



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-71/NPL-2007/16260-16262
September 29, 2017

Subject: Decision of the Authority in the Matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Nishat Power Ltd. (Case No. NEPRA/TRF-71/NPL-2007)

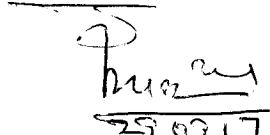
Dear Sir,

Please find enclosed herewith the Decision of the Authority along with schedule of Insurance Component of Capacity Charge Annexure-1 (03 pages) regarding adjustment in insurance component of capacity charge part of Nishat Power Ltd.'s tariff on account of Actual Insurance Premium for the period 1st July, 2017 to 30th June, 2018 in Case No. NEPRA/TRF-71/NPL-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 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. The revised Insurance Component of Capacity Charge Part attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above


(Syed Safer Hussain)

Secretary,
Ministry of Energy,
Government of Pakistan
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, Islamabad.



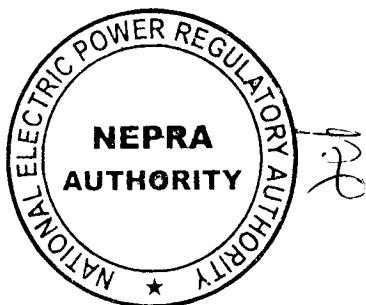
Decision of the Authority in the Matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Nishat Power Limited (NPL)

1. Pursuant to the decision of the Authority dated March 22, 2011 in the matter of Motion for Leave for Review filed by NPL against the decision of the Authority at COD dated 15th October 2010 regarding Nishat Power Limited (NPL), on the basis of information provided by NPL, the insurance component of capacity charge part of tariff for the period 1st July 2017 to 30th June 2018 has been revised on the basis of insurance premium as per details provided hereunder:

Description	Rs.
Insurance premium net of F.E.D. for the period 2017-18	175,318,239
Less Marine Insurance net of F.E.D.	(2,085,092)
Less life and Hospitalization Insurance	(7,027,730)
Less Head Office Asset Insurance net of F.E.D.	(212,788)
Less Cash Insurance net of F.E.D.	(27,600)
Net Amount	165,965,029

2. The Schedule-VIII of PPA does not provide for marine insurance during operational phase of the project, therefore, marine insurance has not been considered.
3. The Authority vide its decision No. NEPRA/TRF-71/NPL-2007 dated September 11, 2013, decided to consider only those insurances which are specifically mentioned in the Schedule VIII of the PPA. Accordingly, the health insurance, head office assets insurance and cash in transit and in safe insurance, are not being allowed. Accordingly, the Authority considered Rs. **165,965,029/-** as insurance premium for the period July 1, 2017 to June 30, 2018.
4. The revised insurance component of capacity charge part of tariff has been calculated as indicated hereunder which shall be immediately applicable:

Sr. #	Period	Revised Insurance Component Rs./kW/Hour
1.	1 st July 2017 to 30 th June 2018	0.0970



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

AUTHORITY

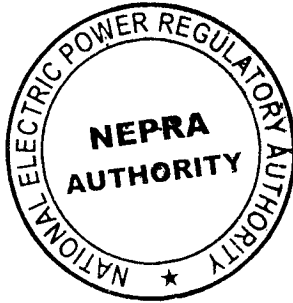
Maj (R) Haroon Rashid
Member

Himayat Ullah Khan
Member

Syed Masood Ali Hassan Naqvi
Member

Saif Ullah Chattha
Vice Chairman

Brig (R) Tariq Saddozai
Chairman



29.07.17

Nishat Power Limited
Schedule of Insurance Component of Capacity Charge
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
01-Jul-2017 to 30-Jun-2018	208,757,119	165,965,029	0.1220	0.0970

