



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600026  
Web: www.nepa.org.pk, E-mail: registrar@nepa.org.pk

No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2015/16267-71

October 28, 2024

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Tariff for October-December 2024 Quarter for China Power Hub Generation Company Private Limited**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 03 pages) regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for the quarter **October-December 2024** on account of US CPI, US ECI, N-CPI, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) 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, 10<sup>th</sup> Floor, Ocean Tower, Block 9, Main Clifton Road, Karachi.

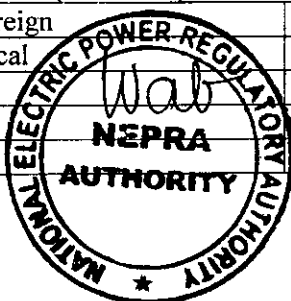


**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR OCTOBER-DECEMBER 2024 QUARTER FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED.**

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 decision of the Authority dated July 28, 2017 in the matter of application by CPHGCL for approval of cost of dedicated jetty along with Coal Transshipment Service, the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 on August 09, 2023 in the matter of change of base year 2007-2008 to base year 2015-16 for Consumer Price Index (CPI) for indexation of fixed and variable O&M (Local) components and decision of the Authority dated July 25, 2024 in the matter of Jetty O&M tariff approval for 2024-27, the relevant tariff components are required to be adjusted on account of US CPI, US ECI, N-CPI, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation.
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. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

"Indexation/adjustment for October-December 2024 quarter has been made in the tariff components in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components are indicated hereunder shall be immediately applicable."

Tariff Components	Reference Feb 12, 2016, July 28, 2017, Mar 10, 2021 & July 25, 2024	Revised Oct - Dec 2024 Quarter
<b>Capacity Charge (Rs./KW/h)</b>		
Fixed O&M - Foreign	0.1435	0.5427
Fixed O&M - Local	0.1977	0.3959
Fixed O&M - Jetty	0.0591	0.0592
Cost of Working Capital	0.2276	0.9493
Insurance	0.1021	0.1021
Fixed CTS Component	0.1732	0.5904
Return on Equity	1.1872	3.5141
Debt Repayment	1.2658	3.7496
Interest Charge	0.4034	1.8652
<b>Total</b>	<b>3.7596</b>	<b>11.7684</b>
<b>Energy Purchase Price (Rs./KWh)</b>		
Variable O&M - Foreign	0.0684	0.2587
Variable O&M - Local	0.0628	0.1257
Ash Disposal	0.2200	0.2200
Limestone	0.0900	0.0900
<b>Total</b>	<b>0.4412</b>	<b>0.6944</b>



*Signature*



5. CPHGCL has consumed mixed coal i.e. imported & local during the quarter. Accordingly, ROE and cost of working capital components have been adjusted in accordance with the Para 3(II)(xii) and Para 3(II)(xvii) of the decision dated February 12, 2016.
6. The above decision of the Authority along with revised tariff components attached as **Annex-I** are 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.
7. 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 (Pvt.) Ltd.**  
**Quarterly Indexation/ Adjustment of Tariff**

Tariff Components	Reference Feb 12, 2016, July 28, 2017 & Mar 10, 2021	Revised Oct - Dec 2024 Quarter	Indexation
<b>Capacity Charge (Rs./KW/h)</b>			
Fixed O&M - Foreign	0.1435	0.5427	US CPI & Rs./US\$
Fixed O&M - Local	0.1977	0.3959	N-CPI Local
Fixed O&M - Jetty	0.0591	0.0592	50% of the component is subject to indexation with the Rs./US\$
Cost of Working Capital	0.2276	0.9493	KIBOR & Fuel Price.
Insurance	0.1021	0.1021	-
Fixed CTS Component	0.1732	0.5904	Fixed CTS & Rs./US\$
Return on Equity	1.1872	3.5141	Rs./US\$
Debt Repayment	1.2658	3.7496	Rs./US\$
Interest Charge	0.4034	1.8652	LIBOR & Rs./US\$
<b>Total</b>	<b>3.7596</b>	<b>11.7684</b>	
<b>Energy Purchase Price (Rs./KWh)</b>			
Variable O&M - Foreign	0.0684	0.2587	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1257	N-CPI Local
Ash Disposal	0.2200	0.2200	-
Limestone	0.0900	0.0900	-
<b>Total</b>	<b>0.4412</b>	<b>0.6944</b>	
<b>Indexation Values</b>			<b>Source</b>
Exchange Rate (Rs./USD)	97.10	278.050	NBP - Revised rate of Sep 30, 2024
Exchange Rate (Rs./USD) O&M - Jetty	277.90	278.050	NBP - Revised rate of Sep 30, 2024
US CPI (All Urban Consumers)	238.34	314.796	U.S. Bureau of Labor Statistics - Revised value of Aug 2024
N-CPI (Local)	131.01	262.320	Pakistan Bureau of Statistics - Revised value of Aug 2024
3 Monthly KIBOR	11.91%	16.13%	SBP - Revised rate of Sep 30, 2024
3 Monthly LIBOR *	0.450%	4.854%	Global-rates.com - Revised rate of Sep 30, 2024
Imported Coal Price (Rs./Ton)	12,532	47,650.22	Weighted Average Price of Coal Consumed during Jul & Sep 2024
Imported Coal Calorific Value (BTU/Kg)	25,556	5,762.60	Weighted Average CV of Coal Consumed during Jul & Sep 2024
Local Coal Price (Rs./Ton)	-	31,696.61	Weighted Average Price of Coal Consumed during Jul & Sep 2024
Local Coal Calorific Value (BTU/Kg)	-	5,435.45	Weighted Average CV of Coal Consumed during Jul & Sep 2024
Imported Coal Quantity (M. Ton)	-	35,869.00	58.77% of Total Coal Consumed during Jul & Sep 2024
Local Coal Quantity (M. Ton)	-	25,167.00	41.23% of Total Coal Consumed during Jul & Sep 2024
Fixed CTS Charges (USD/day)	52,000	61,900	80% of charges shall be indexed with US ECI
US ECI (Seasonally Adjusted)	133.20	164.900	U.S. Bureau of Labor Statistics - Revised value of Sep 2023
Principal Outstanding (USD. Million)	-	384.540	
Hours in the quarter	-	2,208	

\* Debt servicing component shall be subject to final decision of the Authority of Suo Moto proceedings relating to transition from LIBOR to SOFR.

- The cost of working capital is calculated on the basis of 30 days receivable for imported and local coal, 90 days inventory for imported coal whereas 30 days inventory for local coal, actual consumption %age for respective coal and actual CV for respective coal.

- Based on the data declared by China Power Hub Generation Company (Pvt.) Ltd.

