



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2015/5625-29

April 22, 2022

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for China Power Hub Generation Company Private Limited for April-June 2022 Quarter (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 April-June 2022 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 sent to the Federal Government for intimation and action, if any, by the Federal Government under Proviso (ii) of Section 31(7) of NEPRA Act, before its notification by NEPRA pursuant to the said Proviso of Section 31(7) of NEPRA Act, 1997.

Enclosure: As above


(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.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, China Power Hub Generation Company Ltd.
10th Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi
[Tele: 021 – 3530 3531]



**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR CHINA POWER HUB GENERATION COMPANY PRIVATE
LIMITED FOR APRIL TO JUNE 2022 QUARTER**

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 April to June 2022 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:

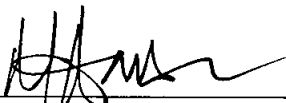
Tariff Components	Reference Tariff	Revised April to June 2022 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.3223
Fixed O&M - Local	0.1435	0.1984
Fixed O&M - Jetty	0.0254	0.0367
Cost of Working Capital	0.2276	0.6941
Insurance	0.1021	0.1021
Fixed CTS Component	0.1732	0.3651
Return on Equity	1.1872	2.2399
Debt Repayment	1.1472	2.2090
Interest Charge	0.5220	1.0441
Total	3.6717	7.2117
Energy Purchase Price (Rs./KWh)		
Variable O&M – Foreign	0.0684	0.1536
Variable O&M – Local	0.0456	0.0631
Variable O&M – Jetty	0.0074	0.0113
Ash Disposal	0.2200	0.2200
Limestone	0.0900	0.0900
Total	0.4314	0.5380


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.

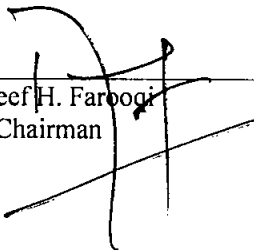
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member




Tauseef H. Farooqi
Chairman

220422

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

Tariff Components	Reference Tariff	Revised April to June 2022 Quarter
Capacity Charge (Rs./KWh)		
Fixed O&M - Foreign	0.1435	0.3223
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Ash Disposal	0.2200	0.2200
Limestone	0.0900	0.0900
Total	0.4314	0.5380
Indexation Values		
Exchange Rate (Rs./USD)	97.10	183.200
US CPI (All Urban Consumers)	238.34	283.716
CPI (General) - Local	194.74	269.270
3 Monthly KIBOR	11.91%	11.95%
3 Monthly LIBOR	0.450%	0.962%
Coal Price (Rs./MT)	12,532	33,042.72
Coal Calorific Value (BTU/Kg)	25,556	22,354.80
Fixed CTS Charges (USD/day)	52,000	58,090
US ECI (Seasonally Adjusted)	133.20	152.700
Principal Outstanding (USD. Million)	-	553.590
Hours in the quarter	-	2,184

* For the purpose of indexation of Local O&M components for Apr-Jun 2022 quarter, CPI for Feb 2022 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.

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