



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)//TRF-299/PQEPCPL-2015/3279-83

March 07, 2024

Subject: Decision of the Authority in the matter of Annual Adjustment of Sinosure Component of Capacity Charge Part of Tariff for Port Qasim Electric Power Company (Private) Limited [CASE NO. NEPRA/TRF-299/PQEPCPL-2015]

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with Schedule of Sinosure Fee Component of Capacity Charge at **Annex-I** (total 03 pages) in the matter of Annual Adjustment of Sinosure Component of Capacity Charge Part of Tariff for Port Qasim Electric Power Company (Private) Limited for the period **November 24, 2023 to November 23, 2024** in Case No. NEPRA/TRF-299/PQEPCPL-2015.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

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

CC:

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, Port Qasim Electric Power Company (Pvt.) Limited, House No. 63, Street No. 5, Sector F-8/3, Islamabad. Tel: 051-8357171

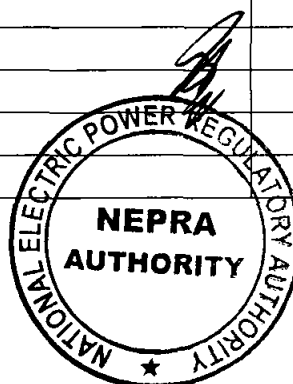
DECISION OF THE AUTHORITY IN THE MATTER OF ANNUAL ADJUSTMENT OF SINOSURE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR PORT QASIM ELECTRIC POWER COMPANY (PRIVATE) LIMITED

1. Pursuant to the Decisions of the Authority dated February 13, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Port Qasim Electric Power Company (PQEPCL) and dated September 27, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) of PQEPCL, the sinosure component of capacity charge part of tariff is subject to annual adjustment on the basis of annual outstanding principal, interest payable and exchange rate. PQEPCL submitted its request for adjustment of Sinosure fee component. PQEPCL requested Sinosure fee component of Rs. 0.1716/kW/h for the 6th agreement year on the basis of sinosure premium of US\$ 6,527,808 (Rs. 1,868,911,548 @ Rs. 286.3/US\$).
2. 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 PQEPCL, the sinosure component of capacity charge part of PQEPCL's tariff is adjusted for variation in coal price for the 6th agreement year."

3. PQEPCL calculated the sinosure premium on the basis of outstanding principle as per the loan agreement with its Lender instead of the debt schedule approved by NEPRA. The requested sinosure premium is not in line with the mechanism approved by the Authority and previous decisions in the matter. As per the approved mechanism, sinosure premium for the period November 24, 2023 to November 23, 2024 is calculated as under:

Description	Amount US\$
Outstanding Principal as per Approved Debt Schedule	819,590,000
Revised Interest Payable During the Period @ LIBOR 5.65643%	69,525,460
Total	889,115,460
Premium Rate	0.60%
Sinosure Premium As Per Debt Schedule	5,334,693
Exchange Rate (Rs./US\$)	286.30
Sinosure Premium (Rs.)	1,527,322,537



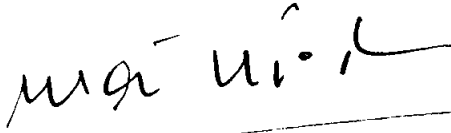
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4. The revised sinosure component of capacity charge part of tariff indicated hereunder shall be immediately applicable:

Period	Revised Sinosure Component
	Rs./kW/Hour
November 24, 2023 to November 23, 2024	0.1399

5. The revised tariff schedule attached as **Annex-I** 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.
6. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

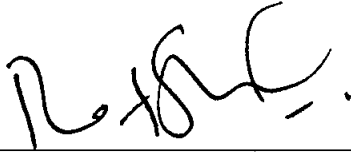
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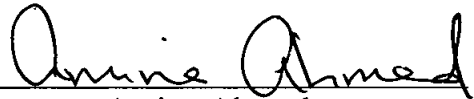
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



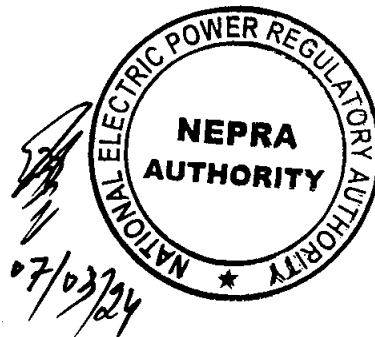
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



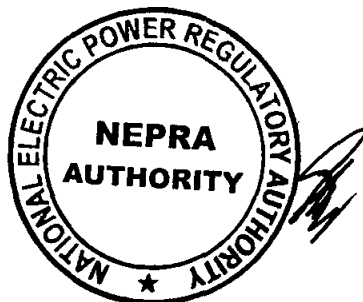
Port Qasim Electric Power Company (Pvt.) Ltd
Schedule of Sinosure Fee Component of Capacity Charge
Adjustment on account of Sinosure Fee

Period	Sinosure Fee (US\$.)	Exchange Rate	Sinosure Fee (Rs.)	Sinosure Component (Rs./kW/h)
24 Nov 2023 to 23 Nov 2024	5,334,693	286.30	1,527,322,537	0.1399

* LIBOR as communicated by Export Import Bank of China to Port Qasim Electric Power Company (Pvt) Ltd

** Exchange rate of Rs. 286.30/US\$ used by Industrial Commercial Bank of China in payment advice of Sinosure Fee

*** Based on data declared by Port Qasim Electric Power Company (Pvt) Ltd



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