



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-342/CPHGCL-2016/ 10810-14


May 12, 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 March 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 (Annex-I), Detail of Shipment (Annex-II) and Marine Freight Calculation (Annex-III) **(total 05 Pages)** regarding the fuel price adjustment on account of Coal price variation for the month of **March 2023** in respect of China Power Hub Generation Company (Private) Limited.

Enclosure: As above


(Engr. Mazhar Iqbal Ranjha) 12/05/23

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 MARCH 2023 FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED.

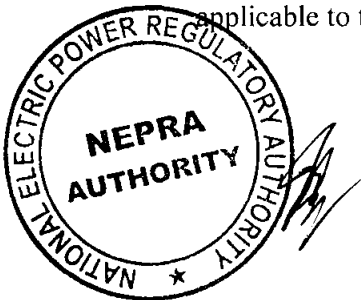
1. Pursuant to the decision of the Authority dated February 12, 2016 in the matter of Approval of Upfront Coal Tariff for 2x660 MW coal power plant of China Power Hub Generation Private Limited (hereafter "CPHGCL") and decision dated September 23, 2016 regarding Suo Moto Review Proceedings in the matter 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. 82,443/Ton for coal consumed during the month of March 2023. CPHGCL requested fuel cost component of Rs. 32.9776/kWh for the month of March 2023.
2. It has been observed that Argus/McCloskey's published coal price index also specifies price differentials to API 4. It has been provided in the index report that to calculate a fixed price, apply the differential to the API 4 contract. Following differentials are applicable for the month of August 2022:

Description	Heat kcal/kg	Unit	February Average
5,500 differential	5,500	US\$/ton	(69.67)

- 1.1. In accordance with the above differentials, the API 4 price for the shipment from Richards Bay has been calculated and fixed as under:

Ship No.	API 4 Price (US\$/ton)	Differential (US\$/ton)	Fixed Price (US\$/ton)	Heat (kcal/kg)	Actual Heat (kcal/kg)	Heat Adjusted Price (US\$/ton)	Linear Adjusted Price (US\$/ton)	Difference (US\$/ton)
80	332.39	(69.67)	262.72	5,500	5,430	259.38	300.81	(41.44)

3. Accordingly, the revised coal price for each shipment has been worked out and is attached as Annexure to this decision. The revised Fuel Cost Component (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
March 2023	4.2913	29.6050

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.

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

AUTHORITY

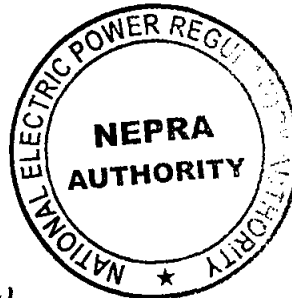
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Tauseef H. Farooqi
Chairman



12/5/23

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 March 2023

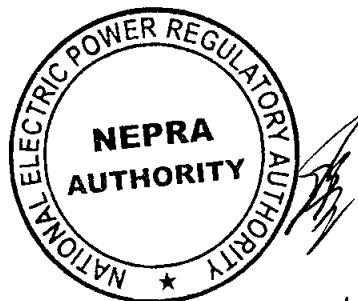
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 80	4,833.00	5,430	329.20	73,181	222.30
Consumption from Shipment No. 81	2,137.00	5,697	345.88	75,890	219.41
Total Consumption	6,970.00	5,512	334.32	74,012	221.38

Description	Unit	Reference	Previous	Revised
Avg. Price of stock consumed during the month	Rs./Ton	12,532	75,890	74,012
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,697	5,512
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	22,607	21,872
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	4.2913	29.3699	29.6050

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 is for the Period of 1st to 31st March 2023.

**Based on data declared by China Power Hub Generation Company Private Limited.

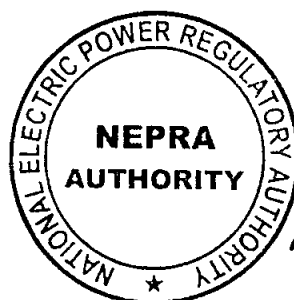


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China Power Hub Generation Company Private Limited
Detail of Shipmnet
For the Month of March 2023

Shipment Number		80
Vessel Name		MV Magia
Bill of Lading (B/L) Date		15-Aug-22
L/C Number		-
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	(69.67)
Fixed Price	US\$/Ton	262.72
Base Calorific Value	kCal/Kg	5,500
Actual Calorific Value	kCal/Kg	5,430
Quantity	MT	55,700
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	259.38
Marine Freight Charges	US\$/Ton	32.66
Marine Insurance	US\$/Ton	0.13
CIF Coal Price	US\$/Ton	292.16
Other Charges:	US\$/Ton	35.59
(i) Port Handling Charges	US\$/Ton	3.99
(ii) Port Qasim Royalty Charge	US\$/Ton	2.31
(iii) Wharfage Charges	US\$/Ton	0.15
(iv) Customs Duties & Cess	US\$/Ton	20.28
(v) L/C Charges	US\$/Ton	0.10
(vi) PDA Charges at Load Port	US\$/Ton	0.57
(vii) PDA Charges at Discharge Port	US\$/Ton	0.65
(viii) Transportation and Loading Charges	US\$/Ton	7.52
(ix) Custom Clearance	US\$/Ton	0.02
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	327.75
Handling Loss 1% or actual whichever is minimum	US\$/Ton	1.45
Delivered Coal Price with losses at Power Plant	US\$/Ton	329.20
Exchange Rate	Rs./US\$	222.30
Delivered Coal Price with losses at Power Plant	Rs./Ton	73,181



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

Description	Unit	MV Magia
Loading Port Name		RBCT
Discharge Port		PIBT
Delivery Days:		
Voyage	Days	27.04
At Port	Days	4.71
Total Delivery Days	Days	31.75
Average Time Charter Rate	US\$/Day	27,127
Time Charter Cost	US\$	861,299
Bunker Consumption:		
Bunker during Voyage	Ton	878.72
Bunker during Port Days	Ton	23.57
Total	Ton	902.29
Bunker Price	US\$/Ton	1,102
Bunker Cost	US\$	994,319
Total Voyage Expense	US\$	1,855,617
Quantity	Tons	55,700
Marine Freight	US\$/Ton	33.31
Reduction as per Request/Invoice	US\$/Ton	(0.65)
Marine Freight	US\$/Ton	32.66

