



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/TRF-362/K-Electric-2016/42395-99 December 6, 2021

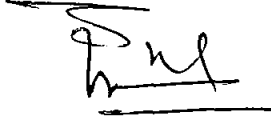
Chief Executive Officer
K-Electric Limited (KEL)
KE House, Punjab Chowrangi,
39 – B, Sunset Boulevard, Phase-II
Defence Housing Authority, Karachi.

Subject: **Decision of the Authority in the matter of Monthly Fuel Charges Adjustment of K-Electric Limited for the month of September 2021 and Notification (S.R.O. 1576(I)/2021 dated 06.12.2021) Thereof**

Enclosed please find herewith a copy of decision of the Authority (12 pages) in the matter of fuel charges for the month of September 2021 in respect of K-Electric Limited, along with Notification (S.R.O. 1576(I)/2021 dated 06.12.2021) thereof. This is for information and further necessary action.

2. While reflecting the Fuel Adjustment Charges, K-Electric Ltd. shall keep in view and strictly comply with the orders of the court(s), if any, notwithstanding this order.

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


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(Syed Safeer Hussain)

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. Secretary, Privatization Commission, 4th Floor, Kohsar Block, Constitution Avenue, New Secretariat, Islamabad

**DECISION OF THE AUTHORITY IN THE MATTER OF MONTHLY FUEL CHARGES
ADJUSTMENTS OF K-ELECTRIC LIMITED FOR THE MONTH OF SEPTEMBER 2021**

1. Pursuant to the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, and as per the mechanism for monthly, quarterly and annual adjustments provided in the tariff determination of K-Electric Limited (herein referred to as "K-Electric or KE") dated July 05, 2018, duly notified in the official Gazette vide SRO No. 576(I)/2019 dated May 22, 2019, the Authority has to review and revise the approved tariff on monthly, quarterly and annual adjustments.
2. As per the mechanism provided in the determination, impact of change in KE's own generation fuel cost component due to variation in fuel prices, generation mix & volume shall be passed on to the consumers directly in their monthly bills in the form of Fuel Charges Adjustment (FCA). Similarly, impact of change in the fuel component of Power Purchase Price (PPP) due to variation in fuel prices & energy mix shall also be passed on to the consumers through monthly FCA.
3. However, the impact of monthly variations in million rupees in K-Electric's own generation's fuel cost component as well power purchase price to the extent of targeted T&D losses, not taken into account in the monthly FCAs, shall be adjusted on quarterly basis.
4. Pursuant to notification of the determined MYT, KE filed its monthly FCA request for September 2021. A summary of the adjustment request filed by K-Electric is as under;

Monthly FCA		
Month	MIn Rs	Rs./kWh
Sep-21	6,639	3.454

Hearing

5. Since the impact of any adjustments has to be made part of the consumer end tariff, therefore, the Authority, in order to provide an opportunity of hearing to all the concerned and meet the ends of natural justice, decided to conduct a hearing in the matter.
6. The Authority scheduled hearing in the matter of FCAs of K-Electric for the month of September 2021 on 03.11.2021 through ZOOM. Notices in this regard were published in the newspaper on October 21, 2021 and also uploaded on NEPRA's website along-with adjustment requests filed by K-Electric. Individual notices were also sent to the stakeholders.



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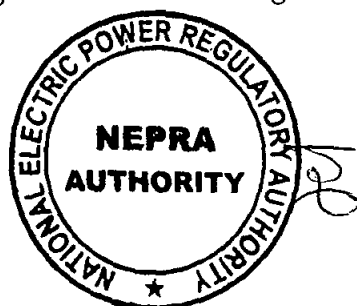
7. Following issues were framed for discussion during the hearing;
- i. Whether the requested Fuel price variations are justified?
 - ii. Whether, the K-Electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?

8. Written comments were received from Karachi Chamber of Commerce and Industry (KCCI) vide letter dated 01.11.2021, a brief of which is as under;

K-Electric's own generation is expensive as compared to Power purchased from external sources as K-Electric generates energy from old and inefficient plants, which needs to be shut down. Power generation mix needs to be improved to reduce the tariffs, by shifting away from dollar pegged generation in favor of Solar, Wind and Hydel generation. For instance, the addition of K-Electric's 900 MW RLNG based BQPS-III as well as renewable energy is estimated to reduce the cost of electricity. Consumers should not bear the burden of inefficiencies of DISCOs, imprudent energy policies, deplorable composition of energy mix and electricity thefts. The FCA should not be increased or if absolutely required, should be within Rs.1.0/kWh and in future K-Electric should be barred from passing cost impact of inefficient power plants.

9. The hearing was attended by CFO K-Electric along-with its financial and technical team. Representatives from Media and General Public also attended the hearing. K-Electric during the hearing submitted that at the time of submission of its FCA request, the Authority's approved Fuel rate of XWDISCOs for the month of September 2021 was not available, thereof, K-Electric used the last available rate in its workings. K-Electric accordingly requested that the amount claimed on account of energy purchased from CPPA-G is subject to adjustment based on the FCA decision of the Authority in the matter of XWDISCOs for September 2021. K-Electric also submitted that major reason for high FCA for September 2021, is due to increase in fuel prices of RLNG, RFO and Coal as compared to the reference month of June 2021.

10. The Authority noted that the Power purchase agreement was signed between NTDCL and K-Electric on January 26, 2010 for five years for sale/purchase of 650MW on basket rates. Subsequently, a decision was made by the Council of Common Interest (CCI) in its meeting held on November 08, 2012 with respect to the modalities for withdrawal of electric power from NTDCL by the Petitioner, wherein it was decided to reduce the supply of energy by 300MW from NTDCL to K-Electric. However, the aforementioned decision of the CCI has been impugned by way of suits /petitions by K-Electric in the Honorable High Court of Sindh at Karachi. No new agreement has been signed between K-Electric and NTDCL till date, and

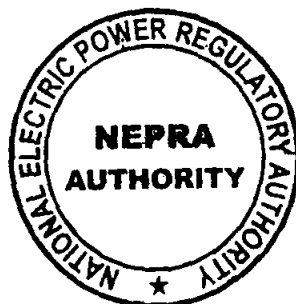


K-Electric is continuing to draw energy from the National Grid, which at present is around 1100 MW.

11. The Authority observed that both KGTPS and SGTPS were not operated by K-Electric to their full capacities, and also less energy was withdrawn from efficient sources. Similarly KCCPP was also operated on HSD. The Authority also inquired from K-Electric regarding directions issued vide letter dated 16.09.2021, for making necessary arrangements for provision of gas at the required pressure at SGTPS and KGTPS power plants within 30 days and ensure that efficient plants are optimally utilized in future.

12. K-Electric in response stated that it has engaged the Ministry of Energy, Petroleum Division and Power Division, and a meeting has also been held with SSGC, wherein it has been suggested that legacy issues be set aside and going forward, the issues of gas pressure be resolved. K-Electric further submitted that a joint meeting is also being proposed for all the stakeholders involving NEPRA.

13. Mr. Aneel Mumtaz, a consumer, requested for clarification regarding average Rs./kWh mentioned in the FCA request submitted by K-Electric. K-Electric explained during the hearing that Rs./kWh represents average of overall fuel cost of K-Electric's own generation and Power purchases, incurred for the month, based on total sent outs (GWh) for the month i.e. KE Own Generation units and Power Purchased units. However, K-Electric agreed to better present the same in its next FCA requests for clear understanding of all the stakeholders. The Authority also directed K-Electric to share exact calculations of plant wise per unit cost and the average fuel cost for all sent-outs. K-Electric shared its calculations in this regard, which were uploaded on NEPRA website for information of all stakeholders. Mr. Aneel also inquired regarding allowing higher FCA for the month of August 2021 than the amount claimed by K-Electric. The Authority noted that while claiming FCA for the month of August 2021, K-Electric used provisional rate for the energy purchased from CPPA-G, which was subsequently adjusted as per the rates approved by the Authority in the matter of XWDISCOs for August 2021. Mr. Aneel also submitted its written comments in the matter vide email dated 08.11.2021, wherein *inter alia*, the mechanism for determining fuel cost components of Tapal Energy Pvt. Ltd. (TEL) have been questioned. The Authority observed that TEL works out Fuel cost component for each of the consignment of Furnace Oil (FO) it purchases. TEL records its FO stock position on FIFO basis and each energy generated by TEL is allocated based on FIFO consumption method. To work out the fuel cost, the generation so allocated is multiplied with its relevant fuel cost component.



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14. Mr. Imran, a consumer, submitted that FCA of Rs.3.45/kWh shall not be passed on to the consumers rather K-Electric shall be penalized for its inefficiencies and non-following of the Economic Merit Order.

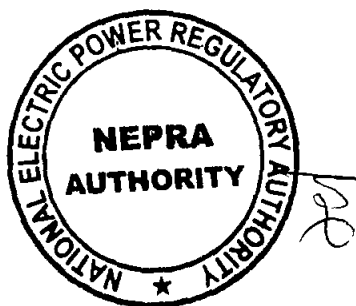
15. Mr. Arif Bilwani submitted that K-Electric should consider getting additional power from National Grid, as its own generation is very expensive owing to low efficiency of its power plants. Mr. Bilwani while referring to "Muhammad Ali Commission Report", submitted that the Report encourages K-Electric to utilize excess capacity from National Grid instead of building new 900 ME RLNG and 700 MW coal power plants and make invest in transmission and distribution systems, which will be much lower than investing in new power plants. Mr. Bilwani also proposed that renewable generation in hybrid mode needs to be promoted keeping in view the latest lower tariffs.

16. While responding to Mr. Bilwani comments, K-Electric submitted that discussions are being made with CPPA-G for around 2050 MW firm capacity from the National Grid, and work on interconnection grids are also being carried out. However, in case the required capacity is not provided by National Grid and at the same time, K-Electric has not installed its own power plants, this may result in load shedding. Regarding Renewable energy, K-Electric submitted that it has already planned to induct 150 MW of solar power, as this is the right time to go for the renewables considering significant cost reduction of renewables in last two years.

17. Mr. Usman Ali, a consumer, highlighted the issue of non-signing of Gas Supply Agreement (GSA) with SSGC and generation of electricity on expensive fuels. It was also submitted that agreements of Tapal and Gul Ahmed should not be renewed, being expensive.

18. K-Electric, in its adjustment requests, has certified that it despatches as per Economic Merit Order from its own generation units (with the available fuel resources) and import from external sources. It also certified that the cost of fuel and power purchase claims do not include any amount of late payment surcharge/mark-up/interest.

19. K-Electric provided the plant wise generation statistics sheet, signed by K-Electric employees. The plant wise statistic sheets provide information in terms of Plant Capacity, Actual Units Generated, Actual Auxiliary consumption, Net Generation and Bus Bar sent outs, Actual Heat Rates, fuel consumption & cost of Fuel and Generation cost per unit. In addition K-Electric also provided copies of invoices raised by Fuel Suppliers and copies of invoices raised by IPPs. The Authority also asked for certain additional information from K-Electric with



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respect to calorific value of RFO consumed, status of fuel supply agreements, Audited accounts of IPPs, plant utilization factors, detail of penalties imposed on external power sources etc.

20. The Authority based on the information, data and record provided by K-Electric, has analyzed the FCA claim of K-Electric and issue wise discussion is given hereunder;

Issue: Whether the requested Fuel price variations are justified?

K-Electric Own Generation

21. In order to verify the generation numbers reported by K-Electric, the Authority analyzed the plant wise generation statistics sheet, provided by K-Electric. The sheet provided information in terms of plant capacity, actual units generated, actual auxiliary consumption, net generation and bus bar sent outs, actual heat rates, fuel consumption & cost of fuel and generation cost per unit. While going through the data / information provided by K-Electric regarding fuel cost of energy from its own power plants, the Authority's observations are as under;

22. K-Electric, as required under the MYT, carried out heat rate test of KCCPP. Pursuant thereto, the Authority, in its decision dated 02.09.2020 decided as under;

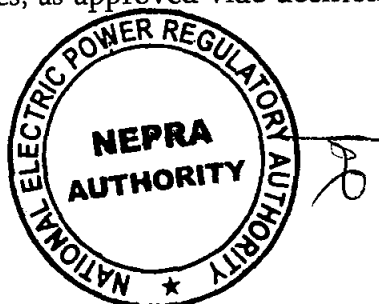
"i. For the period from July 2016 to May 2019, the heat rate i.e. 8,250.06 Btu/kWh - net HHV, corresponding to 41.36% efficiency is approved with no further adjustment for degradation and partial loading allowed.

ii. For the period from June 2019 to June 2023, the heat rate i.e. 8,377.032 Btu/kWh - net HHV, corresponding to 40.732% efficiency is approved. This heat rate will be applicable for the control period on flat basis, without any additional adjustment for other parameters.

iii. KE is required to conduct maintenance including Major Overhaul of its plants / units as per prudent utility practices and recommendations of OEM.

iv. In case of non-requirement of Gas compressors - the relevant capacity and Heat rates would be adjusted. For such a scenario, relevant capacity and heat rates calculated during the present tests would be used."

23. K-Electric, has filed a motion for leave for review against the Authority's decision dated 02.09.2020, which has not yet been decided, therefore, K-Electric has used the heat rate of 8,497 BTU/kWh, as allowed in the MYT determination, while working out its instant adjustments. The Authority, however, for the purpose of instant adjustments has considered the heat rates, as approved vide decision dated 02.09.2020. This has resulted in reduction in



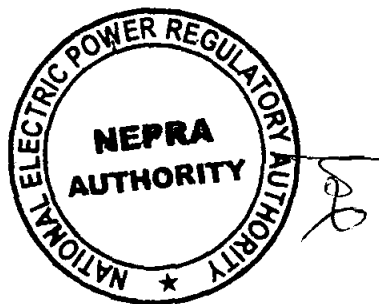
fuel cost claimed by K-Electric for KCCPP by around Rs.18 million, which has accordingly been adjusted while processing of the instant monthly FCA of K-Electric. In case of any subsequent revision in heat rates of KCCP, on the basis of Review motion filed by K-Electric, the impact of the same would be adjusted in the subsequent tariff adjustments of K-Electric.

24. The Authority has also allowed K-Electric to operate its KCCPP on backup fuel i.e. HSD. The Authority vide letter dated 29.06.2021, addressed to K-Electric, approved the provisional cost of generation of KCCPP on HSD at actual up till the summer month of August 2021 or approval of heat rate test result by the Authority, whichever is earlier. In general power generation on costlier fuel needs to be avoided, therefore, power generation through HSD, if any shall be justified by K-Electric.

25. The Authority observed that K-Electric has requested an amount of Rs.987.93 million for operation of KCCPP on HSD during September 2021. K-Electric in this regard submitted that the claimed amount is based on the Heat Rate of 8,104.376btu/kWh, as per the heat rate test conducted by Independent Engineer. K-Electric further submitted that Heat Rate Test results have been submitted to the Authority for approval, therefore, till approval of Heat rates by the Authority, the claimed cost may be allowed provisionally.

26. The Authority for the purpose of instant adjustment has provisionally considered heat rate of 7,950.183 btu/kWh (at 100% as given in Heat Rate report by IE), with same CV of HSD and auxiliaries as reported by KE. This has resulted in reduction in fuel cost claimed by K-Electric for KCCPP on HSD by around Rs.19 million, which has accordingly been adjusted while processing of the instant monthly FCA of K-Electric. Any adjustment, once the Authority approves the heat rate of KCCPP on HSD / Auxiliaries, would be adjusted subsequently along-with cost allowed previously.

27. For KGTPS and SGTPS plants, pursuant to the heat rate tests conducted by K-Electric, the Authority approved the following Heat Rates for these plants vide decisions dated 18.01.20201, against the already allowed Heat Rates of 8,738 for KGTPS and 8,746 for SGTPS in the MYT;



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**Decision of the Authority in the matter of Monthly Fuel Charges Adjustments
of K-Electric Limited for September 2021**

Heat Rate for July 2016 – June 2019

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
KGTPS	9276 ¹	36.78%

¹ Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
KGTPS	100% loading	9041.66	37.74%
	75% loading	9092.66	37.527%

Heat Rate for July 2019 – June 2021

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
KGTPS	9276 ¹	36.78%

¹ Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
KGTPS	100% loading	9048.22	37.71%
	75% loading	9099.212	37.499%

Heat Rate for July 2016 – June 2019

Requested by KE:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
SGTPS	9264 ¹	36.83%

¹ Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
SGTPS	100% loading	9045.93	37.72%
	75% loading	9064.794	37.642%

Heat Rate for July 2019 – June 2021

Requested by KE:

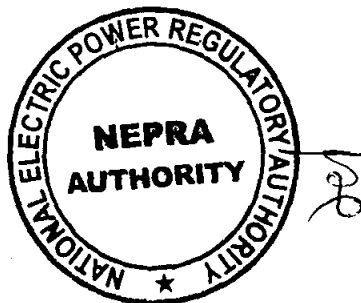
Plant	Net HHV Heat Rate (Btu/kWh) at RSC	Corresponding Efficiency
SGTPS	9264 ¹	36.83%

¹ Average of 7 year Heat Rate (FY 2017-23) corresponding to 50% loading (2 sections in CC mode)

Allowed:

Plant	Net HHV Heat Rate (Btu/kWh) at RSC		Corresponding Efficiency
SGTPS	100% loading	9077	37.59%
	75% loading	9095.92	37.512%

28. K-Electric has filed review motions against the above decisions and accordingly used heat rates for KGTPS and SGTPS as allowed in the MYT determination, which are on the lower side. Accordingly, for the purpose of calculation of instant adjustment request, the Authority has also considered the heat rates / Auxiliaries of KGTPS and SGTPS as allowed in the MYT determination. Here it is pertinent to mention that since K-Electric has filed review motions against the above mentioned decisions of the Authority, therefore, in case of any subsequent revision in the heat rates of KGTPS and SGTPS, on the basis of Review motion filed by K-Electric, the impact of the same would be adjusted in the subsequent tariff adjustments of K-Electric.



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29. For BQPS-I, K-Electric has also conducted the heat rate test, for which decision of the Authority is under process. Therefore, for the purpose of instant adjustments, heat rates of BQPS-I, as allowed in the MYT determination have been considered.

30. Regarding GIDC, K-Electric submitted that installment of GIDC arrears amounting to Rs.762 million per month in being billed by SSGC as per Supreme Court order dated 02.11.2020. However, NEPRA in its FCA decision for the month of June 2021 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. K-Electric accordingly stated that GIDC for the month of September 2021 will be claimed as per the final decision of the honorable SHC in the matter.

31. The generation reported by K-Electric in its adjustment requests have been checked from the plant wise generation statistics sheet; the units sent out have been worked out based on the Authority's allowed Auxiliaries. The units sent out so worked out are in agreement with the sent outs claimed by K-Electric in its adjustment requests.

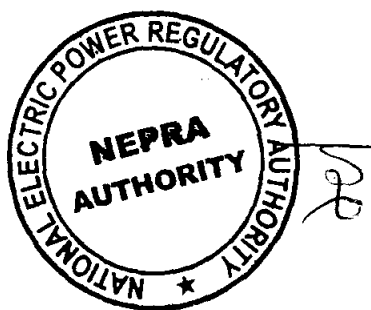
32. Similarly, the monthly rates of Gas and RLNG used by K-Electric in its adjustment request, are same as approved by OGRA and charged by SSGCL to K-Electric. The rate of FO used by KE for its own generation is around Rs.92,313/MT, which as per our working comes out as Rs.92,279/MT. The same has been used for the FCA of September 2021.

Power Purchase Price- Fuel Cost

33. While going through the data / information provided by K-Electric regarding fuel cost of energy purchased from external sources, the Authority's observations are as under;

34. The Authority observed that figure of LHV Calorific Value of 38,584.49 BTUs/Kg, as mentioned in the original decision of Gul Ahmed Energy Ltd. (GAEL) dated 03.06.2020, has been replaced with LHV Calorific Value of 38,826.19 BTUs/Kg vide decision dated 04.10.2021. Accordingly, for the purpose of instant FCA i.e. September 2021, LHV Calorific Value of 38,826.19 BTUs/Kg has been considered.

35. Here it is pertinent to mention that K-Electric has been asked to provide CV test reports for both Tapal and Gul Ahmed for each month from their fuel suppliers, third party and also from their own labs. Any adjustment in this regard, if required, would be made in the upcoming adjustments request of K-Electric.



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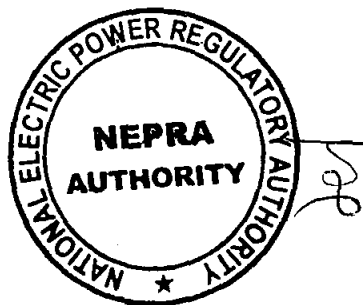
36. Regarding cost of energy purchased from CPPA-G during the month of September 2021, K-Electric has used the Authority's approved rate of XWDISCOs for the month of August 2021 instead of September 2021. K-Electric during the hearing submitted that at the time of submission of FCA request by K-Electric, the Authority's approved rate of XWDISCOs for the month of September 2021 was not available; K-Electric accordingly requested to consider the rate of September 2021, once it is approved by the Authority.

37. In view thereof, while working out the instant FCA of K-Electric, rate approved by the Authority for XWDISCOs for September 2021 has been incorporated for the energy purchased by K-Electric from CPPA-G during September 2021. This has resulted in increase in total fuel cost by around Rs.659.90 million.

38. The Authority vide decision dated 04.06.2021, based on the Heat Rate tests conducted for SNPC and SNPC-II, revised their net capacities and Heat Rates. The Authority revised the net capacity and Heat Rate of SNPC-I as 51.154 MW and 8194.25 Btu/kWh - net HHV equivalent to 41.90% efficiency. Similarly, net capacity and Heat Rate of SNPC-II have been revised as 51.526 MW and 8143.699 Btu/kWh - net HHV equivalent to 41.64% efficiency. The Authority afterwards vide decision dated 21.09.2021, granted interim relief to SNPC and SNPC-II, in relevant tariff components i.e. Fuel Cost components and Capacity charge components of generation tariff, on account of revision in heat rates and net capacities. As per the decision dated 21.09.2021, FCC of both SNPC and SNPC-II have been revised as Rs.4.0971/kWh and Rs.4.0718/kWh respectively, based on the revised heat rates and reference gas price of Rs.500/mmbtu.

39. K-Electric, however, in its instant FCA request of September 2021 has used FCC of SNPC as Rs.7.022/kWh & SNPC II as Rs.6.979/kWh, based on the revised heat rates as approved by the Authority vide decision dated 04.06.2021, but by taking into account the latest gas rates of Rs.857/mmbtu. Here it is also pertinent to mention that the Authority determines the FCC of SNPC and SNPC-II, as & when required, owing to change in gas prices. However, no revised FCC has yet been determined by the Authority based on revised heat rates with latest gas price of Rs.857/mmbtu. The Authority approved FCCs of Rs.6.6994/kWh vide decision dated 20.11.2020, both for SNPC and SNPC-II, based on gas price of Rs.857/mmbtu but with old heat rates i.e. heat rates prior to heat rate tests.

40. In view thereof, for the purpose of FCA of September 2021, the FCC of Rs.6.6994/kWh for both SNPC and SNPC-II as approved by the Authority vide decision dated 20.11.2020 has been considered. This has resulted in downward adjustment of around Rs.20 million in the



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FCA of September 2021, vis a vis the amount claimed by the K-Electric. Any adjustment in this regard would be adjusted subsequently, once the Authority approves the revised FCC of both SNPC and SNPC-II based on revised heat rates and revised gas prices.

41. Here it is pertinent to mention that while working out the FCA of K-Electric, the impact of positive monthly FCA not to be recovered from the life line consumers would be accounted for in the quarterly adjustments.

Issue: Whether K-electric has followed the merit order while giving dispatch to its power plants as well as power purchases from external sources?

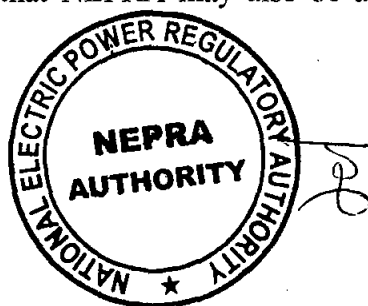
42. The Authority, during the hearing observed that prima facie, certain efficient power plants were not fully utilized and instead energy from inefficient sources was generated. The Authority observed that both KGTPS and SGTPS were not operated by K-Electric to their full capacities, and also less energy was withdrawn from efficient sources. Similarly KCCPP was also operated on HSD.

43. K-Electric during the hearing submitted that it has engaged the Ministry of Energy, Petroleum Division and Power Division, and a meeting has also been held with SSGC, wherein it has been suggested that legacy issues be set aside and going forward, the issues of gas pressure be resolved.

44. The Authority carried out an in-house analysis of the data provided by K-Electric for the month of September, 2021, to work out the financial impact due to deviation from EMO. The instances and events were shared with K-Electric for provision of clarification/justifications, and K-Electric was asked for the reasons in this regard.

45. During the analysis, the main reason for EMO violation was observed to be "Less Drawl from NTDC/Simultaneous Operation of Expensive Plants". It was observed the K-Electric had drawn lesser energy from NTDC during certain hours, without reducing generation from expensive plants connected to its network. Accordingly, the financial impact due to the EMO violation events w.r.t to lesser drawl from NTDC, wherein KE has failed to provide satisfactory response amounts to Rs.19.14 million.

46. Regarding the financial impact due to underutilization of efficient plants on account of lower gas pressure, a letter was issued to KE on September 16, 2021, whereby, it was directed to resolve its gas pressure/availability issues within thirty (30) days. In response, K-Electric has informed that it is in the process of resolving the lower gas pressure issue, however, there are certain meetings with stakeholders that will take place in due course of time. Furthermore, K-Electric also requested that NEPRA may also be a part of the meeting with stakeholders for



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resolution of its low gas pressure issue. The Authority has decided that K-Electric may be granted time till its meetings with stakeholders before the amount on account of lesser generation due to low gas pressure is withheld from its claim.

47. Accordingly, for the purpose of instant FCA of September 2021, an amount of Rs.19.14 million has been withheld from the claim of K-Electric.

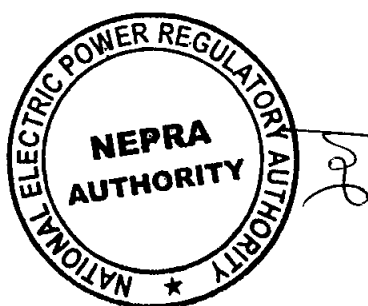
48. Regarding other technical issues, *inter alia*, System Operating Procedures, Generation capacity kept on standby mode by K-Electric and heat rates & auxiliaries etc., the Authority has decided that these issues would be dealt separately.

49. In view of the aforementioned discussion and after incorporating the above adjustments, the Authority has decided to allow the following positive FCA for the month of September 2021, to be recovered from the consumers in their monthly bills of December 2021;

Description	Unit	Ref.	Current	
		Jun-21	Sep-21	
Fuel Cost	Own Generation	Rs. Mln	14,543	18,767
	External Purchases	Rs. Mln	8,422	9,408
	Deviation from EMO		(184)	(19)
	Total	Rs. Mln	22,781	28,156
Total Units	Own Generation	GWh	960	903
	External Purchases	GWh	1,131	1,019
	Total	GWh	2,092	1,922
Fuel Cost Component (FCC)	Own Generation	Rs./kWh	6.9534	9.7641
	External Purchases	Rs./kWh	4.0267	4.8951
	Deviation from EMO	Rs./kWh	(0.0880)	(0.0100)
	Total	Rs./kWh	10.8921	14.6492
Fuel Charges Adjustment (FCA)	Own Generation	Rs./kWh		2.8107
	External Purchases	Rs./kWh		0.8684
	Deviation from EMO	Rs./kWh		0.0780
	Total	Rs./kWh		3.7571
Variation in Fuel Cost	Total	Rs. Mln		7,221

50. In the light of above, the Authority hereby directs K-Electric that the positive FCA of September 2021 as worked out above;

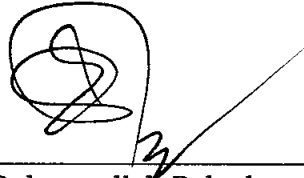
- a. Shall be applicable to all the consumer categories except lifeline consumers.
- b. Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
- c. K-Electric shall reflect the fuel charges adjustment in respect of September 2021, in the billing month of December 2021.



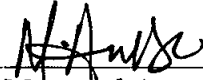
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- d. While effecting the Fuel Adjustment Charges, K-Electric shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

AUTHORITY



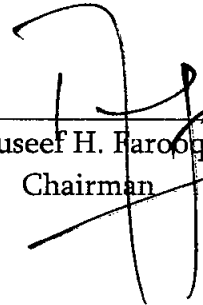
Rehmatullah Baloch
Member



Engr. Maqsood Anwar Khan
Member

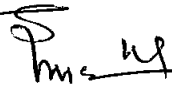


Rafique Ahmed Shaikh
Vice Chairman



Tauseef H. Farooqi
Chairman




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To Be Published in
Official Gazette of Pakistan Part-II

National Electric Power Regulatory Authority



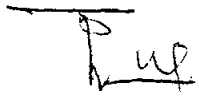
NOTIFICATION

Islamabad, the 6th day of December 2021

S.R.O. *1576* (I)/2021.- 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 and as per the mechanism for monthly, quarterly and annual adjustments provided in the Tariff Determination of K-Electric Ltd. dated July 05, 2018 duly notified in the official Gazette vide SRO No. 576(I)/2019 dated May 22, 2019, National Electric Power Regulatory Authority (NEPRA) makes and notifies the following adjustment in the approved tariff on account of variation in fuel charges for the month of September 2021 in respect of K-Electric Limited:

FCA to be calculated on the basis of billing for the Month of	Rs./kWh	Charged in Consumer Bills to be issued in the Month of
September 2021	3.7571	September 2021

2. The positive FCA of September 2021:
- Shall be applicable to all the consumer categories except lifeline consumers.
 - Shall be shown separately in the consumers' bills on the basis of units billed to the consumers in the respective month to which the adjustment pertains.
 - K-Electric shall reflect the fuel charges adjustment in respect of September 2021 in the billing month December 2021.
4. While effecting the Fuel Adjustment Charges, K-Electric Ltd. shall keep in view and strictly comply with the orders of the courts notwithstanding this order.

h. Hussain

06 12 21
(Syed Safeer Hussain)
Registrar

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