



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-125/SECL-2009/4523-4525

March 30, 2022

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. (Case No. NEPRA/TRF-125/SECL-2009)

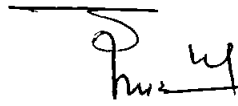
Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with Annex-I (02 pages) in the matter of Adjustment/Indexation in Insurance Component of Capacity Charge Part of Tariff for the period from October 5, 2021 to October 4, 2022 in respect of Sapphire Electric Company Ltd. in Case No. NEPRA/TRF-125/SECL-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.

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

Enclosure: As above


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(Syed Safer Hussain)

Secretary,
Ministry of Energy,
Government of Pakistan
'A' Block, Pak Secretariat
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)**

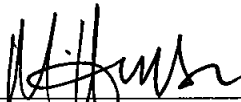
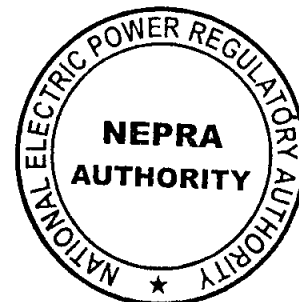
1. Pursuant to the decision of the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed by Sapphire Electric Company Limited (SECL) against the decision of the Authority at COD dated September 21, 2011, the insurance component of tariff is subject to adjustment as per actual annually. SECL vide its letter dated February 25, 2022 requested to approve insurance component of Rs. 0.0900/kW/h for the 12th 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	159,446,208
Political Violence	6,244,375
Public and Product Liability	1,609,485
Total	167,300,068

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, 2021 to October 4, 2022	0.0900

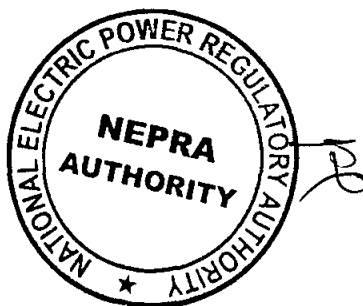
3. The revised tariff schedule attached as **Annex-I** is to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

AUTHORITYRehmatullah Baloch
MemberEngr. Maqsood Anwar Khan
MemberEngr. Rafique Ahmed Shaikh
MemberTauseef H. Farooqi
Chairman

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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 2021 to 4th October 2022	162,781,000	167,300,068	0.0876	0.0900



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