

Before the Thar Coal & Energy Board

Motion for Review Filing Review Petition for Financial Stage Tariff

For

Coal Mine of 7.8mtpa at Block-I of Thar Coalfields

*Pursuant to Rule 10(6) of Thar Coal Tariff Determination Rules, 2014
read with the provisions of Thar Coal & Energy Board Act, 2011*

Dated: July 26, 2023



CONTENTS

1. Details of Petitioner.....	3
2. Grounds for Motion for Extension of Time for Filing of Review Petition for Contract Stage Tariff.....	4
3. Approval Sought.....	6



1. DETAILS OF PETITIONER

Name and Registered Office

Sino Sindh Resources (Pvt.) Ltd.

14-B, 14th Floor, The Harbour Front Building, HC#3,

Marine Drive, Block-4, Clifton,

Karachi, Pakistan

Representative of SSRL

NAME:

Li Jigen

DESIGNATION:

CHIEF EXECUTIVE OFFICER



2. GROUNDS FOR MOTION FOR FILING OF REVIEW PETITION FOR FINANCIAL CLOSE STAGE TARIFF DETERMINATION

2.1 Sino Sindh Resources (Pvt.) Ltd. ("SSRL") was established to construct, develop, own, and operate Block-I of Thar Coalfields, located in District Tharparkar, Sindh, Pakistan

2.2 TCEB pursuant to Rule 10(5) of the Thar Coal Tariff Determination Rules, 2014 ("Rules"), approved determination of Financial Stage Tariff ("Tariff Determination") for SSRL via determination order bearing reference no. TCEB/Registrar/2-2/2015/FC Stage 25th July, 2023.

2.3 Key issues that will be covered in the Review Petition, are as follows:

- Overburden Waste Volumes
- Equipment Fleet Configuration
- EPC Cost
- Non EPC Cost

OVERBURDEN WASTE VOLUMES:

In Section 2 of TCTDC of decision, TCTDC has maintained the Feasibility Stage Overburden Waste Volumes of 1,834 million contrary to SSRL's petitioned 1,931 million BCM. As explained through our letter Numbers SSRL-ME-2022-70 77 respectively dated October 6 and 26, 2022. The increased Overburden Waste Volumes are outcome of detailed mine design by a reputable Open Pit Design Institute in China in compliance with recommendations by team of experts who supervised and prepared detailed geotechnical studies carried out after approval of our Feasibility Stage Tariff in March, 2017.

We are attaching here with our calculation basis for your kind reconsideration and invite your worthy board team for survey by 3rd party for verification of the same.

EQUIPMENT FLEET CONFIGURATION

In Section 3 of TCTDC of decision, TCTDC has unilaterally reduced the equipment, setting aside the rationale petitioned by SSRL. SSRL equipped the EPC contractor in light of 1,931 Million BCM Overburden Volumes and timelines agreed with IPP of our mine mouth 2x660 MW Power Plant. As per executed Power Purchase Agreement (PPA) and Implementation Agreement (IA), IPP was obligated to achieve Commercial Operations by March 1, 2021. SSRL executed Coal Supply Agreement in compliance with IPP's PPA & IA. SSRL equipped EPC contractor in light of OB Volumes and timelines.

Climatic Changes: Another factor of having such reasonable fleet is Climatic Changes in recent years in Project Area.

In contrary to recommendations by TCTDC, SSRL has to beef up fleet deployment at site to ensure



coal supply to IPP in light of drastically changing weather conditions in Thar Region. As its evident from weather trends from 2020 to 2023, its almost not possible to continue mine operations during rainy season from June ~July to September every year. During development stage, we were chasing COD time lines and now SSRL has to stock enough coal for sustainable supply to IPP during rainy season. In order to meet contractual obligations, SSRL has no other option but to maintain reliable substantial equipment fleet as asked through our Financial Close Stage Tariff Petition.

Serial No	Description	Quantity
1	Dump Trucks for OB removal	375
2	7 BCM Excavators	38
3	Dump Trucks for Coal Transportation	43

EPC Cost

TCTDC has entirely disregarded our petitioned EPC cost and again maintained quite lower PC cost approved USD 585 Mn, this has shaken both SSRL and the EPC contractor confidence. SSRL has indeed already spent much more than USD 585. SSRL is again submitting EPC Costs in the model attached.

Non EPC Cost

The Non EPC costs has been irrationally slashed despite the fact SSRL has developed state of the art project site by spending reasonable budgets.

2.4 We may be pleased to provide any additional information as required by TCEB pertaining to this Extension.



3. APPROVAL SOUGHT

Sino Sindh Resources (Pvt.) Ltd. ("SSRL") through this Motion seeks approval for US\$ 50.38 as levelized FC Stage Tariff through the esteemed authority to make this nationally important project economically viable for project sponsors as described in in Section 2.3 of the below mentioned table.

TARIFF TABLE

Coal Tariff Table Levelized (USD per ton)											
Year	Variable O&M	Fixed O&M	Working Capital Interest	Insurance	Asset Replacement Reserve	Royalty	ROEDC	ROE	Principal	Interest	Tariff
1	15.02	10.53	1.60	0.45	4.34	4.15	2.55	6.45	6.47	7.98	59.54
2	15.02	11.17	1.64	0.45	5.22	4.27	2.55	6.45	7.02	7.42	61.22
3	15.02	11.40	1.55	0.45	2.54	4.08	2.55	6.45	7.63	6.82	58.49
4	15.02	11.62	1.56	0.45	2.56	4.10	2.55	6.45	8.28	6.16	58.76
5	11.56	10.70	1.45	0.45	2.58	3.76	2.55	6.45	8.99	5.45	53.95
6	11.56	10.79	1.45	0.45	2.58	3.77	2.55	6.45	9.77	4.68	54.05
7	11.56	10.82	1.46	0.45	2.92	3.80	2.55	6.45	10.61	3.84	54.46
8	11.56	10.78	1.46	0.45	2.90	3.80	2.55	6.45	11.52	2.93	54.40
9	11.56	10.89	1.46	0.45	2.80	3.80	2.55	6.45	12.51	1.94	54.40
10	11.56	11.10	1.46	0.45	2.70	3.80	2.55	6.45	13.58	0.86	54.52
11	11.56	11.62	0.98	0.45	2.71	2.72	2.55	6.45	-	-	39.05
12	11.56	10.88	0.96	0.45	2.71	2.67	2.55	6.45	-	-	38.23
13	11.56	10.90	0.97	0.45	2.92	2.69	2.55	6.45	-	-	38.49
14	11.56	10.83	0.96	0.45	2.84	2.67	2.55	6.45	-	-	38.31
15	11.56	11.54	0.97	0.45	2.72	2.72	2.55	6.45	-	-	38.97
16	11.56	11.77	0.98	0.45	2.72	2.74	2.55	6.45	-	-	39.23
17	11.10	11.02	0.95	0.45	2.72	2.64	2.55	6.45	-	-	37.89
18	11.10	11.00	0.95	0.45	2.72	2.64	2.55	6.45	-	-	37.86
19	11.10	11.57	0.94	0.45	2.10	2.64	2.55	6.45	-	-	37.80
20	11.10	11.19	0.93	0.45	2.06	2.61	2.55	6.45	-	-	37.34
21	11.10	11.88	0.95	0.45	2.04	2.66	2.55	6.45	-	-	38.08
22	11.10	11.30	0.93	0.45	1.81	2.59	2.55	6.45	-	-	37.19
23	11.10	11.50	0.93	0.45	1.81	2.61	2.55	6.45	-	-	37.40
24	11.10	11.42	0.93	0.45	1.88	2.61	2.55	6.45	-	-	37.39
25	11.10	11.24	0.92	0.45	1.68	2.58	2.55	6.45	-	-	36.98
26	11.10	11.67	0.93	0.45	1.61	2.61	2.55	6.45	-	-	37.37
27	11.10	11.13	0.88	0.45	0.51	2.48	2.55	6.45	-	-	35.56
28	11.10	11.17	0.88	0.45	0.44	2.48	2.55	6.45	-	-	35.53
29	11.10	11.28	0.86	0.45	0.00	2.45	2.55	6.45	-	-	35.16
30	11.10	11.51	0.87	0.45	-	2.47	2.55	6.45	-	-	35.40
	12.65	11.09	1.32	0.45	2.93	3.51	2.55	6.45	5.89	3.52	50.38

