

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 26th day of September, 2023

S.R.O. 1362 (I)/2023.- In pursuance of Proviso (ii) to 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 Huaneng Shandong Ruyi (Pakistan) Energy Private Limited for the **July to September 2023** quarter on account of US CPI, CPI (Local), Exchange Rate, KIBOR, LIBOR, Coal Price(s) and Coal Calorific Value(s) variation in Case No. NEPRA/TRF-308/HSRPEL-2015.

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


(Engr. Mazhar Iqbal Ranjha)
Registrar

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DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION /ADJUSTMENT OF TARIFF FOR HUANENG SHANDONG RUYI (PAKISTAN) ENERGY PRIVATE LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.

Pursuant to the Decision of the Authority dated March 31, 2015 in the matter of approval of upfront coal tariff for 2x660 MW coal power plant of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited (hereafter "HSRPEL"), decision of the Authority dated January 17, 2019 in the matter of tariff adjustment at Commercial Operation Date (COD) and the decision of the Authority dated March 10, 2021 notified vide SRO 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, the relevant tariff components in respect of July to September 2023 quarter have been revised on account of US CPI, CPI Local, Exchange Rate, KIBOR, LIBOR, Coal Price(s) and Coal Calorific Value(s) variation. The revised tariff indicated hereunder shall be immediately applicable:

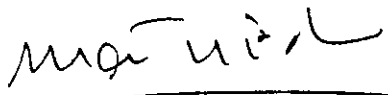
Tariff Components	Reference Jan 17, 2019	Revised Jul to Sep 2023 Quarter
Capacity Charge (Rs./KW/h)		
Fixed O&M - Foreign	0.1601	0.5415
Fixed O&M - Local	0.1976	0.3438
Cost of Working Capital	0.1541	2.8321
Return on Equity	0.9438	2.6164
Principal Outstanding	1.3850	3.8532
Interest Charge	0.4290	1.8540
Total	3.2696	12.0410
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0763	0.2581
Variable O&M - Local	0.0628	0.1093
Total	0.1391	0.3674

HSRPEL 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 9.2 & 10.2(d) of the decision dated January 17, 2019.

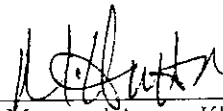
The above referred revised tariff components attached as **Annex-I** are to be notified in the official gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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

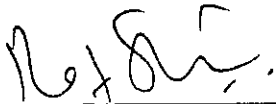
AUTHORITY




Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



Huaneng Shandong Ruyi (Pakistan) Energy (Pvt) Company Ltd.
Quarterly Indexation/Adjustment of Tariff

Tariff Components	Reference Jan 17, 2019	Revised Jul to Sep 2023 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1601	0.5415	US CPI & Rs./US\$
Fixed O&M - Local	0.1976	0.3438	CPI
Cost of Working Capital	0.1541	2.8321	KIBOR & Fuel Cost as per respective consumption of Local & Imported Coal.
Return on Equity	0.9438	2.6164	Rs./US\$ & respective consumption of Local & Imported Coal.
Principal Outstanding	1.3850	3.8532	Rs./US\$
Interest Charge	0.4290	1.8540	LIBOR & Rs./US\$
Total	3.2696	12.0410	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0763	0.2581	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1093	CPI Local
Total	0.1391	0.3674	
Indexation Values			Source
Exchange Rate (Rs./USD)	104.594	287.100	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	246.819	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
NCPI - Local	131.010	227.960	Pakistan Bureau of Statistics - Revised value of May 2023
3 Monthly KIBOR	6.150%	22.910%	SBP - Revised rate of June 27, 2023
3 Monthly LIBOR	1.380%	5.545%	www.brecorder.com - Revised rate of June 30, 2023
Imported Coal Price (Rs./Ton)	13,605	84,651.11	Weighted Average Price of Coal Consumed during Apr to Jun 2023.
Imported Coal Calorific Value (BTU/Kg)	23,768	22,662.95	Weighted Average CV of Coal Consumed during Apr to Jun 2023.
Local Coal Price (Rs./Ton)	-	47,888.76	Weighted Average Price of Coal Consumed during Apr to Jun 2023.
Local Coal Calorific Value (BTU/Kg)	-	23,931.71	Weighted Average CV of Coal Consumed during Apr to Jun 2023.
Imported Coal Quantity (M. Ton)	-	220,996	88.78% of Total Coal Consumed during Apr to Jun 2023 2023.
Local Coal Quantity (M. Ton)	-	27,930	11.22% of Total Coal Consumed during Apr to Jun 2023 2023.
Principal Outstanding (USD. Million)	-	705.89	
Return on Equity (ROE)-Local	-	29.50%	
Return on Equity (ROE)-Imported	-	27.20%	
Hours in the quarter	-	2,208	

- 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.

- Insurance component is not part of quarterly indexation. It is adjusted annually on actual basis as per mechanism stipulated in the Decision(s) of the Authority.

- Based on the data declared by Huaneng Shandong Ruyi (Pakistan) Energy (Pvt) Company Ltd.



National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 26th day of September, 2023

S.R.O. 1363 (I)/2023.- In pursuance of Proviso (ii) to 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 **July to September 2023** 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 strictly comply with the orders of the courts notwithstanding this Decision.


(Engr. Mazhar Iqbal Ranjha)
Registrar

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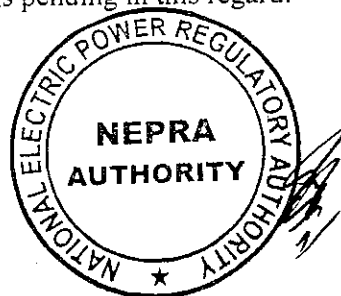


DECISION OF THE AUTHORITY IN THE MATTER OF QUARTERLY INDEXATION/ADJUSTMENT OF TARIFF FOR CHINA POWER HUB GENERATION COMPANY PRIVATE LIMITED FOR JULY TO SEPTEMBER 2023 QUARTER.

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 and the decision of the Authority dated March 10, 2021 notified vide S.R.O. No. 1041(I)/2023 dated 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, the relevant tariff components in respect of July to September 2023 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. The revised tariff indicated hereunder shall be immediately applicable:

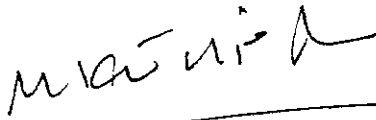
Tariff Components	Reference Feb 12, 2016 & July 28, 2017	Revised Jul to Sep 2023 Quarter
Capacity Charge (Rs./KW/h)		
Fixed O&M - Foreign	0.1435	0.5414
Fixed O&M - Local	0.1977	0.3440
Fixed O&M - Jetty	0.0254	0.0503
Cost of Working Capital	0.2276	1.5284
Insurance	0.1021	0.1021
Fixed CTS Component	0.1732	0.5878
Return on Equity	1.1872	3.7285
Debt Repayment	1.2658	3.6404
Interest Charge	0.4034	2.5372
Total	3.7259	13.0601
Energy Purchase Price (Rs./KWh)		
Variable O&M - Foreign	0.0684	0.2581
Variable O&M - Local	0.0628	0.1093
Variable O&M - Jetty	0.0074	0.0161
Total	0.1386	0.3835

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.

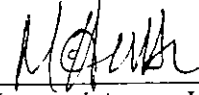


4. CPHGCL also requested quarterly indexation/adjustment with reference components of ash disposal and limestone. These components are required to be adjusted as per actual at the time of COD adjustment, therefore, same has not been considered by the Authority in the instant quarterly indexation/adjustment.
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 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.
7. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

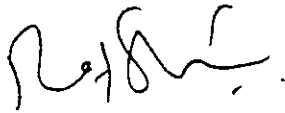
AUTHORITY



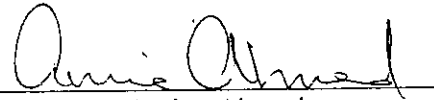
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman

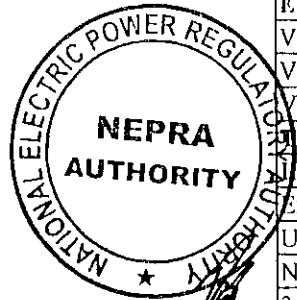


China Power Hub Generation Company (Pvt.) Ltd.
Quarterly Indexation/ Adjustment of Tariff

Tariff Components	Reference Feb 12, 2016 & July 28, 2017	Revised Jul to Sep 2023 Quarter	Indexation
Capacity Charge (Rs./KW/h)			
Fixed O&M - Foreign	0.1435	0.5414	US CPI & Rs./US\$
Fixed O&M - Local	0.1977	0.3440	CPI Local
Fixed O&M - Jetty	0.0254	0.0503	50% of the component is subject to indexation with the Rs./US\$
Cost of Working Capital	0.2276	1.5284	KIBOR & Fuel Price.
Insurance	0.1021	0.1021	-
Fixed CTS Component	0.1732	0.5878	Fixed CTS & Rs./US\$
Return on Equity	1.1872	3.7285	Rs./US\$
Debt Repayment	1.2658	3.6404	Rs./US\$
Interest Charge	0.4034	2.5372	LIBOR & Rs./US\$
Total	3.7259	13.0601	
Energy Purchase Price (Rs./KWh)			
Variable O&M - Foreign	0.0684	0.2581	US CPI & Rs./US\$
Variable O&M - Local	0.0628	0.1093	CPI Local
Variable O&M - Jetty	0.0074	0.0161	60% of the component is subject to indexation with the Rs./US\$
Total	0.1386	0.3835	
Indexation Values			Source
Exchange Rate (Rs./USD)	97.10	287.100	NBP - Revised rate of June 27, 2023
US CPI (All Urban Consumers)	238.34	304.127	U.S. Bureau of Labor Statistics - Revised value of May 2023
N-CPI - Local	131.01	227.960	Pakistan Bureau of Statistics - Revised value of May 2023
3 Monthly KIBOR	11.91%	22.91%	SBP - Revised rate of June 27, 2023
3 Monthly LIBOR	0.450%	5.545%	www.breccorder.com - Revised rate of June 30, 2023
Imported Coal Price (Rs./Ton)	12,532	73,181.18	Weighted Average Price of Coal Consumed during May to Jun 2023
Imported Coal Calorific Value (BTU/Kg)	25,556	21,547.62	Weighted Average CV of Coal Consumed during May to Jun 2023
Local Coal Price (Rs./Ton)	-	59,327.75	Weighted Average Price of Coal Consumed during May to Jun 2023
Local Coal Calorific Value (BTU/Kg)	-	24,018.40	Weighted Average CV of Coal Consumed during May to Jun 2023
Imported Coal Quantity (M. Ton)	-	30,662.00	28.64% of Total Coal Consumed during May to Jun 2023
Local Coal Quantity (M. Ton)	-	76,388.41	71.36% of Total Coal Consumed during May to Jun 2023
Fixed CTS Charges (USD/day)	52,000	59,683	80% of charges shall be indexed with US ECI
US ECI (Seasonally Adjusted)	133.20	157.800	U.S. Bureau of Labor Statistics - Revised value of Sep 2022
Principal Outstanding (USD. Million)	-	471.660	
Hours in the quarter	-	2,208	

- 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.





REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/ 33990-92

September 26, 2023

The Manager
Printing Corporation of Pakistan Press
Shahrah-e-Suharwardi
Islamabad


Subject: **NOTIFICATION REGARDING DECISIONS OF THE AUTHORITY**

In pursuance of Proviso (ii) to 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 following Decisions of the Authority as per following detail for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date
1.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited for the quarter July to September 2023	32434-32438 05-09-2023
2.	Decision of the Authority regarding quarterly indexation/adjustment of tariff of China Power Hub Generation Company Private Limited for the quarter July to September 2023	32440-32444 05-09-2023

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 02 Notifications


(Engr. Mazhar Iqbal Ranjha)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. **Syed Mateen Ahmed**, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad