

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 8th day of June, 2022

S.R.O. 839 (I)/2022.- In pursuance of Proviso-ii of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the decision of the Authority along with revised tariff components regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for the quarter January-March 2022 on account of US CPI, US ECI, CPI (Local), KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) variation in Case No. NEPRA/TRF-342/CPHGCL-2015.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.


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(Syed Safeer Hussain)
Registrar





**DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/
ADJUSTMENT OF TARIFF FOR CHINA POWER HUB GENERATION COMPANY PRIVATE
LIMITED**

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, 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 and decision of the Authority dated November 7, 2018 regarding ash disposal & limestone, the relevant tariff components in respect of Jan-Mar 2022 quarter have been revised on account of US CPI, US ECI, CPI Local, KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific Value(s) variation. Ash Disposal and Limestone components of tariff are subject to adjustment at the time of COD, therefore, there is no change in the ash disposal and limestone components and shall be revised after COD adjustment. The revised tariff indicated hereunder shall be immediately applicable:

| Tariff Components | Reference Tariff | Revised Jan-Mar 2022 Quarter |
|--|------------------|------------------------------------|
| Capacity Charge (Rs./KWh) | | |
| Fixed O&M - Foreign | 0.1435 | 0.3067 |
| Fixed O&M - Local | 0.1435 | 0.1984 |
| Fixed O&M - Jetty | 0.0254 | 0.0360 |
| Cost of Working Capital | 0.2276 | 0.5037 |
| Insurance | 0.1021 | 0.1021 |
| Fixed CTS Component | 0.1732 | 0.3546 |
| Return on Equity | 1.1872 | 2.1757 |
| Debt Repayment | 1.1472 | 2.1424 |
| Interest Charge | 0.5220 | 0.9100 |
| Total | 3.6717 | 6.7296 |
| Energy Purchase Price (Rs./KWh) | | |
| Variable O&M - Foreign | 0.0684 | 0.1462 |
| Variable O&M - Local | 0.0456 | 0.0631 |
| Variable O&M - Jetty | 0.0074 | 0.0111 |
| Ash Disposal | 0.2200 | 0.2200 |
| Limestone | 0.0900 | 0.0900 |
| Total | 0.4314 | 0.5304 |

Indexation allowed to CPHGCL is purely on provisional basis till finalization of its COD tariff by the Authority and shall be subject to adjustment/refund, if necessary, in the light of final decision of the Authority.

The above referred 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.

CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

Rehmatullah Batoch/
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Tauseef H. Farooq
Chairman



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Annex-I

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

| Tariff Components | Reference Tariff | Revised Jan-Mar 2022 Quarter |
|--|-----------------------------|---|
| Capacity Charge (Rs./KWh) | | |
| Fixed O&M - Foreign | 0.1435 | 0.3067 |
| Fixed O&M - Local | 0.1435 | 0.1984 |
| Fixed O&M - Jetty | 0.0254 | 0.0360 |
| Cost of Working Capital | 0.2276 | 0.5037 |
| Insurance | 0.1021 | 0.1021 |
| Fixed CTS Component | 0.1732 | 0.3546 |
| Return on Equity | 1.1872 | 2.1757 |
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| Variable O&M - Local | 0.0456 | 0.0631 |
| Variable O&M - Jetty | 0.0074 | 0.0111 |
| Ash Disposal | 0.2200 | 0.2200 |
| Limestone | 0.0900 | 0.0900 |
| Total | 0.4314 | 0.5304 |
| Indexation Values | | |
| Exchange Rate (Rs./USD) | 97.10 | 177.950 |
| US CPI (All Urban Consumers) | 238.34 | 277.948 |
| CPI (General) - Local | 194.74 | 269.270 |
| 3 Monthly KIBOR | 11.91% | 10.54% |
| 3 Monthly LIBOR | 0.450% | 0.209% |
| Coal Price (Rs./MT) | 12,532 | 26,443.51 |
| Coal Calorific Value (BTU/Kg) | 25,556 | 22,161.13 |
| Fixed CTS Charges (USD/day) | 52,000 | 58,090 |
| US ECI (Seasonally Adjusted) | 133.20 | 152.700 |
| Principal Outstanding (USD. Million) | - | 569.380 |
| Hours in the quarter | - | 2,160 |

* For the purpose of indexation of Local O&M components for Jan-Mar 2022 quarter, CPI for Nov 2021 was required to be used. However, Pakistan Bureau of Statistics has discontinued the publication of CPI for base year 2007-08 w.e.f. July 2020 and replaced it with National CPI for new base year 2015-16. As per relevant provision of the PPA, the latest available CPI of June 2020 for base year 2007-08 has been used for the instant indexation/adjustment. The indexation of Local O&M components is being made on provisional basis, subject to revision upon decision of new reference index value by the Authority.

** The Authority vide its decision dated March 10, 2021 replaced CPI Base Year 2007-08 with N-CPI Base Year 2015-16. The decision shall be implemented upon Notification in the Official Gazette.





REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-342/94/17

June 8, 2022

The Manager
Printing Corporation of Pakistan Press (PCPP)
Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH REVISED TARIFF COMPONENTS REGARDING QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF OF CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED FOR THE QUARTER JANUARY-MARCH 2022 ON ACCOUNT OF US CPI, US ECI, CPI (LOCAL), KIBOR, LIBOR, EXCHANGE RATE, COAL PRICE(S) AND COAL CALORIFIC VALUE(S) VARIATION**

In pursuance of Proviso-ii of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997); enclosed please find herewith '*decision of the Authority along with revised tariff components regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for the quarter January-March 2022 on account of US CPI, US ECI, CPI (Local), KIBOR, LIBOR, Exchange Rate, Coal Price(s) and Coal Calorific value(s) variation*' for immediate publication in the official Gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification (3 Pages) & CD

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(Syed Safer Hussain)