



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2016/16219-23

October 28, 2024

Chief Executive Officer  
China Power Hub Generation Company (Pvt.) Ltd.,  
10<sup>th</sup> 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 September 2024 for China Power Hub Generation Company (Private) Limited**

Enclosed please find herewith the subject Decision of the Authority along with **Annex-I, II, III & IV** (total 06 Pages) regarding the fuel price adjustment on account of **Coal** price variation for the month of **September 2024** in respect of China Power Hub Generation Company (Private) Limited in Case No. NEPRA/TRF-342/CPHGCL-2016.

Enclosure: **As above**

  
(Wasim Anwar Bhinder)

Copy to:

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 (CPPA-G), 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 SEPTEMBER 2024 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. 48,417.25/Ton for coal consumed during the month of September 2024. CPHGCL requested fuel cost component of Rs. 18.5525/kWh for the month of September 2024.
2. The NEPRA Appellate Tribunal vide its Order dated September 7, 2023 awarded interim relief to CPHGCL and granted stay order on application of price differential 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 onwards 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 8, 2023. Accordingly, price differential have not been applied in the instant adjustment.
4. CPHGCL paid the CIF price in Chinese Yuan (CNY) to its coal supplier and calculated the price of shipment No. 84 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 the average Rs./USD and Rs./RMB exchange rates published by NBP during the month of November 2022. The requested cost is not in line with the approved mechanism provided in the decision dated September 23, 2016, therefore, the imported shipment No. 84 price has been calculated as per the prescribed mechanism.
5. CPHGCL consumed coal in September 2024 from Shipment No. 82 part of which was also consumed in August 2023 and November 2023. CPHGCL also consumed coal from Shipment No. 85 part of which was also consumed in November 2023, May 2024 to July 2024.

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6. The price of Shipment No. 82 was assessed as Rs. 84,830/ton (US\$ 381.60/ton), while, determining fuel cost component for the month of August 2023. The price of Shipment No. 85 was assessed as Rs. 42,440/ton (US\$ 150.86/ton), while, determining fuel cost component of November 2023.
7. The Authority in its collective and joint wisdom considering all aspects 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 September 2024.”

8. 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
September 2024	4.2913	18.4455

9. The revised fuel cost component attached as **Annex-I** is 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.
10. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

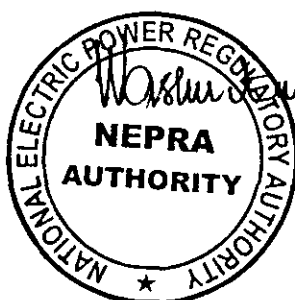
**AUTHORITY**

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Mathar Niaz Rana (nsc)  
Member

\_\_\_\_\_  
Engr. Maqsood Anwar Khan  
Member

\_\_\_\_\_  
Engr. Rafique Ahmed Shaikh  
Member

\_\_\_\_\_  
Amina Ahmed  
Member



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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 September 2024**

Description	Quantity	Net CV	Coal Price		Exchange Rate
	Ton	kCal/Kg.	US\$/Ton	Rs/Ton	Rs./US\$
<b>Consumption from Stock:</b>					
Consumption from Shipment No. 82	3,735	5,633	381.60	84,830	222.30
Consumption from Shipment No. 84	8,832	5,571	204.89	45,674	222.92
Consumption from Shipment No. 85	20,233	5,856	150.86	42,440	281.33
<b>Total Consumption</b>	<b>32,800</b>	<b>5,754</b>	<b>191.68</b>	<b>48,138</b>	<b>251.13</b>

Description	Unit	Reference	Previous (July-24)	Revised
Avg. price of stock consumed during the month	Rs./Ton	12,532	32,864	48,138
Avg. net calorific value of stock consumed during the month	kCal/Kg	6,441	5,481	5,754
Avg. net calorific value of stock consumed during the month	BTU/Kg	25,556	21,751	22,833
Net Heat Rates	BTU/kWh	8,749	8,749	8,749
<b>Revised Fuel Cost Component</b>	<b>Rs./kWh</b>	<b>4.2913</b>	<b>13.2195</b>	<b>18.4455</b>

**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 September 01, 2024 to September 30, 2024.

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



## China Power Hub Generation Company Private Limited

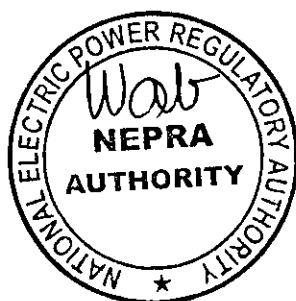
## Detail of Shipmnet

For the Month of September 2024

USD

Shipment Number		84
Vessel Name		MV STAR JENNIFER
Bill of Lading (B/L) Date		25-Nov-22
L/C Number		LC28801C200160
Origin of Coal		South Africa
API-4 Index for the month of B/L Date	US\$/Ton	194.04
Reduction as per Request/Invoice	US\$/Ton	(3.15)
Coal Price Differential to API 4 for the month of B/L	US\$/Ton	-
Fixed Price	US\$/Ton	190.89
Base Calorific Value	kCal/Kg	6,000
Actual Calorific Value	kCal/Kg	5,571
Quantity	MT	79,065
FOB Coal Price API-4 Index as per B/L month Adjusted for CV	US\$/Ton	177.24
Marine Freight Charges	US\$/Ton	12.03
Marine Insurance	US\$/Ton	0.07
CIF Coal Price	US\$/Ton	189.34
Other Charges:	US\$/Ton	14.72
(i) CTS Charges	US\$/Ton	1.84
(ii) Port Qasim Royalty Charge/ Variable O&M Jetty	US\$/Ton	-
(iii) Wharfage Charges	US\$/Ton	-
(iv) Customs Duties & Cess	US\$/Ton	12.29
(v) L/C Charges	US\$/Ton	0.10
(vi) PDA Charges at Load Port	US\$/Ton	0.38
(vii) PDA Charges at Discharge Port	US\$/Ton	0.07
(viii) Pilotage	US\$/Ton	0.02
(ix) Transportation and Loading Charges	US\$/Ton	-
(x) Custom Clearance	US\$/Ton	0.02
Delivered Coal Price before adjustment of Handling Loss	US\$/Ton	204.06
Handling Loss 1% or actual whichever is minimum	US\$/Ton	0.83
Delivered Coal Price with losses at Power Plant	US\$/Ton	204.89
Exchange Rate	Rs./US\$	222.92
<b>Delivered Coal Price with losses at Power Plant</b>	<b>Rs./Ton</b>	<b>45,674</b>

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



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

Description	Reference	Handling Month
		Dec-22
O&M Cost (USD/ton)	0.36	0.31
Bunker Cost (USD/ton)	0.79	1.53
<b>Total Variable CTS Cost</b>	<b>1.15</b>	<b>1.84</b>
<b>Index Value:</b>		
N-CPI Local for O&M Base Year 2015-16	130.9	158.18
Light Diesel Oil (Rs./Ltr.) for Bunker	43.35	179.00
Exchange Rate (Rs./USD)	160.76	222.92
<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&amp;M Cost of US\$ 0.43/Ton has been replaced with US\$ 0.36/Ton and reference exchange rate for O&amp;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>		



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**China Power Hub Generation Company Private Limited**  
**Marine Freight Calculation**  
**For the Month of September 2024**

Description	Unit	MV STAR JENNIFER
Loading Port Name		RBCT
Discharge Port		PIBT
Delivery Days:		
Voyage	Days	27.53
At Port	Days	6.38
Total Delivery Days	Days	33.90
Average Time Charter Rate	US\$/Day	13,650
Time Charter Cost	US\$	462,785
Bunker Consumption:		
Bunker during Voyage	Ton	880.93
Bunker during Port Days	Ton	31.88
Total	Ton	912.81
Bunker Price	US\$/Ton	674.40
Bunker Cost	US\$	615,596
Total Voyage Expense	US\$	1,078,381
Quantity	Tons	79,065
Marine Freight	US\$/Ton	13.64
Reduction as per Request/Invoice	US\$/Ton	(1.61)
Marine Freight	US\$/Ton	12.03



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