



National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

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Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2016/ 33832-36 September 22, 2023

Chief Executive Officer
China Power Hub Generation Company (Pvt.) Ltd.
10th 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 the month of August 2023 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 at **Annex-I**, Details of Spot Coal Purchases at **Annex-II**, Details of Spot Coal Purchases at **Annex-III** and Marine Freight Calculation at **Annex-IV** (total 06 Pages) regarding the fuel price adjustment on account of **Coal** price variation for the month of **August 2023** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Copy to: (alongwith copy of subject Decision):

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

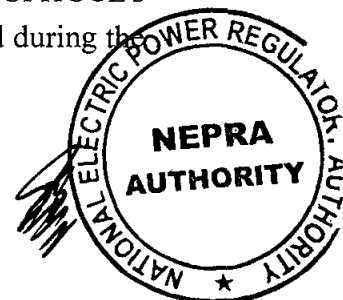
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE
ADJUSTMENT FOR THE MONTH OF AUGUST 2023 FOR CHINA POWER
HUB GENERATION COMPANY PRIVATE LIMITED.**

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 matter of 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 Rs. 64,261/Ton for coal consumed during the month of August 2023. CPHGCL requested fuel cost component of Rs. 23.3597/kWh for the month of August 2023.
2. The NEPRA Appellate Tribunal vide its Order dated September 07, 2023 awarded interim relief to CPHGCL and granted stay order on application of price differentials w.e.f. August 2023 onwards subject to submission of an undertaking by CPHGCL. The Order of the Tribunal is reproduced hereunder:

"Respondents are directed to submit reply of this petition within 07-days positively. Meanwhile as ad interim relief, on submission of undertaking by the appellant, to the satisfaction of Registrar NEPRA, Islamabad within 07-days from today to the effect that in case the appeal fails, the authority may recover the "Coal Price Differential" (recovery whereof stayed by this order) from the future invoices, as per law/rules/judgment, Respondent No. 02 will not deduct "Coal Price Differential" w.e.f August and September 2023 and onward invoices, till further orders or till final decision of appeal, whichever is earlier."

3. CPHGCL submitted the required undertaking through its legal counsel vide letter No. LLC/2023/NEPRA/12 dated September 08, 2023. Accordingly, price differentials have not been applied in the instant adjustment.
4. In accordance with the prescribed mechanism and on the basis of information and documents submitted by CPHGCL, the revised coal price has been worked out and attached as annex to this decision. The revised FCC 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
August 2023	4.2913	23.3481



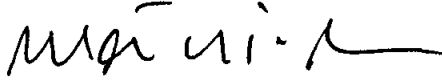
5. The revised fuel cost component along with revised coal price of imported coal, spot purchases and marine freight charges attached as **Annex-I, Annex-II, Annex-III &**

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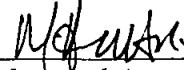
Annex-IV, respectively, are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

AUTHORITY



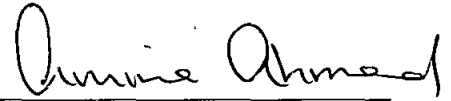
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
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 2023

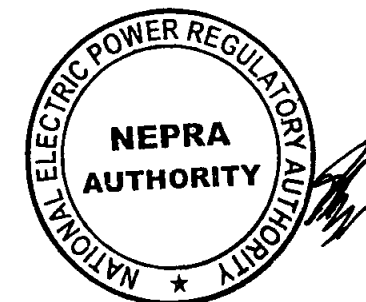
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 82	5,000	5,633	381.60	84,830	222.30
Lucky Commodities - Spot Coal Invoice # 1	3,876	6,046	265.51	59,570	224.36
Lucky Commodities - Spot Coal Invoice # 2	7,492	6,098	267.51	60,019	224.36
Lucky Commodities - Spot Coal Invoice # 3	4,014	6,326	276.23	61,974	224.36
Lucky Commodities - Spot Coal Invoice # 4	7,694	6,071	266.48	59,788	224.36
Lucky Commodities - Spot Coal Invoice # 5	3,969	6,290	274.86	61,667	224.36
Total Consumption	32,045	6,065	286.83	64,229	223.93

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	61,985	64,229
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,793	6,065
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	22,989	24,068
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	4.2913	23.5905	23.3481

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.

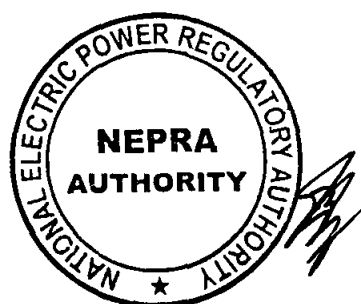
- The coal consumption for the period of August 1, 2023 to August 31, 2023.
- Based on data declared by China Power Hub Generation Company Private Limited.

23/9



China Power Hub Generation Company Private Limited
Detail of Shipmnet
For the Month of August 2023

Shipment Number		82
Vessel Name		MV PEGASUS
Bill of Lading (B/L) Date		13-Aug-22
L/C Number		LC28801C200131
Origin of Coal		South Africa
API-4 Index for the month of B/L Date	US\$/Ton	332.39
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-
Fixed Price	US\$/Ton	332.39
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,633
Quantity	MT	54,336
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	312.06
Marine Freight Charges	US\$/Ton	29.11
Marine Insurance	US\$/Ton	0.13
CIF Coal Price	US\$/Ton	341.30
Other Charges:	US\$/Ton	38.99
(i) Port Handling Charges	US\$/Ton	4.42
(ii) Port Qasim Royalty Charge	US\$/Ton	2.55
(iii) Wharfage Charges	US\$/Ton	0.15
(iv) Customs Duties & Cess	US\$/Ton	23.00
(v) L/C Charges	US\$/Ton	0.10
(vi) PDA Charges at Load Port	US\$/Ton	0.58
(vii) PDA Charges at Discharge Port	US\$/Ton	0.64
(viii) Transportation and Loading Charges	US\$/Ton	7.53
(ix) Custom Clearance	US\$/Ton	0.02
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	380.29
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.31
Delivered Coal Price with losses at Power Plant	US\$/Ton	381.60
Exchange Rate	Rs./US\$	222.30
Delivered Coal Price with losses at Power Plant	Rs./Ton	84,830



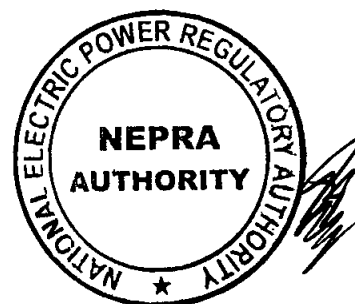
China Power Hub Generation Company Private Limited

Details of Spot Coal Purchases

For the Month of August 2023

Bidding Month	Coal Supplier	Invoice No.	Quantity (MT)	Base Price (Rs. /Ton)	Base NCV (Kcal/Kg)	Actual NCV (Kcal/Kg)	CV Adjusted Price (Rs. /Ton)	Transportation Cost (Rs. /Ton)	Other Cost (Rs. /Ton)	Delivered Price (Rs./Ton)
Dec-22	Lucky Commodities	02	7,492	51,470	6,000	6,098	52,313	3,000	4,706	60,019
		03	4,014	51,470	6,000	6,326	54,268	3,000	4,706	61,974
		04	7,694	51,470	6,000	6,071	52,082	3,000	4,706	59,788
		05	5,979	51,470	6,000	6,290	53,961	3,000	4,706	61,667

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China Power Hub Generation Company Private Limited
Marine Freight Calculation
For the Month of August 2023

Description		Unit	MV PEGASUS
Loading Port Name			Maputo
Discharge Port			PIBT
Delivery Days:			
Voyage	Days	27.04	
At Port	Days	4.62	
Total Delivery Days	Days	31.66	
Average Time Charter Rate	US\$/Day	22,715	
Time Charter Cost	US\$	719,155	
Bunker Consumption:			
Bunker during Voyage	Ton	878.72	
Bunker during Port Days	Ton	23.11	
Total	Ton	901.83	
Bunker Price	US\$/Ton	999	
Bunker Cost	US\$	900,929	
Total Voyage Expense	US\$	1,620,084	
Quantity	Tons	54,336	
Marine Freight	US\$/Ton	29.82	
Reduction as per Request/Invoice	US\$/Ton	(0.70)	
Marine Freight	US\$/Ton	29.11	

