



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-342/CPHGCL-2016/ 26820-24


October 22, 2019

Chief Executive Officer
China Power Hub Generation Company (Pvt.) Ltd.
10th Floor, Ocean Tower,
Block 9, Main Clifton Road,
Karachi
Tele: 021 – 3530 3531

Subject: Decision of the Authority in the matter of Fuel Price Adjustment for China Power Hub Generation Company (Private) Limited (CPHGCL) [Case No. NEPRA/TRF-342/CPHGCL-2016]

Enclosed please find herewith the subject decision of the Authority along with Schedule of Fuel Cost Part of Energy Charge (Annex-I). Details of Shipment (Annex-II), Marine Freight Calculation (Annex-III) (04 pages) regarding the fuel price adjustment on account of **Coal** price variation for the month of **August 2019** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above


22 x 77

(Syed Safer 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. 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 PRICE ADJUSTMENT FOR CHINA
POWER HUB GENERATION COMPANY PRIVATE LIMITED**

1. Pursuant to the decision of the Authority dated February 12, 2016 in the matter of Approval of Upfront Coal Tariff for 2x660 MW coal power plant of China Power Hub Generation Private Limited (hereafter "CPHGCL"), decision dated September 23, 2016 regarding Suo Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal Tariff and decision dated July 28, 2017 regarding approval of cost of dedicated jetty along with coal transshipment services, the fuel portion of the energy charge part of CPHGCL's tariff needs to be adjusted for variation in coal price. CPHGCL requested weighted average coal price of US\$ 118.42/ton for coal consumed during the month of August 2019. CPHGCL requested fuel cost component of Rs. 6.6402/kWh for the month of August 2019 which was found on higher side.
2. In accordance with the prescribed mechanism, the revised coal price for each shipment has been worked out and attached as Annexure to this decision. The revised fuel cost component of energy charge part of CPHGCL's tariff for pre and post COD sale, indicated hereunder shall be immediately applicable to the units delivered during the month:


Period	Revised Fuel Cost Component Rs./kWh
August 2019	6.4107

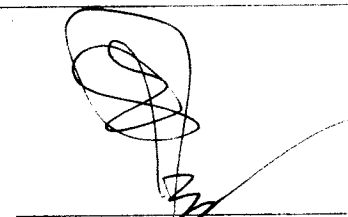
3. Coal transshipment cost has been worked out on the basis of indexed capacity fee for 91 days of pre-COD period, handling quantity of 500,000 tons of coal during pre-COD period, indexed bunker and O&M cost in accordance with the decision of the Authority in the matter of approval of Transshipment Cost.
4. The revised fuel cost component along with revised coal price and marine freight charges attached as **Annex-I, Annex-II & Annex-III** respectively are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. CPPA (G) to ensure that all payments are consistent with the tariff determinations.

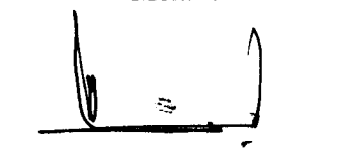
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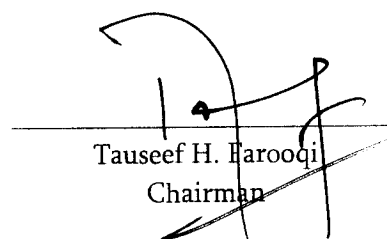

Saif Ullah Chattha
Member

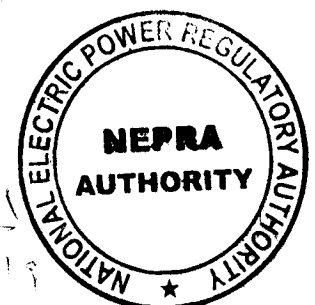
11.10.2019


Rafique Ahmed Shaikh
Member


Rehmatullah Baloch
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



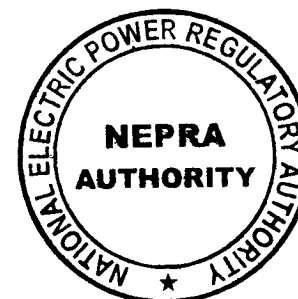
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China Power Hub Generation Company Private Limited
Schedule of Fuel Cost Part of Energy Charge
Adjustment on Account of Coal Price Variation for the Month of August 2019

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 4	20,657	5,402	114.08	15,217	133.39
Consumption from Shipment No. 5	55,561	5,468	115.96	16,088	138.74
Consumption from Shipment No. 6	59,397	5,401	112.74	15,641	138.74
Consumption from Shipment No. 7	36,192	5,465	114.91	15,984	139.10
Total Consumption	171,806	5,436	114.40	15,807	138.17

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	15,105	15,807
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,499	5,436
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	21,819	21,572
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component for August 2019	Rs./kWh	4.2913	6.0566	6.4107

Note: The above adjustment of fuel cost component on coal shall be subject to verification by a consultant/Independent third party to be appointed for the purpose by the Authority. In case the verified delivered coal price is different, the fuel cost component shall be revised accordingly.



China Power Hub Generation Company Private Limited
Detail of Shipmnet
For the month of August 2019

Shipment Number		5	6	7
Vessel Name		MV YASA GULTEN	MV ULTRA ALPHA	MV AP ASTAREA
Bill of Lading (B/L) Date		6-Dec-18	10-Dec-18	11-Jan-19
L/C Number		1015LCS1821147	1015LCS1821162	1015LCS1821046
Origin of Coal		South Africa	South Africa	South Africa
API-4 Index for the month of B/L Date	US\$/Ton	95.84	95.84	91.13
Base Calorific Value	kCal/Kg	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,468	5,401	5,465
Quantity	MT	54,408	59,357	54,792
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	87.34	86.27	83.00
Marine Freight Charges	US\$/Ton	14.92	13.01	11.90
Marine Insurance	US\$/Ton	0.04	0.04	0.04
CIF Coal Price	US\$/Ton	102.30	99.32	94.94
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CIF Coal Price with losses at Karachi	US\$/Ton	102.30	99.32	94.94
Other Charges:	US\$/Ton	13.66	13.42	19.29
(i) CTS Chargs/Port Handling Charges	US\$/Ton	6.33	6.33	4.03
(ii) Port Qasim Royalty Charge	US\$/Ton	-	-	2.27
(iii) Customs Duties & Cess	US\$/Ton	6.35	6.11	5.98
(iv) L/C Charges	US\$/Ton	0.06	0.10	0.001
(v) PDA Charges at Load Port	US\$/Ton	0.55	0.47	0.48
(vi) PDA Charges at Discharge Port	US\$/Ton	0.22	0.26	0.59
(vii) Custom Clearance	US\$/Ton	0.04	0.04	0.04
(viii) Transportation & Loading charges	US\$/Ton	-	-	5.79
(ix) Draft Survey, Sampling & Analysis Charges	US\$/Ton	0.11	0.11	0.11
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	115.96	112.74	114.23
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	0.68
Delivered Coal Price with losses at Power Plant	US\$/Ton	115.96	112.74	114.91
Exchange Rate	Rs./US\$	138.74	138.74	139.10
Delivered Coal Price with losses at Power Plant	Rs./Ton	16,088.13	15,641.14	15,983.52



China Power Hub Generation Company Private Limited
Marine Freight Calculation
For the month of August 2019

Description		Ship # 5	Ship # 6	Ship # 7
		MV YASA GULTEN	MV ULTRA ALPHA	MV AP ASTAREA
		CPHGC - CTS	CPHGC - CTS	CPHGC - PBIT
Delivery Days:				
Voyage	Days	27.04	27.04	27.04
At Port	Days	5.08	5.45	4.65
Total Delivery Days	Days	32.12	32.49	31.69
Average Time Charter Rate	US\$/Day	11,755	10,993	11,291
Time Charter Cost	US\$	377,542	357,161	357,803
Bunker Consumption:				
Bunker during Voyage	Ton	878.72	878.72	878.72
Bunker during Port Days	Ton	25.40	27.26	23.26
Total	Ton	904.12	905.98	901.98
Bunker Price	US\$/Ton	494.60	458.05	356.05
Bunker Cost	US\$	447,179	414,983	321,151
Total Voyage Expense	US\$	824,720	772,144	678,953
Quantity	Tons	54,408	59,357	54,792
Marine Freight	US\$/Ton	15.16	13.01	12.39
Reduction	US\$/Ton	(0.24)	-	(0.49)
Actual Marine Freight as per Invoice	US\$/Ton	14.92	13.01	11.90
*PDA Charges both at Load and Discharge Ports have been included in Other Charges.				
**Actual marine freight for Shipment # 6 as per invoice is US\$ 14.57/ton.				

