



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad

Ph: +92-51-9206500, Fax: +92-51-2600026

Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

No. NEPRA/R/ADG(Trf)/TRF-70/NCPL-2007/1592-96  
February 2, 2023

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 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023 in Case No. NEPRA/TRF-70/NCPL-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.

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

Enclosure: As above

  
( Engr. Mazhar Iqbal Ranjha )

Secretary,  
Ministry of Energy (Power Division),  
Government of Pakistan  
Islamabad.

Copy alongwith subject Decision to:

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, Nishat Chunian Power Limited (NCPL), 31-Q, Gulberg-II, Lahore [Ph: 042 - 35761730]

**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE COMPONENT OF TARIFF FOR NISHAT CHUNIAN POWER LIMITED FROM JULY 1, 2022 TO JUNE 30, 2023.**

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 October 24, 2022 requested to approve insurance component of Rs. 0.2020/kW/h for the period July 1, 2022 to June 30, 2023. 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	321,972,066
2	Terrorism & Sabotage	19,085,679
3	Third Party Liability	3,762,234
4	Vehicle Insurance	1,002,736
5	Electronic Equipment & Machinery Tools	649,946
6	Cash	16,903
<b>Total</b>		<b>346,489,565</b>

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. 345,882,715/-, 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, 2022 to June 30, 2023	0.0927	0.2017

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).

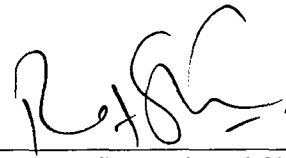
**AUTHORITY**



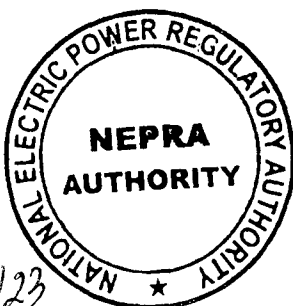
Mathar Niaz Rana  
Member



Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member

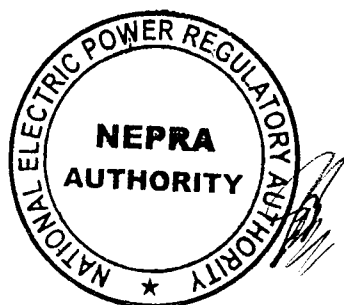


Tauseef H. Farooqi  
Chairman

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

Period	Reference Insurance Premium	Revised Insurance Premium	Actual Premium of EPC Against the Allowed	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.	Limit of 1.35%	Rs./kW/Hour	Rs./kW/Hour
July 1, 2022 to June 30, 2023	158,990,519	345,822,715	0.90%	0.0927	0.2017

Note: Based on the data declared by Nishat Chunian Power Limited.



*Handwritten signature/initials*