)	(264)	(77)
adj. for the quarter with allowed & disallowed (Mln Rs)	(237)	(230)	(186)	13
Impact of life line from new ref.	-	-	-	-
Impact of losses from new ref.	(237)	(250)	(264)	(77)
Impact of change of base ref price.	-	-	-	-
	(237)	(250)	(264)	(77)
	-	-	-	-
Units Received (MkWh)	521	255	217	500
Units to be sold (MkWh)	378	185	158	351
Units without Life Line / Life Line and Agr. (MkWh)	378	185	158	351
Adjustment already given (Mln Rs)	(688)	(576)	(361)	429
Adjustment that should have been allowed (Mln Rs)	(949)	(795)	(497)	610
Impact of disallowed costs (Mln Rs)	6	419	20	50
Remaining adj. for the quarter only allowed (Mln Rs)	(261)	(219)	(137)	182
adj. for the quarter with allowed & disallowed (Mln Rs)	(255)	200	(116)	232
Impact of life line from new ref.	-	-	-	-
Impact of losses from new ref.	(261)	(219)	(137)	182
Impact of change of base ref price.	-	-	-	-
	(261)	(219)	(137)	182
	-	-	-	-
Units Received (MkWh)	501	293	274	539
Units to be sold (MkWh)	363	212	199	379
Units without Life Line / Life Line and Agr. (MkWh)	363	212	199	379
Adjustment already given (Mln Rs)	(797)	(633)	(375)	193
Adjustment that should have been allowed (Mln Rs)	(1,100)	(873)	(517)	274
Impact of disallowed costs (Mln Rs)	1,064	61	239	106
Remaining adjustment for the quarter (Mln Rs)	(302)	(240)	(142)	82
adj. for the quarter with allowed & disallowed (Mln Rs)	761	(179)	97	187
Impact of life line from new ref.	-	-	-	-
Impact of losses from new ref.	(302)	(240)	(142)	82
Impact of change of base ref price.	-	-	-	-
	(302)	(240)	(142)	82
	-	-	-	-

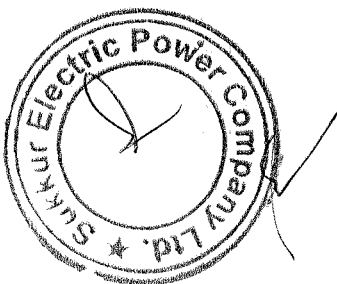


B Variable O&M

1st Month of Quarter	Variable O&M Rs. kWh		0.00	0.00	0.00
	Reference	0.2436	0.2574	0.3118	0.3577
	Actual	0.2630	0.2673	0.3014	0.3078
	Delta per	0.0193	0.0099	(0.0104)	(0.0499)
	Adjustment (Mln. Rs.)	10	4	(3)	(19)
	Price variace	7	3	(2)	(13)
	Impact of losses	3	1	(1)	(6)
		3	1	(1)	(6)
2nd Month of Quarter	Variable O&M Rs. kWh		0.00	0.00	0.00
	Reference	0.2429	0.2667	0.2901	0.3050
	Actual	0.2624	0.2968	0.2971	0.2844
	Delta per	0.0195	0.0302	0.0070	(0.0206)
	Adjustment (Mln. Rs.)	10	8	2	(10)
	Price variace	7	6	1	(7)
	Impact of losses	3	2	0	(3)
		3	2	0	(3)
3rd Month of Quarter	Variable O&M Rs. kWh		0.00	0.00	0.00
	Reference	0.2295	0.2961	0.3050	0.2891
	Actual	0.3018	0.2994	0.2918	0.2874
	Delta per	0.0723	0.0033	(0.0132)	(0.0017)
	Adjustment (Mln. Rs.)	36	1	(4)	(1)
	Price variace	26	1	(3)	(1)
	Impact of losses	10	0	(1)	(0)
		10	0	(1)	(0)
V. O&M	Total Adjustment Var O&M (Mln Rs)	56	13	(5)	(30)
	Total Impact of losses	15	3	(1)	(9)
	Total Price Variance	41	9	(4)	(21)
	Total Adjustment EPP Allowed (Mln Rs)	(744)	(696)	(548)	157
	Total Adjustment EPP Alowd and Disolwd (Mln Rs)	326	(196)	(210)	402

C CPP

1st Month of Quarter	CPP Rs. kWh			0.00	0.00
	Reference	1.3367	2.1412	3.2974	3.3505
	Actual	2.6346	2.5548	4.4905	4.1889
	Delta per	1.2979	0.4136	1.1931	0.8384
	Adjustment (Mln. Rs.)	655	167	354	313
	Price variace	475	121	256	220
	Impact of losses	180	46	97	93
		180	46	97	93
2nd Month of Quarter	CPP Rs. kWh			0.00	0.00
	Reference	2.7937	3.0098	3.4612	2.9860
	Actual	2.2619	5.3718	4.6702	5.2304
	Delta per	(0.5317)	2.3620	1.2091	2.2444
	Adjustment (Mln. Rs.)	(277)	603	263	1,122
	Price variace	(201)	437	191	788
	Impact of losses	(76)	166	72	334
		(76)	166	72	334
3rd Month of Quarter	CPP Rs. kWh			0.00	0.00
	Reference	1.8879	3.0675	3.9362	2.2703
	Actual	3.0970	4.4710	5.7580	4.1958
	Delta per	1.2092	1.4035	1.8218	1.9255
	Adjustment (Mln. Rs.)	606	411	500	1,039
	Price variace	439	298	362	730
	Impact of losses	167	113	137	309
		167	113	137	309
CPP	Total Adjustment CPP (Mln Rs)	984	1,181	1,116	2,473
	Total Impact of losses	271	325	307	736
	Total Price Variance	713	856	809	1,737



D

UOSC

1st Month of Quarter	UOSC Rs. kWh				
	Reference	0.1281	0.2012	0.2826	0.4326
	Actual	0.2573	0.3127	0.5108	0.3106
	Delta per	0.1291	0.1115	0.2283	(0.1219)
	Adjustment (Mln. Rs.)	65	45	68	(45)
	Price variace	47	33	49	(32)
Impact of losses	18	12	19	(14)	
	18	12	19	(14)	

2nd Month of Quarter	UOSC Rs. kWh			0.00	0.00
	Reference	0.2738	0.2693	0.2917	0.3410
	Actual	0.2096	0.3839	0.3763	0.3047
	Delta per	(0.0642)	0.1146	0.0845	(0.0363)
	Adjustment (Mln. Rs.)	(33)	29	18	(18)
	Price variace	(24)	21	13	(13)
Impact of losses	(9)	8	5	(5)	
	(9)	8	5	(5)	

3rd Month of Quarter	UOSC Rs. kWh				0.00
	Reference	0.1822	0.2693	0.3181	0.3044
	Actual	0.2531	0.4043	0.3761	0.2898
	Delta per	0.0709	0.1350	0.0580	(0.0146)
	Adjustment (Mln. Rs.)	36	39	16	(8)
	Price variace	26	29	12	(6)
Impact of losses	10	11	4	(2)	
	10	11	4	(2)	

UOSC	Total Adjustment UOSC (Mln Rs)	67	114	102	(71)
	Total Impact of losses	18	31	28	(21)
	Total Price Variance	49	82	74	(50)

Total Adjustment Allowed (Mln Rs)	307	598	670	2,558
Total Adjustment Allowed and Disallowed (Mln Rs)	1,377	1,098	1,008	2,804
PPP Decre (Life line + Agri)	0.00%	0.00%	0.00%	0.00%
PPP Incre (Life line only)	0.00%	0.00%	0.00%	0.00%

Adjustment to be Given (Rs. Million)

(133)	(694)	(543)	(9)
(1250)	(155)	(214)	1703
(422)	(422)	(5)	1304
(1804)	(1271)	(762)	2999

Adjustment Already Given (Rs. Million)

(626)	(660)	(697)	(181)
(688)	(576)	(361)	429
(797)	(633)	(375)	193
(2111)	(1869)	(1432)	441

E Fixed Fixed O&M of Wind & Solar	640	275	255	856
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Leftover Amount (Rs. Million)	947	873	925	3,414
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