



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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**Registrar**

No. NEPRA/R/TRF-342/CPHGCL-2016/170-74

February 24, 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) (04 pages) regarding the fuel price adjustment on account of Coal price variation for the month of **January 2020** 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, 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"), 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\$ 82.10/ton for coal consumed during the month of January 2020. CPHGCL requested fuel cost component of Rs. 5.1490/kWh for the month of January 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:

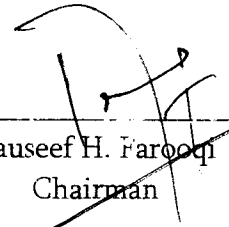
Period	Revised Fuel Cost Component Rs./kWh
January 2020	5.1328


3. Coal transshipment cost has 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 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.

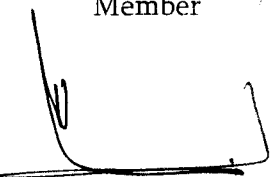
**AUTHORITY**

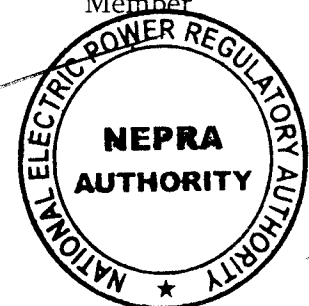
  
Saif Ullah Chattha 12.2.2020  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Tauseef H. Farooqi  
Chairman

  
3/3/2020  
Rehmatullah Baloch  
Member

  
Engr. Bahadur Shah  
Member



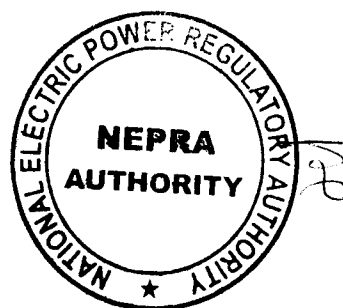
12/2/20  
24/2/20

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 January 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. 22	27,077	5,466	81.45	12,747	156.50
Consumption from Shipment No. 23	118,394	5,510	81.93	12,823	156.50
<b>Total Consumption</b>	<b>145,471</b>	<b>5,502</b>	<b>81.84</b>	<b>12,809</b>	<b>156.50</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	12,375	12,809
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,481	5,502
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	21,749	21,833
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component for January 2020</b>	<b>Rs./kWh</b>	<b>4.2913</b>	<b>4.9782</b>	<b>5.1328</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.

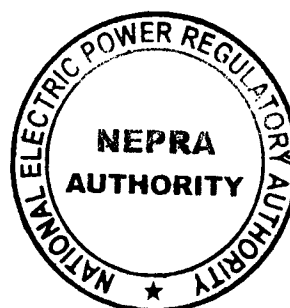


## China Power Hub Generation Company Private Limited

## Detail of Shipmnet

For the month of January 2020

Shipment Number		23
Vessel Name		MV ASL MARS
Bill of Lading (B/L) Date		21-Oct-19
L/C Number		LC28801B900157
Origin of Coal		South Africa
API-4 Index for the month of B/L Date	US\$/Ton	67.61
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,510
Quantity	MT	161,979
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	62.09
Marine Freight Charges	US\$/Ton	13.06
Marine Insurance	US\$/Ton	0.02
CIF Coal Price	US\$/Ton	75.16
Other Charges:	US\$/Ton	6.51
(i) CTS Charges/Port Handling Charges	US\$/Ton	1.36
(ii) Customs Duties & Cess	US\$/Ton	4.58
(iii) L/C Charges	US\$/Ton	0.08
(iv) PDA Charges at Load Port	US\$/Ton	0.33
(v) PDA Charges at Discharge Port	US\$/Ton	0.04
(vi) Pilotage Charges	US\$/Ton	0.03
(vii) Custom Clearance	US\$/Ton	0.01
(viii) Draft Survey, Sampling & Analysis Charges	US\$/Ton	0.10
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	81.68
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.26
Delivered Coal Price with losses at Power Plant	US\$/Ton	81.93
Exchange Rate	Rs./US\$	156.50
Delivered Coal Price with losses at Power Plant	Rs./Ton	12,823

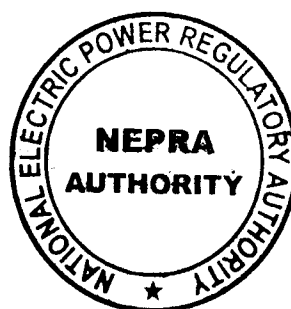


## China Power Hub Generation Company Private Limited

## Marine Freight Calculation

For the month of January 2020

Description		Ship # 23
		MV ASL MARS
		CPHGC - CTS
Delivery Days:		
Voyage	Days	40.17
At Port	Days	11.24
Total Delivery Days	Days	51.41
Average Time Charter Rate	US\$/Day	25,977
Time Charter Cost	US\$	1,335,538
Bunker Consumption:		
Bunker during Voyage	Ton	1,727.48
Bunker during Port Days	Ton	61.81
Total	Ton	1,789.29
Bunker Price	US\$/Ton	435.55
Bunker Cost	US\$	779,327
Total Voyage Expense	US\$	2,114,865
Quantity	Tons	161,979
Marine Freight	US\$/Ton	13.06



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