



# 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.nepa.org.pk, E-mail: registrar@nepa.org.pk

## Registrar

No. NEPRA/TRF-342/CPHGCL-2016/22210-1/4

November 1, 2019

Chief Executive Officer  
China Power Hub Generation Company (Pvt.) Ltd.  
10<sup>th</sup> 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 **September 2019** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above

  
( 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. 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**

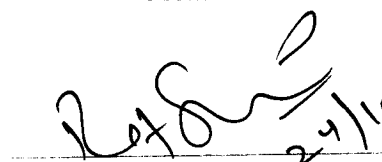
1. Pursuant to the decision of the Authority dated February 12, 2016 in the matter of Approval of Upfront Coal Tariff for 2x660 MW coal power plant of China Power Hub Generation Private Limited (hereafter "CPHGCL"), decision dated September 23, 2016 regarding Suo Moto Review Proceedings in the Fuel Price 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\$ 109.60/ton for coal consumed during the month of September 2019. CPHGCL requested fuel cost component of Rs. 6.1663/kWh for the month of September 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 indicated hereunder shall be immediately applicable to the units delivered during the month:


Period	Revised Fuel Cost Component Rs./kWh
September 2019	5.9650

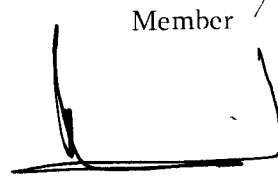
3. Coal transshipment cost has been worked out on the basis of indexed capacity fee for 91 days of pre-COD period, handling quantity of 500,000 tons of coal during pre-COD period, indexed bunker and O&M cost in accordance with the decision of the Authority in the matter of approval of Transshipment Cost.
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.

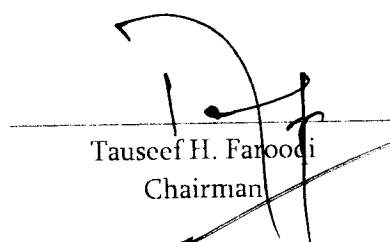
**AUTHORITY**

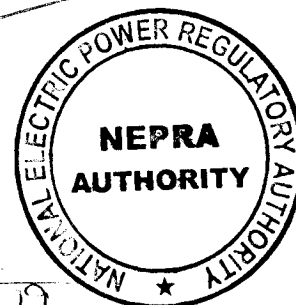
  
Saif Ullah Chattha 22.10.2019  
Member

  
Rafique Ahmed Shaikh 24/10/19  
Member

  
Rehmatullah Baloch 22/10/19  
Member

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooqi  
Chairman



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 September 2019

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Shipment No. 7	18,276	5,465	109.08	15,174	139.10
Consumption from Shipment No. 8	60,157	5,395	113.58	15,798	139.10
Consumption from Shipment No. 9	50,071	5,516	102.10	14,186	138.95
Consumption from Shipment No. 10	34,707	5,451	97.32	13,523	138.95
<b>Total Consumption</b>	<b>163,210</b>	<b>5,452</b>	<b>106.10</b>	<b>14,750</b>	<b>139.02</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	15,807	14,750
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,436	5,452
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	21,572	21,634
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component for September 2019</b>	<b>Rs./kWh</b>	<b>4.2913</b>	<b>6.4107</b>	<b>5.9650</b>

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.

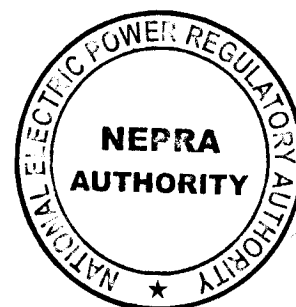


## China Power Hub Generation Company Private Limited

## Detail of Shipmnet

For the month of September 2019

Shipment Number		8	9	10
Vessel Name		MV KOMI	MV IVS NORTH BERWICK	MV NAUTICAL LUCIA
Bill of Lading (B/L) Date		20-Jan-19	21-Feb-19	14-Feb-19
I/C Number		415010488287-A	10151.CS1921595	10151.CS1921620
Origin of Coal		South Africa	South Africa	South Africa
API 4 Index for the month of B/L Date	US\$/Ton	91.13	82.26	82.26
Base Calorific Value	kCal/Kg	6,000	6,000	6,000
Actual Calorific Value	kCal/Kg	5,395	5,516	5,451
Quantity	MT	60,500	50,331	59,949
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	81.94	75.62	74.73
Marine Freight Charges	US\$/Ton	11.59	13.24	9.57
Marine Insurance	US\$/Ton	0.03	0.03	0.03
CFR Coal Price	US\$/Ton	93.56	88.89	84.33
Handling Loss 1% or actual whichever is minimum	US\$/Ton	-	-	-
CFR Coal Price with losses at Karachi	US\$/Ton	93.56	88.89	84.33
Other Charges:	US\$/Ton	19.38	12.91	12.31
(i) CIS Charges/Port Handling Charges	US\$/Ton	4.08	6.38	6.38
(ii) Port Qasim Royalty Charge	US\$/Ton	2.27	-	-
(iii) Customs Duties & Cess	US\$/Ton	5.80	5.54	5.17
(iv) I/C Charges	US\$/Ton	-	0.06	0.06
(v) PDA Charges at Load Port	US\$/Ton	0.80	0.58	0.40
(vi) PDA Charges at Discharge Port	US\$/Ton	0.56	0.14	0.11
(vii) Pilotage Charges	US\$/Ton	-	0.06	0.04
(viii) Transportation and Loading Charges	US\$/Ton	5.73	-	-
(vii) Custom Clearance	US\$/Ton	0.03	0.04	0.04
(viii) Draft Survey, Sampling & Analysis Charges	US\$/Ton	0.11	0.11	0.11
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	112.94	101.80	96.64
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.64	0.30	0.68
Delivered Coal Price with losses at Power Plant	US\$/Ton	113.58	102.10	97.32
Exchange Rate	Rs./US\$	139.10	138.95	138.95
Delivered Coal Price with losses at Power Plant	Rs./Ton	15,798.49	14,186.37	13,522.87

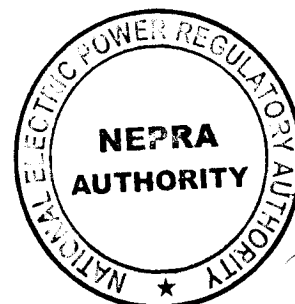


## China Power Hub Generation Company Private Limited

## Marine Freight Calculation

For the month of September 2019

Description		Ship # 8	Ship # 9	Ship # 10
		MV KOMI	MV IVS NORTH BERWICK	MV NAUTICAL LUCIA
		CPHGC - PBIT	CPHGC - CTS	CPHGC - CTS
Delivery Days:				
Voyage	Days	27.04	27.04	27.04
At Port	Days	5.03	4.77	5.50
Total Delivery Days	Days	32.07	31.81	32.53
Average Time Charter Rate	US\$/Day	11,245	10,853	6,783
Time Charter Cost	US\$	360,630	345,246	220,669
Bunker Consumption:				
Bunker during Voyage	Ton	878.72	878.72	878.72
Bunker during Port Days	Ton	25.17	23.87	27.48
Total	Ton	903.89	902.59	906.20
Bunker Price	US\$/Ton	383.20	355.60	389.41
Bunker Cost	US\$	346,369	320,962	352,883
Total Voyage Expense	US\$	706,999	666,208	573,553
Quantity	Tons	60,500	50,331	59,949
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>11.69</b>	<b>13.24</b>	<b>9.57</b>
Reduction as per requested cost	US\$/Ton	(0.10)		
<b>Marine Freight</b>	<b>US\$/Ton</b>	<b>11.59</b>	<b>13.24</b>	<b>9.57</b>
*PDA Charges both at Load and Discharge Ports have been included in Other Charges.				



Signature  
Initials