



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DG(Trf)/TRF-85/HPGCL-2007/ 34651-55

October 19, 2023

Subject: **Decision of the Authority in the Matter of Adjustment/Indexation in Insurance Component of Capacity Charge Part of Tariff for Halmore Power Generation Company Ltd. (HPGCL) (Case No. NEPRA/TRF-85/HPGCL-2007)**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with schedule of Insurance Component of Capacity Charge at **Annex-I** (total 02 pages) regarding adjustment in insurance component of capacity charge part of Halmore Power Generation Company Ltd.'s tariff on account of Actual Insurance Premium for the period **June 15, 2023 to June 14, 2024** in Case No. NEPRA/TRF-85/HPGCL-2007.

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),
Government of Pakistan
'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, Halmore Power Generation Company Ltd.
94-A, Commercial Broadway, Phase-8, Defence Housing Authority, Lahore

DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT/INDEXATION IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR HALMORE POWER GENERATION COMPANY LIMITED (HPGCL)

1. Pursuant to the decision of the Authority dated January 8, 2014 in the matter of tariff adjustments at Commercial Operations Date (COD), decision of the Authority dated November 6, 2014 read with corrigendum dated December 4, 2014 in the matter of Motion for Leave for Review regarding Halmore Power Generation Company Limited (HPGCL), the insurance component of capacity charge part of tariff is subject to adjustment as per actual. HPGCL requested to approve insurance component of Rs. 0.3168/kW/h for the period June 15, 2023 to June 14, 2024. HPGCL in support of its request provided copies of premium invoices, payment evidences and quotations from insurance companies for current year i.e. 2023-2024. The details of requested insurance cost net of Federal Exercise Duty is as under:

Insurance Policy	Amount (PKR)
All risk of direct loss or damage including Machinery Breakdown, Boiler Explosion and Business Interruption	551,853,211
Sabotage and Terrorism, Strikes, Riots, Civil Commotion and Malicious Damage	24,878,318
Public and Product Liability	3,023,898
Total	579,755,427

2. The Authority in its collective and joint wisdom decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-

“Based on the documentary evidences provided by HPGCL and in accordance with Schedule VIII of the Power Purchase Agreement, the insurance component of capacity charge part of tariff has been revised pertaining to coverage period of June 15, 2023 to June 14, 2024 (366 days).”

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

Period	Insurance Component (Rs./kW/Hour)	
	Reference	Revised
June 15, 2023 to June 14, 2024	0.0983	0.3158

4. The revised tariff schedule attached as **Annex-I** is to be notified in the official Gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. 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

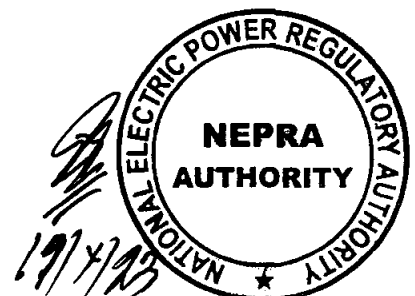


Amina Ahmed
Member



Waseem Mukhtar
Chairman

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Halmore Power Generation Company Limited
Schedule of Insurance Component of Capacity Charge
Adjustment on account of Actual Insurance Premium

Period	Reference Insurance Premium	Previous Insurance Premium	Revised Insurance Premium	Actual Premium of EPC Against the Allowed Limit of 1.35%	Reference Insurance Component	Previous Insurance Component	Revised Insurance Component
	Rs.	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour	Rs./kW/Hour
June 15, 2023 to June 14, 2024	179,889,000	479,726,439	579,755,427	1.17%	0.0983	0.2620	0.3158

-Based on data declared by Halmore Power Generation Company Limited

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