



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(TRF)/TRF-100/Laraib-2009/38620-22

December 21, 2023

Subject: **DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT
IN INSURANCE COMPONENT OF THE TARIFF OF LARAIB ENERGY
LIMITED (CASE NO. NEPRA/TRF-100/2009)**

Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with schedule (Annex-I) (02 pages) regarding adjustment in insurance component of tariff for the period 23rd March 2023 to 22nd March 2024 for Laraib Energy Ltd. in Case No. NEPRA/TRF-100/2009.

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.
3. The schedule attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

(Syed Zavar Haider)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat
Government of Pakistan
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.

**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE
COMPONENT OF THE TARIFF OF LARAIB ENERGY LIMITED (LEL)**

1. Pursuant to the decisions of the Authority dated 14th April 2016 in the matter of tariff adjustment at Commercial Operation Date (COD), notified vide SRO 585(I)/2016 dated June 28th 2016, Motion for Recalculation dated 26th May 2016 and Motion for Review filed by LEL against the decision of the Authority at COD dated June 30th 2016, on the basis of information provided by LEL, the insurance component is subject to adjustment as per actual. LEL through CPPA-G requested approval of an insurance component of Rs. 0.4486/kWh for the 11th agreement year. LEL in support of its request provided premium invoices, SBP approval and bank account statements. The details are as under:

Insurance Polic Name	Amount Rs.
Material Damage & Business Interruption	182,514,137
Public Product and Production Liability	3,948,464
Terrorism, Sabotage, Strikes & Riots	24,392,900
Total	210,855,501

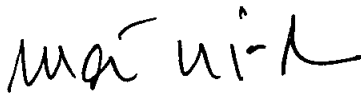
2. The Authority in its collective and joint wisdom after examining from all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the the matter:-

"Based on the information/documents provided by LEL and in accordance with Schedule VIII of the Power Purchase Agreement, the insurance component of tariff for the insurance coverage period of March 23, 2023 to March 22, 2024 has been revised based on the insurance premium of Rs.210,855,501."

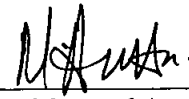
3. The revised insurance components indicated hereunder shall be immediately applicable:

Period	Revised Insurance Component (Rs./kWh)
23rd March 2023 - 22nd March 2024	0.4486

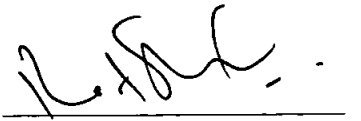
4. The schedule attached as **Annex-I** is to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
5. 5CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

Authority

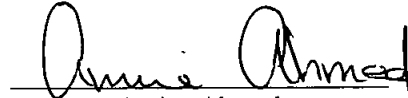
Mathar Niaz Rana (nsc)
Member



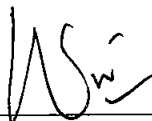
Engr. Maqsood Anwar Khan
Member



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



Laraib Energy Limited
Schedule of Adjustment of Insurance Component

Period	Reference Insurance Premium at COD	Actual Premium of EPC against the allowed limit of 1%	Revised Insurance Premium	Reference Insurance Component at COD	Revised Insurance Component
	Rs.		Rs.	Rs./kWh	Rs./kWh
23rd March 2023 - 22nd March 2024	118,735,071	0.47%	210,855,501	0.2526	0.4486

Based on the data declared by Laraib Energy Limited.

