

**National Electric Power Regulatory Authority**

**NOTIFICATION**



Islamabad, the <sup>15</sup>19 day of November, 2024

S.R.O. 1885 (I)/2024.- In pursuance 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 dated October 02, 2024 under NEPRA (Review Procedure) Regulations, 2009 regarding decision in the matter of Motion for Leave for Review dated 14<sup>th</sup> May, 2024 for CIHC Pak Power Company (Private) Limited in the matter of Modification Petition in Case No. NEPRA/TRF-590/CPCL-2022.

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.

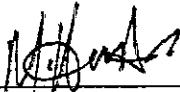
  
(Wasim Anwar Bhinder)  
Registrar

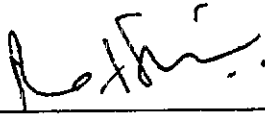


**DECISION OF THE AUTHORITY UNDER NEPRA (REVIEW PROCEDURE)  
REGULATIONS, 2009 REGARDING DECISION IN THE MATTER OF MOTION  
FOR LEAVE FOR REVIEW DATED 14<sup>TH</sup> MAY 2024 FOR CIHC PAK POWER  
COMPANY (PVT) LIMITED**

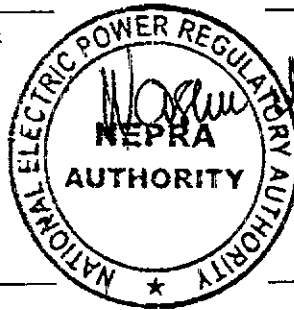
1. An error has been identified in the calculation of cost of working capital in the subject decision dated 14<sup>th</sup> May 2024 on account of 45 days fuel inventory instead of approved 90 days and load factor of 85% instead of approved 100% on receivable which needs to be rectified. The approved cost of working capital of Rs 0.8413/kW/hour shall stand replaced with Rs. 1.4320/kW/hour in Table under Para 24.3 and tariff table attached as Annex-I. Para 25(V)(iv) shall also stand replaced.
2. In addition to the above, a typo error has been observed in Table under Para 25(v)(iii), wherein CAS was specified as 0.34% instead of 0.26% used in the calculation and mentioned in Para 16.7 and Annex-II. Accordingly 0.34% has been replaced with 0.26%.
3. Accordingly, in pursuance of Section 7(2)(g) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 read with Regulation 3 of NEPRA (Review Procedure) Regulations, 2009, the above errors and omissions have been rectified and pages 23/32, 24/32, 27/32 and Annex-I are being replaced with the attached revised pages and revised Annex-I.
4. The above decision of the Authority is to be notified in the Official Gazette along with decision dated 14<sup>th</sup> May 2024 in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.


Authority

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Amina Ahmed  
Member



  
Waseem Mukhtar  
Chairman



## 24. SUMMARY OF THE APPROVED PROJECT COST AND TARIFF

24.1. The summary of the requested and approved projected cost is provided hereunder:

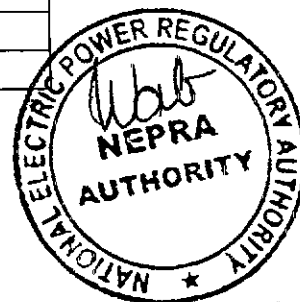
| Description                     | Requested     | Approved      |
|---------------------------------|---------------|---------------|
|                                 | US\$ Million  |               |
| <b>EPC:</b>                     |               |               |
| Offshore                        | 272.10        | 217.37        |
| Onshore                         | 130.23        | 104.04        |
| <b>Total EPC cost</b>           | <b>402.33</b> | <b>321.41</b> |
| Duties & Taxes                  | 13.60         | 10.87         |
| Non EPC Costs                   | 5.77          | 5.77          |
| Land                            | 3.25          | 3.25          |
| Project Development & Sponsor   | 47.87         | 10.50         |
| Insurance During Construction   | 3.02          | 2.25          |
| O&M Mobilization                | 4.02          | 3.21          |
| Pre-Sync Fuel & Start-up        | 2.74          | 2.74          |
| <b>Total CAPEX</b>              | <b>482.60</b> | <b>360.00</b> |
| <b>Financial Charges:</b>       |               |               |
| Sinosure Fee                    | 41.57         | 32.56         |
| Financing Fee & Charges         | 14.89         | 6.38          |
| Interest During Construction    | 68.08         | 45.55         |
| <b>Total Financial Charges:</b> | <b>124.54</b> | <b>84.50</b>  |
| <b>Total Project Cost</b>       | <b>607.14</b> | <b>444.49</b> |

24.2. As per previous decision of the Authority, O&M mobilization cost @ 1% of EPC, insurance during construction @ 0.70% of EPC and taxes and duties @ 5% of EPC have been worked out and included in the project cost.

24.3. The summary of requested and approved tariff is provided hereunder:

| Description                           | Requested      | Approved       |
|---------------------------------------|----------------|----------------|
| <b>Energy Charge (Rs./kWh):</b>       |                |                |
| Fuel Cost Component                   | 13.1676        | 15.3862        |
| Variable O&M (foreign)                | 0.3323         | 0.2554         |
| Variable O&M (Local)                  | 0.2036         | 0.1247         |
| Cost of Ash Disposal                  | -              | 0.0713         |
| <b>Total EPP</b>                      | <b>13.7035</b> | <b>15.8376</b> |
| <b>Capacity Charge (Rs./kW/hour):</b> |                |                |
| Fixed O&M (Local)                     | 0.5898         | 0.4196         |
| Fixed O&M (Foreign)                   | 1.2861         | 0.5732         |
| Cost of working capital               | 1.2617         | 1.4320         |
| Insurance                             | 0.3380         | 0.2619         |
| Return on Equity                      | 3.8942         | 1.6286         |

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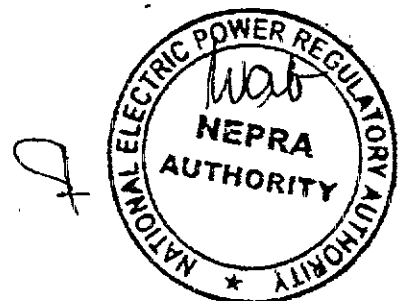
| Description                       | Requested | Approved |
|-----------------------------------|-----------|----------|
| Debt Servicing (1-13 years only)  | 7.5319    | 5.7229   |
| Avg. Capacity Charge (1-30 Yrs)   | 10.6336   | 6.7953   |
| Avg. Total Tariff @ 85% (Rs./kWh) | 24.3371   | 23.8321  |
| Levelized Tariff (Rs./kWh)        | 28.9819   | 25.9878  |
| Levelized Tariff (Cents/kWh)      | 10.0947   | 9.3314   |

24.4. As per previous decision of the Authority, annual insurance during operation @ 0.70% of EPC cost has been accounted for in calculation of insurance component of tariff.

## 25. ORDER

- I. The Authority hereby determines and approves the reference generation tariff along with terms & conditions for CIHC Pak Power Company Limited for its 300 MW coal Power Project at Gawadar and adjustments/indexations for delivery of electricity to the power purchaser. Parties to the PPA are directed to make appropriate changes in the PPA and/or other project documents wherever necessary. The schedule of tariff and debt servicing schedule are attached as Annex-I and Annex-II respectively.
- II. **One Time Adjustments at COD**
  - a. Since the exact timing of payment to EPC contractor is not known at this point of time, therefore, an adjustment for relevant foreign currency fluctuation for the EPC portion of payment in the foreign currency shall be made against the reference exchange rate of Rs. 278.50/US\$ on the basis of actual payment. The adjustment shall be made only for the currency fluctuation against the reference parity value. The onshore portion shall not be subject to any inflationary adjustment or exchange rate adjustment in the future.
  - b. Foreign payments, if any, in respect of project cost items except for onshore EPC payments shall also be subject to exchange rate variation against the reference exchange rate of Rs. 278.50/US\$ at the time of COD tariff true up on the basis of actual payment in dollars.
  - c. The revised approved project cost in local currency shall remain fixed and no further indexation/adjustment would be allowed on these costs in future.
  - d. Adjustment as per actual with maximum cap of the cost allowed for, bridges, housing colony, site levelling, boundary wall, security cost, project development and company & Sponsor cost, Anti-Corrosion Measures and fuel & startup cost before synchronization.
  - e. In case NTDC do not validate the requirement of black start facility, the cost of US\$ 6.9 million on account of black start facility shall be excluded from the project cost at the time of COD adjustment of tariff.

Revised 24/32





|               |   |   |
|---------------|---|---|
| L V. O&M(REF) | = | The reference Variable O&M Local Component of Tariff                    |
| L F. O&M(REF) | = | The reference Fixed O&M Local Component of Tariff                       |
| F F. O&M(REF) | = | The reference Fixed O&M Foreign Component of Tariff                     |
| CPI(REV)      | = | The revised NCPI (General)  |
| CPI(REF)      | = | The reference NCPI (General) of 260.010 for February 2024               |
| US CPI(REV)   | = | The revised US CPI (All Urban Consumers)                                |
| US CPI(REF)   | = | The reference US CPI (All Urban Consumers) of 310.326 for February 2024 |
| ER(REV)       | = | The revised TT& OD selling rate of US Dollar                            |
| ER(REF)       | = | The reference TT& OD selling rate of Rs. 278.50/US\$                    |

### iii. Indexation for SOFR Variation

The interest part of capacity charge component will remain unchanged throughout the term except for the adjustment due to variation in interest rate as a result of variation in Daily/Term SOFR along with CAS according to the following formula:

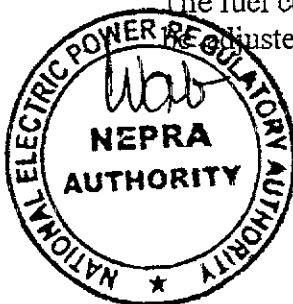
|                        |   |   |
|------------------------|---|---|
| $\Delta I$             | = | $P_{(REV)} * ((SOFR + CAS)_{(REV)} - (SOFR + CAS)_{(REF)}) / 4$   |
| Where                  |   |   |
| $\Delta I$             | = | The variation in interest charges applicable corresponding to variation in Daily/Term SOFR along with CAS. $\Delta I$ can be positive or negative depending upon whether $(SOFR + CAS)_{(REV)}$ is $>$ or $<$ 5.60%. The interest payment obligation will be enhanced or reduced to the extent of $\Delta I$ for each quarter under adjustment applicable on quarterly basis. |
| $P_{(REV)}$            | = | The outstanding principal (as indicated in the attached debt service schedule to this order) on a quarterly basis on the relevant period calculation date. Period 1 shall commence on the date on which the 1st installment is due after availing the grace period  |
| $(SOFR + CAS)_{(REV)}$ | = | Revised Daily/Term SOFR along with CAS as at the last date of the preceding quarter   |
| $(SOFR + CAS)_{(REF)}$ | = | Daily SOFR of 5.340% along with CAS of 0.26%  |

### iv. Cost of Working Capital

The cost of working capital shall be adjusted quarterly for variation in KIBOR and fuel price. The Authority may initiate separate proceedings to vary the level of inventory on the basis of operational requirement and adjustment of receivable cost on the basis of actual load factor of the preceding quarter.

### v. Fuel Price Adjustment

The fuel cost component of tariff subsequent to adjustment of heat rate test at COD shall be adjusted on account of fuel price variation (API-4 plus applicable published price



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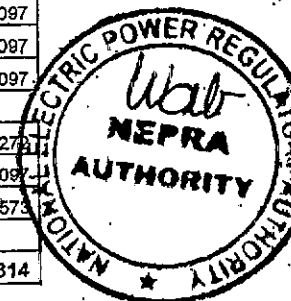
**CIHC PAK POWER COMPANY LIMITED**  
**REFERENCE TARIFF TABLE**

| REFERENCE TARIFF TABLE |                                 |          |        |              |           |  |         |             |            |        |                |                  |           |                      |              |           |
|------------------------|---------------------------------|----------|--------|--------------|-----------|--|---------|-------------|------------|--------|----------------|------------------|-----------|----------------------|--------------|-----------|
| Year                   | Energy Purchase Price (Rs./kWh) |          |        |              |           | Capacity Purchase Price (PKR/kWh/Hour) |         |             |            |        |                |                  |           | Capacity Charge@ 85% | Total Tariff |           |
|                        | Fuel Cost Component             | Var. O&M |        |              | Total EPP | Fixed O&M -                            |         | Cost of W/C | Insurance. | ROE    | Debt Repayment | Interest Charges | Total CPP |                      | Rs. /kWh     | Cents/kWh |
|                        |                                 | Foreign  | Local  | Ash Disposal |           | Local                                  | Foreign |             |            |        |                |                  |           |                      |              |           |
| 1                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 1.8123         | 3.9106           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 2                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 1.9926         | 3.7303           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 3                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 2.1909         | 3.5320           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 4                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 2.4089         | 3.3140           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 5                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 2.6486         | 3.0743           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 6                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 2.9122         | 2.8107           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 7                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 3.2020         | 2.5209           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 8                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 3.5208         | 2.2023           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 9                      | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 3.8709         | 1.8519           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 10                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 4.2561         | 1.4667           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 11                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 4.6797         | 1.0432           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 12                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 5.1454         | 0.5775           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 13                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 5.5232         | 0.1996           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 14                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 15                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 16                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 17                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 18                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 19                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 20                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 21                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 22                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 23                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 24                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 25                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 26                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 27                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 28                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 29                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 30                     | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| Average                |                                 |          |        |              |           |  |         |             |            |        |                |                  |           |                      |              |           |
| 1-13                   | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 3.3972         | 2.3257           | 10.0383   | 11.8097              | 27.6473      | 9.9272    |
| 14-30                  | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | -              | -                | 4.3154    | 5.0769               | 20.9146      | 7.5097    |
| 1-30                   | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 1.4721         | 1.0078           | 6.7953    | 7.9945               | 23.8321      | 8.5573    |
| Levelized              |                                 |          |        |              |           |  |         |             |            |        |                |                  |           |                      |              |           |
| 1-30                   | 15.3862                         | 0.2554   | 0.1247 | 0.0713       | 15.8376   | 0.4196                                 | 0.5732  | 1.4320      | 0.2619     | 1.6286 | 2.2818         | 2.0505           | 8.6277    | 10.1502              | 25.9878      | 9.3314    |
| 25.9878 Rs./kWh 9.3314 |                                 |          |        |              |           |  |         |             |            |        |                |                  |           |                      |              |           |

Levelized Tariff =

25.9878 Rs./kWh

9.3314





REGISTRAR

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, G-5/1, Attaturk Avenue, Islamabad

Phone: 9206500, Fax: 2600026

Website: [www.nepra.org.pk](http://www.nepra.org.pk), Email: [info@nepra.org.pk](mailto:info@nepra.org.pk)

No. NEPRA/TRF-100/Notifications/ 17663-65

November 19, 2024

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

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

In pursuance 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 following Decisions of the Authority as detailed below for immediate publication in the official Gazette of Pakistan:

| S. No. | Order   | Issuance No. and Date     |
|--------|---|---------------------------|
| 1.     | Decision of the Authority in the matter of reimbursement of 7.5% withholding Tax on Dividends for the period from October 01, 2024 to September 30, 2025 for Nishat Power Limited   | 15264-15266<br>02-10-2024 |
| 2.     | Decision of the Authority in the matter of Annual Adjustment in insurance component of Capacity Charge Part of Tariff on account of Actual Insurance Premium for the Period March 30, 2024 to March 29, 2025 for Port Qasim Electric Power Company (Pvt.) Limited   | 15258-15262<br>02-10-2024 |
| 3.     | Decision of the Authority regarding annual adjustment of insurance component of capacity charge part of tariff on account of Actual Insurance Premium for the period July 01, 2024 to June 30, 2025 in respect of National Power Parks Management Company (Private) Limited's Haveli Bahadar Shah Power Project | 15252-15256<br>02-10-2024 |
| 4.     | Decision of the Authority under NEPRA (Review Procedure) Regulations, 2009 regarding decision in the matter of Motion for Leave for Review dated 14 <sup>th</sup> May, 2024 for CIHC Pak Power Company (Private) Limited in the matter of Modification Petition   | 15270-15274<br>02-10-2024 |

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

Encl: 04 Notifications

  
(Wasim Anwar Bhinder)  
Registrar

CC:

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