



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/DG(Trf)/TRF-124/OPCL-2009/ 34657-61

October 19, 2023

Subject: **Decision of the Authority in the matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Orient Power Company (Pvt.) Ltd. [Case No. NEPRA/TRF-124/OPCL-2009]**

Dear Sir,

Please find enclosed herewith decision of the Authority along with schedule of Insurance Component of Capacity Charge at **Annex-I** (total 02 pages) regarding adjustment in insurance component of capacity charge part of tariff of Orient Power Company Ltd. tariff on account of Actual Insurance Premium for the period from **24<sup>th</sup> May 2023 to 23<sup>rd</sup> May 2024** in Case No. NEPRA/TRF-124/OPCL-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.

Enclosure: As above

  
( Engr. Mazhar Iqbal Ranjha )

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.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive, Orient Power Company (Pvt.) Ltd., 10-Ali Block, New Garden Town, Lahore.

**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF OF ORIENT POWER COMPANY LIMITED (OPCL)**

1. Pursuant to the decision of the Authority dated January 12, 2012 in the matter of Motion for Leave for review filed by Orient Power Company Limited (OPCL) against the decision of the Authority regarding adjustments in generation tariff at Commercial Operation Date (COD), the insurance component of tariff is subject to adjustment as per actual annually. OPCL requested to approve insurance component of Rs. 0.1703/kW/h for the period May 24, 2023 to May 23, 2024. OPCL in support of its request provided copies of insurance policies, details of no claim bonus and premium payment evidences. The details of requested insurance cost net of Federal Exercise Duty is as under:

Insurance Policy	Amount (Rs.)
Property Damage and Business Interruption	291,952,887
Terrorism & Sabotage	22,294,687
Public, Product and Pollution Liability	3,194,604
<b>Total</b>	<b>317,442,178</b>

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

“on the basis documentary evidences and in accordance with the schedule VIII of the Power Purchase Agreement, the insurance component of capacity charge part of tariff has been revised for May 24, 2023 to May 23, 2024 (366 days).”

3. The revised insurance component of capacity charge part of tariff indicated hereunder shall be immediately applicable.”

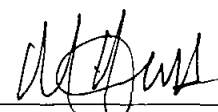
Period	Insurance Component (Rs./kW/Hour)	
	Reference (Jan 12, 2012)	Revised
May 24, 2023 to May 23, 2024	0.0400	0.1699

4. 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.
5. CPPA(G) to ensure that all payments are consistent with tariff determination(s)


**AUTHORITY**



Mathar Niaz Rana (nsc)  
Member



Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member

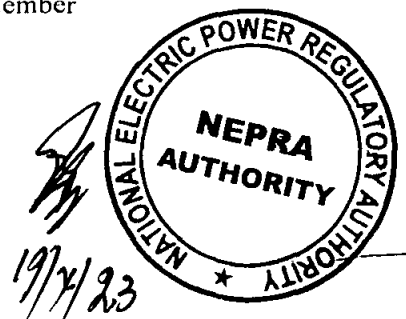


Amina Ahmed  
Member



Waseem Mukhtar  
Chairman

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**Orient Power Company Limited**  
**Schedule of Insurance Component of Capacity Charge**  
**Adjustment on account of Actual Insurance Premium**

Period	Reference Insurance Premium	Revised Insurance Premium	Actual Premium of EPC Against the Allowed Limit of 1.35%	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
May 24, 2023 to May 23, 2024	74,544,969	317,442,178	0.75%	0.0400	0.1699

- Based on the data declared by Orient Power Company Limited.

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