



# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/SA(Tariff)/TRF-342/CPHGCL-2016/94533-37 August 27, 2020

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) and Coal Transshipment Services Charges Calculation (05 pages) regarding the fuel price adjustment on account of Coal price variation for the month of **August 2020** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above

  
27 08 20  
( 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, Blue Area, Islamabad

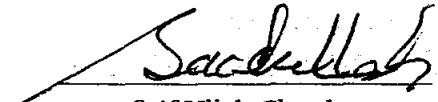
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR CHINA  
POWER HUB GENERATION COMPANY PRIVATE LIMITED**

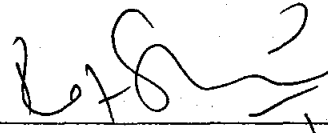
1. Pursuant to the decision of the Authority dated February 12, 2016 in the matter of Approval of Upfront Coal Tariff for 2x660 MW coal power plant of China Power Hub Generation Private Limited (hereafter "CPHGCL") and decision dated September 23, 2016 regarding Suo Moto Review Proceedings in the Fuel Price Adjustment Mechanism determined in Upfront Coal Tariff 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\$ 92.21/ton for coal consumed during the month of August 2020. CPHGCL requested fuel cost component of Rs. 5.7364/kWh for the month of August 2020 which was found on higher side.
2. In accordance with the prescribed mechanism, the revised coal price for the 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:

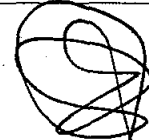
Period	Revised Fuel Cost Component Rs./kWh
August 2020	5.7262

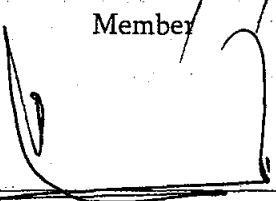
3. The variable coal transshipment services (CTS) charges have been worked out in accordance with the decision of the Authority dated July 28, 2017.
4. The revised fuel cost component along with revised coal price, marine freight charges and variable CTS charges attached as **Annex-I, Annex-II, Annex-III & Annex-IV** 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.

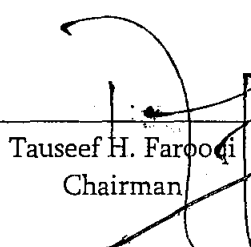
**AUTHORITY**

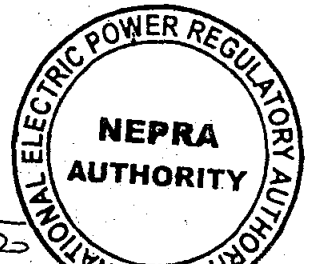
  
Saif Ullah Chattha  
Member 21.8.2020

  
Engr. Rafique Ahmed Shaikh  
Member 21/8/20

  
Rehmatullah Baloch  
Member 21/8/2020

  
Engr. Bahadur Shah  
Member

  
Tauseef H. Farooqi  
Chairman

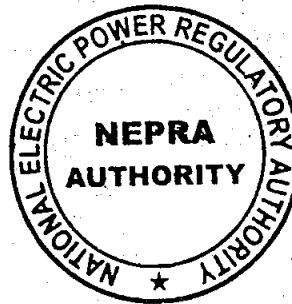


**China Power Hub Generation Company Private Limited**  
**Schedule of Fuel Cost Part of Energy Charge**  
**Adjustment on Account of Coal Price Variation for the Month of August 2020**

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. 31	32,415	5,674	101.32	15,724	155.19
Consumption from Shipment No. 32	161,495	5,420	90.88	14,068	154.81
Consumption from Shipment No. 33	80,798	5,551	90.67	14,037	154.81
<b>Total Consumption</b>	<b>274,709</b>	<b>5,489</b>	<b>92.05</b>	<b>14,255</b>	<b>154.85</b>

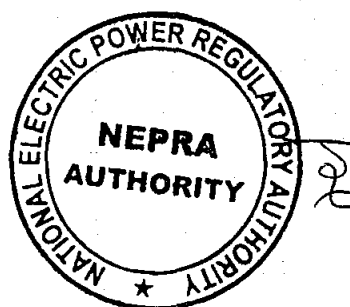
Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	15,538	14,255
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,593	5,489
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	22,193	21,780
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component for August 2020</b>	<b>Rs./kWh</b>	<b>4.2913</b>	<b>6.1258</b>	<b>5.7262</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.



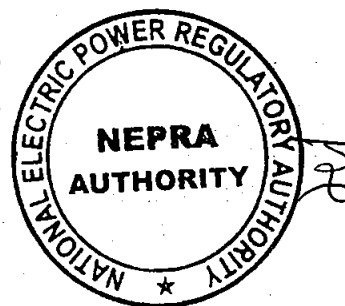
**China Power Hub Generation Company Private Limited**  
**Detail of Shipmnet**  
**For the month of August 2020**

Shipment Number		32	33
Vessel Name		MV CHS COSMOS	MV PACIFIC SUCCESS
Bill of Lading (B/L) Date		12-Feb-20	28-Feb-20
L/C Number		LC28801C000046	LC28801C000069
Origin of Coal		South Africa	South Africa
API-4 Index for the month of B/L Date	US\$/Ton	82.53	82.53
Base Calorific Value	kCal/Kg	6,000	6,000
Actual Calorific Value	kCal/Kg	5,420	5,551
Quantity	MT	162,113	165,000
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	74.55	76.35
Marine Freight Charges	US\$/Ton	8.95	7.12
Marine Insurance	US\$/Ton	0.02	0.02
CIF Coal Price	US\$/Ton	83.51	83.49
Other Charges:	US\$/Ton	7.04	6.95
(i) CTS Charges/Port Handling Charges	US\$/Ton	1.28	1.25
(ii) Customs Duties & Cess	US\$/Ton	5.29	5.21
(iii) L/C Charges	US\$/Ton	0.10	0.09
(iv) PDA Charges at Load Port	US\$/Ton	0.29	0.32
(v) PDA Charges at Discharge Port	US\$/Ton	0.04	0.04
(vi) Pilotage Charges	US\$/Ton	0.03	0.03
(vii) Custom Clearance	US\$/Ton	0.01	0.01
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	90.56	90.44
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.32	0.23
Delivered Coal Price with losses at Power Plant	US\$/Ton	90.88	90.67
Exchange Rate	Rs./US\$	154.81	154.81
Delivered Coal Price with losses at Power Plant	Rs./Ton	14,068	14,037



**China Power Hub Generation Company Private Limited**  
**Marine Freight Calculation**  
**For the month of August 2020**

Description		Ship # 32	Ship # 33
		MV CHS COSMOS	MV PACIFIC SUCCESS
		CPHGC - CTS	CPHGC - CTS
Delivery Days:			
Voyage	Days	40.17	40.17
At Port	Days	11.25	11.43
Total Delivery Days	Days	51.42	51.60
Average Time Charter Rate	US\$/Day	6,115	3,646
Time Charter Cost	US\$	314,449	188,140
Bunker Consumption:			
Bunker during Voyage	Ton	1,727.48	1,727.48
Bunker during Port Days	Ton	61.86	62.84
Total	Ton	1,789.34	1,790.32
Bunker Price	US\$/Ton	635	551
Bunker Cost	US\$	1,135,873	986,466
Total Voyage Expense	US\$	1,450,323	1,174,606
Quantity	Tons	162,113	165,000
Marine Freight	US\$/Ton	8.95	7.12



China Power Hub Generation Company Private Limited  
Coal Transshipment Services Charges Calculation

Description	Reference	Shipment 32	Shipment 33
		Handling Month	Handling Month
		March 2020	April 2020
O&M Cost (USD/ton)	0.43	0.37	0.37
Bunker Cost (USD/ton)	0.79	0.91	0.77
Total CTS cost during Pre-COD Phase	1.22	1.28	1.14
<b>Index Value:</b>			
CPI Local for O&M	207.3	263.59	263.59
Light Diesel Oil (Rs./Ltr.) for Bunker	43.35	74.12	62.51
Exchange Rate (Rs./USD)	104.7	154.81	154.81

