



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/Dir(Trf)/TRF-70/NCPL-2007/37758-37760
September 27, 2021

Subject: **Decision of the Authority in the matter of Adjustment in Insurance Component of Tariff for Nishat Chunian Power Ltd. (NCPL) (Case No. NEPRA/TRF-70/NCPL-2007)**


Dear Sir,

Please find enclosed the decision of the Authority along with revised schedule of tariff (Annex-I) (02 pages) regarding adjustment in insurance component of Nishat Chunian Power Ltd.'s tariff on account of Actual Insurance Premium for the period 1st July 2021 to 30th June 2022 in Case No. NEPRA/TRF-70/NCPL-2007.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

Enclosure: As above


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(Syed Safer Hussain)

Secretary,
Ministry of Energy (Power Division),
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 TARIFF FOR NISHAT CHUNIAN POWER LIMITED**

1. Pursuant to the decision of the Authority dated December 31, 2010 in the matter of adjustment at Commercial Operation Date (COD) in the case of Nishat Chunian Power Limited (NCPL), the insurance component of tariff is subject to adjustment as per actual annually. NCPL vide its letter dated August 11, 2021 requested to approve insurance component of Rs. 0.1323/kW/h for the period July 1, 2021 to June 30, 2022. NCPL in support of its request submitted copies of insurance policies, premium calculations, no claim bonus and payment evidences of previous year. The details of requested insurance cost net of Federal Excise Duty/Sales Tax on Services is as under:

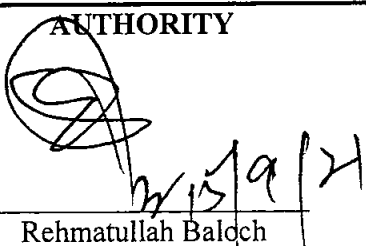
Sr. No.	Name of Policy	Premium (Rs.)
1	Machinery Breakdown & Business Interruption	210,929,822
2	Terrorism & Sabotage	11,848,368
3	Third Party Liability	2,488,800
4	Vehicle Insurance	1,009,760
5	Electronic Equipment & Machinery Tools	577,369
6	Cash	20,211
Total		226,874,330

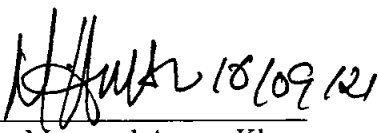
2. The Schedule-VIII of PPA does not provide for electronic equipment, machinery tools and cash insurance(s), therefore, the same have not been considered. Accordingly, on the basis of information provided by NCPL and remaining insurance cost of Rs. 226,276,750, the insurance component of capacity charge part of tariff has been revised. The revised insurance component of tariff as provided hereunder shall be immediately applicable:

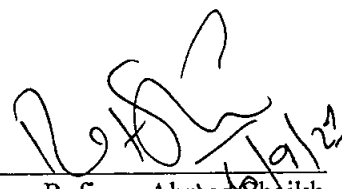
Period	Reference Insurance Component Rs./kW/Hour	Revised Insurance Component Rs./kW/Hour
July 1, 2021 to June 30, 2022	0.0927	0.1320

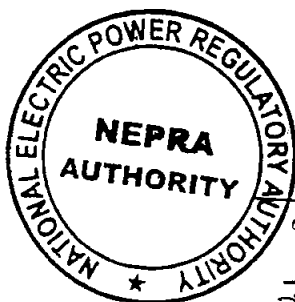
3. The revised tariff schedule attached as **Annex-I** is to be notified in the official gazette, in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
4. CPPA-G to ensure that all payments are consistent with the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

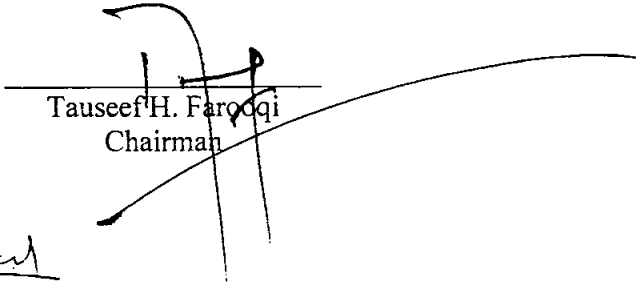
AUTHORITY


Rehmatullah Baloch
Member


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member

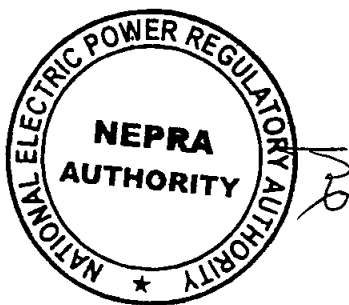



Tauseef H. Farooqi
Chairman

27/9/21

Nishat Chunian Power Limited
Schedule of Insurance Component
Adjustment on account of Actual Insurance Premium

Period	Reference Insurance Premium	Revised Insurance Premium	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.	Rs./kW/Hour	Rs./kW/Hour
July 1, 2021 to June 30, 2022	158,990,519	226,276,750	0.0927	0.1320



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