



National Electric Power Regulatory Authority Islamic Republic of Pakistan

Registrar

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No. NEPRA/R/ADG(Trf)/TRF-125/SECL-2009/ 4592-95

March 27, 2025

Subject: Decision of the Authority in the matter of Adjustment/Indexation in Insurance Component of Capacity Charge Part of Tariff for the period of October 05, 2024 to October 04, 2025 for Sapphire Electric Company Limited

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with **Annex-I** (total 02 pages) in the matter of Adjustment/Indexation in Insurance Component of Capacity Charge Part of Tariff for the period from **October 05, 2024 to October 04, 2025** 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 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

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Secretary,
Ministry of Energy,
Government of Pakistan
'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(CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive Officer, Sapphire Electric Company Ltd., 7-A/K, Main Boulevard, Gulberg-II, Lahore



**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT/
INDEXATION IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF
TARIFF FOR THE PERIOD OF OCTOBER 5, 2024 TO OCTOBER 4, 2025 FOR
SAPPHIRE ELECTRIC COMPANY LIMITED.**

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 requested to approve insurance component of Rs. 0.1401/kW/h for the period of October 5, 2024 to October 4, 2025. 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/Sales Tax on services is as under:

Insurance Policy Name	Net Amount (Rs.)
All Risk and Business Interruption	235,596,001
Political Violence	21,234,568
Public and Product Liability	3,390,908
Total	260,221,477

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

“Based on the information and documentary evidence(s) provided by SECL and in accordance with Schedule VIII of the Power Purchase Agreement, the insurance component of capacity charge part of tariff of Rs. 0.1401/kW/h has been revised pertaining to coverage period of October 5, 2024 to October 4, 2025 on the basis of net insurance cost of Rs. 260,221,477.”

3. 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.

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
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	Actual Premium of EPC Against the Allowed Limit of 1.35%	Reference Insurance Component (Nov 23, 2012)	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
October 5, 2024 to October 4, 2025	162,781,000	260,221,477	0.59%	0.0876	0.1401

-Based on data declared by Sapphire Electric Company Limited

49

