



# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/Dir(Tariff)/TRF-342/CPHGCL-2016/ 4465-69

December 10, 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 (Annex-IV) (05 pages) regarding the fuel price adjustment on account of Coal price variation for the month of **November 2020** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above

  
( Syed Safeer Hussain ) 101220

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

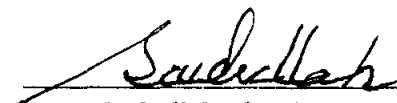
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR CHINA  
POWER HUB GENERATION COMPANY PRIVATE LIMITED**


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\$ 70.80/ton for coal consumed during the month of November 2020. CPHGCL requested fuel cost component of Rs. 4.6449/kWh for the month of November 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:

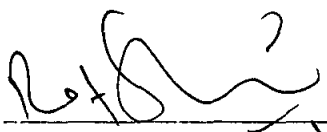
Period	Reference Fuel Cost Component Rs./kWh	Revised Fuel Cost Component Rs./kWh
November 2020	4.2913	4.6387


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**

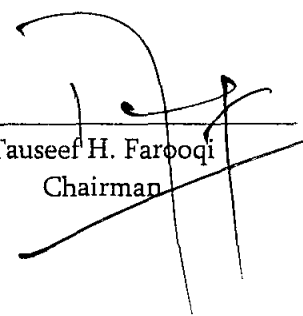
  
Saif Ullah Chattha  
Member  
20.11.2020

  
Rehmatullah Baloch  
Member  
23/11/2020

  
Engr. Rafique Ahmed Shaikh  
Member  
24/11/20

  
Engr. Bahadur Shah  
Member



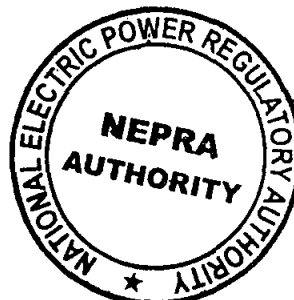
  
Tauseef H. Farooqi  
Chairman  
10.12.20

**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 November 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. 38	36,829	5,550	81.40	13,706	168.37
Consumption from Shipment No. 39	159,706	5,575	68.63	11,426	166.48
Consumption from Shipment No. 40	51,542	5,733	69.39	11,552	166.48
<b>Total Consumption</b>	<b>248,077</b>	<b>5,604</b>	<b>70.68</b>	<b>11,791</b>	<b>166.76</b>

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	11,998	11,791
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,477	5,604
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	21,735	22,239
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component for November 2020</b>	<b>Rs./kWh</b>	<b>4.2913</b>	<b>4.8298</b>	<b>4.6387</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.

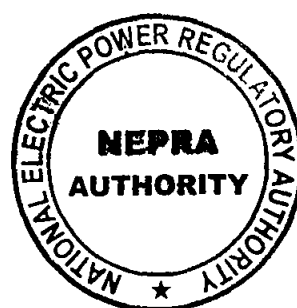


## China Power Hub Generation Company Private Limited

## Detail of Shipmnet

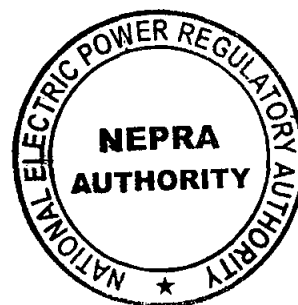
For the month of November 2020

Shipment Number		39	40
Vessel Name		MV BELGRAVIA	MV XIN WANG HAI
Bill of Lading (B/L) Date		10-Sep-20	24-Sep-20
L/C Number		LC28801C000173	LC28801C000184
Origin of Coal		South Africa	South Africa
API-4 Index for the month of B/L Date	US\$/Ton	57.03	57.03
Base Calorific Value	kCal/Kg	6,000	6,000
Actual Calorific Value	kCal/Kg	5,575	5,733
Quantity	MT	160,521	162,545
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	52.99	54.49
Marine Freight Charges	US\$/Ton	9.93	9.23
Marine Insurance	US\$/Ton	0.01	0.01
CIF Coal Price	US\$/Ton	62.93	63.73
Other Charges:	US\$/Ton	5.37	5.32
(i) CTS Charges/Port Handling Charges	US\$/Ton	1.06	1.06
(ii) Customs Duties & Cess	US\$/Ton	3.84	3.84
(iii) L/C Charges	US\$/Ton	0.07	0.07
(iv) PDA Charges at Load Port	US\$/Ton	0.31	0.27
(v) PDA Charges at Discharge Port	US\$/Ton	0.04	0.04
(vi) Pilotage Charges	US\$/Ton	0.04	0.02
(viii) Custom Clearance	US\$/Ton	0.01	0.01
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	68.30	69.05
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.33	0.34
Delivered Coal Price with losses at Power Plant	US\$/Ton	68.63	69.39
Exchange Rate	Rs./US\$	166.48	166.48
Delivered Coal Price with losses at Power Plant	Rs./Ton	11,426	11,552



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

Description		Ship # 39	Ship # 40
		MV BELGRAVIA	MV XIN WANG HAI
		CPHGC - CTS	CPHGC - CTS
Delivery Days:			
Voyage	Days	40.17	40.17
At Port	Days	11.15	11.27
Total Delivery Days	Days	51.32	51.45
Average Time Charter Rate	US\$/Day	19,110	17,415
Time Charter Cost	US\$	980,768	895,970
Bunker Consumption:			
Bunker during Voyage	Ton	1,727.48	1,727.48
Bunker during Port Days	Ton	61.32	62.00
Total	Ton	1,788.80	1,789.49
Bunker Price	US\$/Ton	343	338
Bunker Cost	US\$	612,843	604,131
Total Voyage Expense	US\$	1,593,611	1,500,101
Quantity	Tons	160,521	162,545
Marine Freight	US\$/Ton	9.93	9.23



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

Description	Reference	Handling Month	
		September 2020	October 2020
O&M Cost (USD/ton)	0.43	0.34	0.34
Bunker Cost (USD/ton)	0.79	0.72	0.72
<b>Total CTS cost during Pre-COD Phase</b>	<b>1.22</b>	<b>1.06</b>	<b>1.06</b>
<b>Index Value:</b>			
CPI Local for O&M	207.3	263.59	263.59
Light Diesel Oil (Rs./Ltr.) for Bunker	43.35	62.86	62.86
Exchange Rate (Rs./USD)	104.7	166.48	166.48

