



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-125/SECL-2009/24173-24175
May 6, 2021

Subject: Decision of the Authority in the Matter of Adjustment/Indexation in Insurance Component of Capacity Charge Part of Tariff for Sapphire Electric Company Ltd. (SECL) (Case No. NEPRA/TRF-125/SECL-2009)


Dear Sir,

Please find enclosed the decision of the Authority along with schedule of Insurance Component of Capacity Charge (Annex-I) (02 pages) regarding adjustment in insurance component of capacity charge part of Sapphire Electric Company Ltd.'s tariff on account of Actual Insurance Premium for the period 5th October 2020 to 4th October, 2021 in Case No. NEPRA/TRF-125/SECL-2009.

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


06 05 21

(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
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/INDEXATION
IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR
SAPPHIRE ELECTRIC COMPANY LIMITED (SECL)**

1. Pursuant to the decision of the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed by Sapphire Electric Company Limited (SECL) against the decision of the Authority at COD dated September 21, 2011, the insurance component of tariff is subject to adjustment as per actual annually. SECL vide its letter dated March 25, 2021 requested to approve insurance component of Rs. 0.0903/kW/h for the eleventh year of operation. SECL in support of its request provided premium invoices, premium acknowledgments and bank account statements. The details of requested insurance cost net of Federal Excise Duty is as under:

Insurance Policy Name	Net Amount (Rs.)
All Risk and Business Interruption	159,514,284
Political Violence	6,772,216
Public and Product Liability	1,486,770
Total	167,773,270

2. Accordingly, on the basis of information/documents provided by SECL and in accordance with the Schedule VIII of Power Purchase Agreement, the insurance component of capacity charge part of tariff has been revised. The revised insurance component of capacity charge part of tariff indicated hereunder shall be immediately applicable:

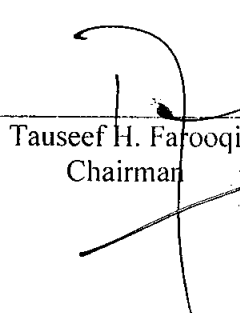
Period	Revised Insurance Component Rs./kW/Hour
October 5, 2020 to October 4, 2021	0.0903

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.

AUTHORITY


Rehmatullah Baloch
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman



Sapphire Electric Company 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
5th October 2020 to 4th October 2021	162,781,000	167,773,270	0.0876	0.0903

