



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2015/32742-32744

July 26, 2021

Subject: Decision of the Authority in the Matter of Quarterly Indexation/Adjustment of Tariff for China Power Hub Generation Company Private Limited (Case No. NEPRA/TRF-342/CPHGCL-2015)

Dear Sir,

Please find enclosed herewith the decision of the Authority along with revised tariff components (Annex-I) (02 pages) regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for the quarter July – September 2021 on account of US CPI, US ECI, CPI (Local), KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) variation in Case No. NEPRA/TRF-342/CPHGCL-2015.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The revised Tariff Components attached as Annex-I are to be notified in the official Gazette.

Enclosure: As above


26 07 21
(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
Government of Pakistan
'A' Block, Pak Secretariat
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR CHINA POWER HUB GENERATION COMPANY PVT LTD**

Pursuant to the decision of the Authority dated February 12, 2016 in the matter of application of China Power Hub Generation Company Private Limited (hereafter "CPHGCL") for unconditional acceptance of upfront coal tariff for 2x660 MW coal power plant, decision of the Authority dated July 28, 2017 in the matter of application by CPHGCL for approval of cost of dedicated jetty along with Coal Transshipment Service and decision of the Authority dated November 7, 2018 regarding ash disposal & limestone, the relevant tariff components in respect of Jul-Sep 2021 quarter have been revised on account of US CPI, US ECI, CPI Local, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation. Ash Disposal and Limestone components of tariff are subject to adjustment at the time of COD, therefore, there is no change in the ash disposal and limestone components and shall be revised after COD adjustment. The revised tariff indicated hereunder shall be immediately applicable:

Tariff Components	Reference Tariff	Revised Jul-Sep 2021 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.2642
Fixed O&M - Local	0.1435	0.1984
Fixed O&M - Jetty	0.0254	0.0334
Cost of Working Capital	0.2276	0.2260
Insurance	0.1021	0.1021
Fixed CTS Component	0.1732	0.3083
Return on Equity	1.1872	1.9355
Debt Repayment	1.0921	1.8195
Interest Charge	0.5771	0.8234
Total	3.6717	5.7108
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.1259
Variable O&M - Local	0.0456	0.0631
Variable O&M - Jetty	0.0074	0.0102
Ash Disposal	0.2200	0.2200
Limestone	0.0900	0.0900
Total	0.4314	0.5092

Indexation allowed to CPHGCL is purely on provisional basis till finalization of its COD tariff by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority.

The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

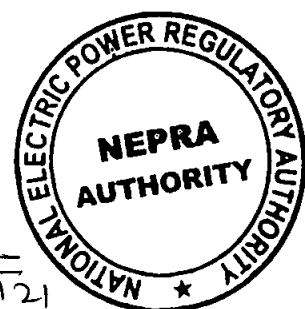
AUTHORITY

Rehmatullah Baloch
Member

Engr. Rafique Ahmed Shaikh
Member

Engr. Maqsood Anwar Khan
Member

Tauseef H. Farooqi
Chairman



26/07/21

China Power Hub Generation Company (Pvt.) Ltd.
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Tariff	Revised Jul-Sep 2021 Quarter
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Total	0.4314	0.5092
Indexation Values		
Exchange Rate (Rs./USD)	97.10	158.300
US CPI (All Urban Consumers)	238.34	269.195
CPI (General) - Local	194.74	269.270
3 Monthly KIBOR	11.91%	7.45%
3 Monthly LIBOR	0.450%	0.146%
Coal Price (Rs./MT)	12,532	15,504.55
Coal Calorific Value (BTU/Kg)	25,556	21,812.81
Fixed CTS Charges (USD/day)	52,000	56,778
US ECI (Seasonally Adjusted)	133.20	148.500
Principal Outstanding (USD. Million)	-	600.390
Hours in the quarter	-	2,208

* For the purpose of indexation of Local O&M components for Jul-Sep 2021 quarter, CPI for May 2021 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. As per relevant provision of the PPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&M components is being made on provisional basis, subject to revision upon decision of new reference index value by the Authority.

** The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.

