



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-342/CPHGCL-2015/ **13872-76**

August 29, 2025

Subject: **Decision of the Authority in the matter of Quarterly Indexation/Adjustment of Interest Charge Components of tariff for July-September 2023 to October-December 2024 Quarters for China Power Hub Generation Company Private Limited**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with **Annex-I** (total 02 pages) regarding Quarterly Indexation/Adjustment of Interest Charge Components of tariff for **July-September 2023 to October-December 2024** Quarters for China Power Hub Generation Company Private Limited on account of SOFR and Exchange Rate 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**

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


(Wasim Anwar Bhinder)

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 INTEREST CHARGE COMPONENTS OF TARIFF FOR JULY-SEPTEMBER 2023 TO OCTOBER-DECEMBER 2024 QUARTERS FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED.

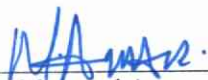
1. Pursuant to the decision of the Authority dated February 12, 2016 in the matter of application of China Power Hub Generation Company Private Limited (hereafter "CPHGCL") for unconditional acceptance of upfront coal tariff for 2x660 MW coal power plant and decisions of the Authority dated December 5, 2024 and December 13, 2024 notified vide S.R.O. No. 73(I)/2025 on January 28, 2025 in the matter of Suo Moto regarding transition from London Interbank Offered Rate (LIBOR) to Secured Overnight Financing Rate (SOFR), the interest charge component is required to be indexed/adjusted on account of SOFR and Exchange Rate variation.
2. The Authority through its decisions dated December 5, 2024 and December 13, 2024 has approved transition from LIBOR to SOFR for generation IPPs. For CPHGCL, the Authority has approved daily simple SOFR + relevant ISDA recommended CAS 0.26161% based on quarterly indexation w.r.t. Interest Charge Component of Debt Servicing (Foreign).
3. CPHGC has submitted a request for quarterly indexation/adjustment of interest charge components for October-December 2023 to October-December 2024 quarters. However the Authority principally decided that transaction from LIBOR to SOFR for generation IPPs shall be applicable from July 1, 2023. Accordingly, the interest charge components of CPHGCL in respect of July-September 2023 to October-December 2024 quarters have been revised on account of SOFR and Exchange Rate variation in accordance with the requisite indexation/adjustment mechanism stipulated in the above decision(s) of the Authority
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 of interest charge components for July-September 2023 to October-December 2024 quarters has been made in accordance with the requisite indexation/adjustment mechanism stipulated in the decision(s) of the Authority. The revised components indicated as **Annex-I** shall be immediately applicable.
5. 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.
6. 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.
7. The above decision of the Authority shall supersede the previous decisions of the Authority for July-September 2023 to October-December 2024 quarters to the extent of interest charge component.
8. 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.
9. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

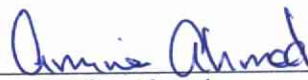
AUTHORITY



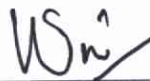
Engr. Rafique Ahmed Shaikh
Member



Engr. Maqsood Anwar Khan
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman

China Power Hub Generation Company (Pvt.) Ltd.
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Revised Jul-Sep 2023 Quarter	Revised Oct-Dec 2023 Quarter	Revised Jan-Mar 2024 Quarter	Revised Apr-Jun 2024 Quarter	Revised Jul-Sep 2024 Quarter	Revised Oct-Dec 2024 Quarter	Indexation
Capacity Charge (Rs./KW/h)							
Interest Charge	2.4572	2.4508	2.3478	2.2226	2.1088	2.0010	SOFR & Rs./US\$
Total	2.4572	2.4508	2.3478	2.2226	2.1088	2.0010	
Indexation Values							Source
Exchange Rate (Rs./USD)	287.10	289.10	282.40	278.50	278.80	278.05	NBP - Revised rates of relevant Months
Daily SOFR + CAS	5.2284%	5.4958%	5.5842%	5.5764%	5.5801%	5.5348%	www.newyorkfed.org - Average values of relevant Quarters
Principal Outstanding (USD. Million)	471.66	454.67	437.46	420.03	402.40	384.54	
Hours in the quarter	2,208	2,208	2,184	2,184	2,208	2,208	

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

Ans

