



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2015/ 13812-16

August 29, 2024

Subject: Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Ash Disposal and Limestone Components of Tariff for July-September 2023, January-March 2024, April-June 2024 and July-September 2024 Quarters for China Power Hub Generation Company Private Limited

Dear Sir,

Please find enclosed herewith the Decision of the Authority (total 02 pages) regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for July-September 2023, January-March 2024, April-June 2024 and July-September 2024 Quarters on account of Ash Disposal and Limestone Components variation in Case No. NEPRA/TRF-342/CPHGCL-2015.

2. The Decision is being sent to the Federal Government for intimation 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

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad.

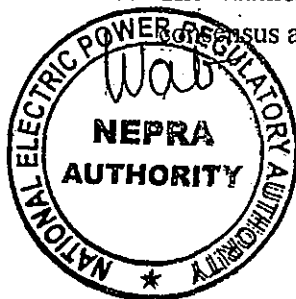
Copy to:

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 Limited, 10th Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi.



DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF ASH DISPOSAL AND LIMESTONE COMPONENTS OF TARIFF FOR JULY-SEPTEMBER 2023, JANUARY-MARCH 2024, APRIL-JUNE 2024 AND JULY-SEPTEMBER 2024 QUARTERS FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED.

1. 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, the relevant tariff components are required to be adjusted.
2. The power plant has achieved its COD on August 16, 2019. The decision in the matter of COD tariff true up was issued on June 30, 2022 which was challenged by CPHGCL in the Appellate Tribunal. The Appellate Tribunal vide its decision dated September 7, 2022 suspended the recovery of cost imposed in COD stage tariff and decided that indexation be allowed according to indexation adjustment already allowed by NEPRA on provisional basis, subject to final out-come of this appeal.
3. Accordingly, the Authority has decided to extend the provisional approval of tariff indexation/adjustment of reference tariff dated February 12, 2016 till the final decision of Appellate Tribunal. The said decision is without prejudice to the stance of NEPRA regarding the maintainability and grant of interim relief by the Appellate Tribunal and shall be subject to outcome of legal proceedings pending in this regard.
4. During the approval of indexation/adjustment for July to September 2023 quarter, the Authority in-line with similar power plants dis-allowed Ash Disposal and Limestone components on the basis that these are required to be adjusted as per actual. CPHGCL challenged the above decision vide C.M No. 06/NT/2023 in the Appellate Tribunal (NEPRA) and Appellate Tribunal (NEPRA) vide its Order dated October 4, 2023 directed NEPRA to ensure the implementation of earlier orders of the Tribunal.
5. CPHGCL requested to incorporate the relevant components in the provisional quarterly indexation for July-September 2023 quarter in compliance with the Appellate Tribunal's Order. CPHGCL also requested indexation/adjustment for January-March 2024 to July-September 2024 quarters along with Ash Disposal and Limestone components. The Authority issued quarterly indexation/adjustment decisions and mentioned that indexation of Ash Disposal and Limestone components shall be decided separately.
6. The Authority considered the requests of CPHGCL regarding approval of Ash Disposal and Limestone components and decided to incorporate the Ash Disposal and Limestone components in the provisional quarterly indexations/adjustments.
7. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-



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“Ash Disposal and Limestone components have been incorporated in the quarterly indexation/adjustment of July-September 2023, January-March 2024, April-June 2024 and July-September 2024 quarters. The relevant tariff components are indicated hereunder and shall be immediately applicable.”

Tariff Components	Reference	Revised Jul to Sep 2023 Quarter	Revised Jan to Mar 2024 Quarter	Revised Apr to Jun 2024 Quarter	Revised Jul to Sep 2024 Quarter
Energy Purchase Price (Rs./KWh)					
Ash Disposal	0.2200	0.2200	0.2200	0.2200	0.2200
Limestone	0.0900	0.0900	0.0900	0.0900	0.0900
Total	0.3100	0.3100	0.3100	0.3100	0.3100

8. Ash Disposal and Limestone components allowed to CPHGCL are on provisional basis till the outcome of appeal in the Appellate Tribunal (NEPRA) and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Appellate Tribunal (NEPRA).
9. The above decision of the Authority is 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.
10. 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

