



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-70/NCPL-2007/ 440-44

January 15, 2025

**Subject: Decision of the Authority in the matter of Adjustment in Insurance Component of Tariff for the Period of July 01, 2024 to June 30, 2025 for Nishat Chunian Power Limited**

Dear Sir,

Please find enclosed herewith subject the Decision of the Authority along with Annex-I (total 02 pages) regarding adjustment in insurance component of Nishat Chunian Power Limited tariff on account of Actual Insurance Premium for the period July 01, 2024 to June 30, 2025 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 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

(Syed Zawar Haider)

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

Copy 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 (CPPAG), 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 THE PERIOD OF JULY 1, 2024 TO JUNE 30, 2025 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 requested to approve insurance component of Rs. 0.2947/kW/h for the period July 1, 2024 to June 30, 2025. 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 Sales Tax on Services is as under:

Sr. No.	Name of Policy	Premium (Rs.)
1	Machinery Breakdown & Business Interruption	453,411,019
2	Terrorism & Sabotage	45,045,373
3	Third Party Liability	5,222,200
4	Vehicle Insurance	843,467
5	Electronic Equipment & Machinery Tools	957,032
6	Cash	16,723
Total		505,495,814

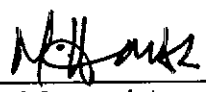
2. It is observed that the Schedule VIII of the Power Purchase Agreement (PPA) does not provide provision for cash and electronic equipment & machinery tools insurance(s), therefore, the same has not been considered.
3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

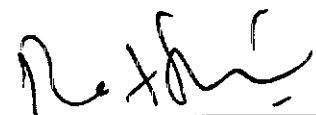
“Based on information and documentary evidence(s) provided by NCPL and in accordance with Schedule VIII of Power Purchase Agreement, the insurance component of capacity charge part of tariff of Rs. 0.2943/kW/h has been revised for the coverage period from July 1, 2024 to June 30, 2025 on the basis of net insurance cost of Rs. 504,522,059.”

4. The above decision of the Authority along with revised tariff schedule attached as **Annex-I** are 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).

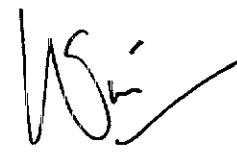
**AUTHORITY**

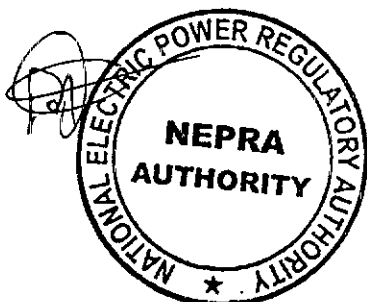
  
Mathat Niaz Rana (nsc)  
Member

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Amina Ahmed  
Member

  
Waseem Mukhtar  
Chairman



**Nishat Chunian Power Limited**  
**Schedule of Insurance Component**  
**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
July 1, 2024 to June 30, 2025	158,990,519	452,877,021	504,522,059	0.97%	0.0927	0.2634	0.2943

\* Based on the data declared by Nishat Chunian Power Limited.

*Ans 7*

