



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2016/ 399-403

January 11, 2024

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 November 2023 for China Power Hub Generation Company (Private) Limited [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**, Detail of Shipment at **Annex-II**, Details of Spot Coal Purchases at **Annex-III**, Marine Freight Calculation at **Annex-IV** and Coal Transshipment Services Charges Calculation at **Annex-V** (total 07 Pages) regarding the fuel price adjustment on account of Coal price variation for the month of **November 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

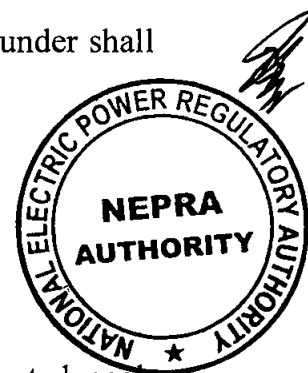
DECISION OF THE AUTHORITY IN THE MATTER OF FUEL PRICE ADJUSTMENT FOR THE MONTH OF NOVEMBER 2023 FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED.

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. 45,318/Ton for coal consumed during the month of November 2023. CPHGCL requested fuel cost component of Rs. 17.2742/kWh for the month of November 2023.
2. CPHGL paid the CIF price in Chinese Yuan (CNY) to its coal supplier and calculated the price of shipment in CNY instead of USD. CPHGCL calculated CV adjusted price and marine freight by using the exchange rate provided by coal supplier, while other charges were calculated by using average Rs./US\$ and Rs./RMB exchange rates published by NBP during the month of October 2023. The use of different exchange rate has financial impact of Rs. 21.24 Million in CIF price. The requested cost is not in line with the approved mechanism provided in the decision dated September 23, 2016, therefore, the imported shipment price has been calculated as per the prescribed mechanism.
3. The Authority in its collective and joint wisdom decided with consensus as under which shall be hereafter called as decision of the Authority in the matter:

"Based on the documentary evidence and information submitted by CPHGCL, the fuel cost component of energy charge part of CPHGCL's tariff is adjusted for variation in coal price for the month of November 2023."

4. 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
November 2023	4.2913	17.1459



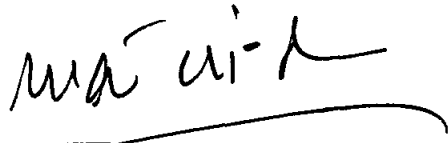
5. The revised fuel cost component along with revised coal price of imported coal, revised coal price of spot coal, marine freight and CTS charges attached as Annex-I,

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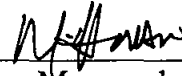
Annex-II, Annex-III, Annex-IV & Annex-V, respectively, are to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

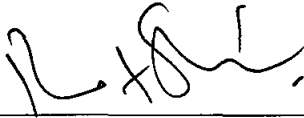
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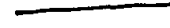
Mathar Niaz Rana (nsc)
Member



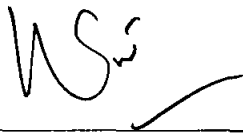
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Wascem 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 November 2023

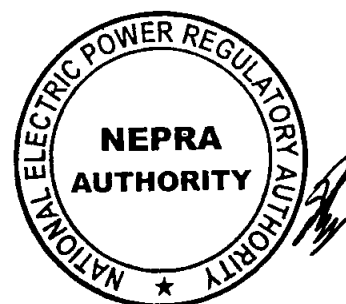
Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
Consumption from Stock:					
Consumption from Shipment No. 82	3,000	5,633	381.60	84,830	222.30
Consumption from Shipment No. 85	25,320	5,856	150.86	42,440	281.33
Lucky Commodities - Spot Coal Invoice # 1004	15	5,747	127.56	36,655	287.35
Lucky Commodities - Spot Coal Invoice # 1005	2,913	5,420	124.54	35,129	282.06
Lucky Commodities - Spot Coal Invoice # 1006	1,523	5,852	138.42	39,042	282.06
Lucky Commodities - Spot Coal Invoice # 1007	1,330	5,584	127.34	35,918	282.06
Awan Trading - Spot Coal Invoice # 23240015	569	5,520	126.25	35,611	282.06
Total Consumption	34,670	5,784	166.75	44,980	269.74

Description	Unit	Reference	Previous	Revised
Avg. price of stock consumed during the month	Rs./Ton	12,532	54,790	44,980
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,884	5,784
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	23,351	22,952
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
Revised Fuel Cost Component	Rs./kWh	4.2913	20.5290	17.1459

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.

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

- The coal consumption for the period of November 01, 2023 to November 30, 2023.



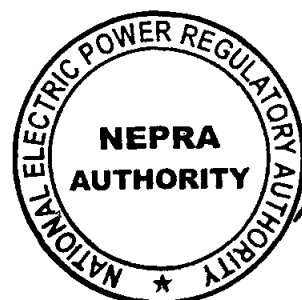
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China Power Hub Generation Company Private Limited
Detail of Shipmnet
For the Month of November 2023

USD

Shipment Number		85
Vessel Name		MV CL XIANGXI
Bill of Lading (B/L) Date		16-Oct-23
L/C Number		LC28801C300039
Origin of Coal		South Africa
API-4 Index for the month of B/L Date	US\$/Ton	129.97
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-
Fixed Price	US\$/Ton	129.97
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,856
Quantity	MT	79,950
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	126.85
Marine Freight Charges	US\$/Ton	12.36
Marine Insurance	US\$/Ton	0.04
CIF Coal Price	US\$/Ton	139.26
Other Charges:	US\$/Ton	10.93
(i) CTS Charges	US\$/Ton	1.67
(ii) Port Qasim Royalty Charge	US\$/Ton	-
(iii) Wharfage Charges	US\$/Ton	-
(iv) Customs Duties & Cess	US\$/Ton	8.63
(v) L/C Charges	US\$/Ton	0.10
(vi) PDA Charges at Load Port	US\$/Ton	0.40
(vii) PDA Charges at Discharge Port	US\$/Ton	0.10
(viii) Pilotage	US\$/Ton	0.02
(ix) Transportation and Loading Charges	US\$/Ton	-
(x) Custom Clearance	US\$/Ton	0.01
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	150.19
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.67
Delivered Coal Price with losses at Power Plant	US\$/Ton	150.86
Exchange Rate	Rs./US\$	281.33
Delivered Coal Price with losses at Power Plant	Rs./Ton	42,440

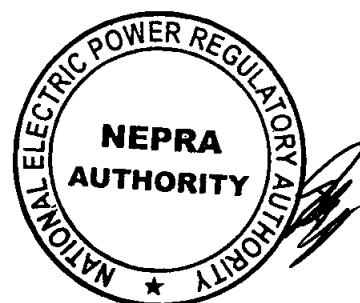
**Pilotage charges are included as per the requirement of Ministry of Maritime Affairs, intimated to CPHGCL vide letter no F.3(2)/2018-DP dated November 27, 2018*



China Power Hub Generation Company Private Limited
Details of Spot Coal Purchases
For the month of November 2023

Consignment Detail		Awan 23240015	Lucky 1005	Lucky 1006	Lucky 1007
Bidding Month		July 2023	July 2023	July 2023	July 2023
Quantity	MT	7,803	2,913	1,523	1,330
Base Price	Rs./Ton	29,212	29,212	32,252	29,212
Base NCV	kCal/Kg	5,500	5,500	6,000	5,500
Actual NCV	kCal/Kg	5,520	5,420	5,852	5,584
CV Adjusted Price	(Rs./Ton)	29,319	28,787	31,456	29,658
Transportation Charges	Rs./Ton	3,000	3,000	3,000	3,000
Other Charges	Rs./Ton	3,755	3,755	4,706	3,755
Net Delivered Coal Price	Rs./Ton	36,074	35,542	39,162	36,413
Adjustment against Benchmark Price of Imported Coal	Rs./Ton	(463)	(413)	(121)	(495)
Net Delivered Coal Price	Rs./Ton	35,611	35,129	39,042	35,918
Notional Exchange Rate	Rs./US\$	282.06	282.06	282.06	282.06
Net Delivered Coal Price	US\$/Ton	126.25	124.54	138.42	127.34

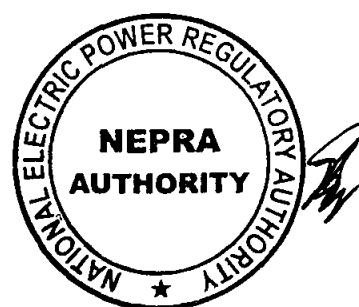
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China Power Hub Generation Company Private Limited
Marine Freight Calculation
For the Month of November 2023

Description	Unit	MV CL XIANGXI
Loading Port Name		RBCT
Discharge Port		PIBT
Delivery Days:		
Voyage	Days	27.53
At Port	Days	6.44
Total Delivery Days	Days	33.96
Average Time Charter Rate	US\$/Day	13,073
Time Charter Cost	US\$	444,002
Bunker Consumption:		
Bunker during Voyage	Ton	880.93
Bunker during Port Days	Ton	32.18
Total	Ton	913.11
Bunker Price	US\$/Ton	652
Bunker Cost	US\$	594,980
Total Voyage Expense	US\$	1,038,982
Quantity	Tons	79,950
Marine Freight	US\$/Ton	13.00
Reduction as per Request/Invoice	US\$/Ton	(0.64)
Marine Freight	US\$/Ton	12.36

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

Description	Reference	Handling Month		
		Oct-23	Nov-23	Dec-23
O&M Cost (USD/ton)	0.36	0.31	0.31	0.31
Bunker Cost (USD/ton)	0.79	1.44	1.28	1.19
Total Variable CTS Cost	1.15	1.75	1.59	1.50
Index Value:				
CPI Local for O&M Base Year 2015-16	130.9	195.89	195.89	195.89
Light Diesel Oil (Rs./Ltr.) for Bunker	43.35	212.45	189.46	175.93
Exchange Rate (Rs./USD)	160.76	281.33	281.33	281.33
<p>* With effect from 1st January 2021, the reference CPI (Base Year 2007-08) of 207.3 has been replaced with N-CPI (Base Year 2015-16) of 130.9 for the month of November 2019 and accordingly the reference O&M Cost of US\$ 0.43/Ton has been replaced with US\$ 0.36/Ton and reference exchange rate for O&M Cost of Rs. 104.7/US\$ has been replaced with Rs. 160.76/US\$. In case of Bunker Cost reference exchange rate of Rs. 104.7/US\$ will remain applicable.</p>				

On 8/7

