



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/1401-1403

February 1, 2023

Subject: **Decision of the Authority in the matter of Adjustment in Insurance Components of Capacity Charge Part of Tariff for Uch-II Power (Private) Ltd. (Uch-II) [Case No. NEPRA/TRF-122/UCH-II-2008 ]**

Dear Sir,

Please find enclosed herewith decision of the Authority along with Annex-I (02 pages) regarding Adjustment in Insurance Components of Capacity Charge Part of Tariff on account of Actual Insurance Premium for the period April 4, 2021 to May 31, 2022 in respect of Uch-II Power (Private) Ltd. (Uch-II) in Case No. NEPRA/TRF-122/UCH-II-2008.

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

( Engr. Mazhar Iqbal Ranjha )

Secretary  
Ministry of Energy (Power Division)  
'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 IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR UCH-II POWER (PVT.) LIMITED.**

1. Pursuant to the decision of the Authority dated April 24, 2018 in the matter of Motion for Leave for Review filed by Uch-II Power (Pvt.) Limited (hereinafter refer as "Uch-II") against the decision of the Authority at COD dated July 3, 2017, the insurance component of capacity charge part of tariff is subject to adjustment as per actual. Based on documentary information submitted by Uch-II, the insurance component of capacity charge part of tariff has been revised on the basis of actual insurance premium in accordance with the Schedule VIII of the Power Purchase Agreement (PPA). The details of insurance premium net of sale tax is as under:

Insurance Policy	Amount (Rs.)
All Risk and Business Interruption	511,127,732
Sabotage & Terrorism	71,816,652
Third Party Liability	4,147,433
EFU Fronting Fees	5,553,193
(Refund)	(4,068,441)
<b>Total</b>	<b>588,576,569</b>

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

Period	Revised Insurance Component Rs./kW/Hour
April 4, 2021 to May 31, 2022	0.1523

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

**AUTHORITY**

*Mathar Niaz Rana*

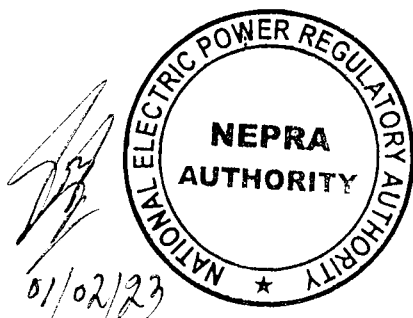
Mathar Niaz Rana (nsc)  
Member

*Engr. Maqsood Anwar Khan*

Engr. Maqsood Anwar Khan  
Member

*Engr. Rafique Ahmed Shaikh*

Engr. Rafique Ahmed Shaikh  
Member



Tauseef H. Farooqi  
Chairman

**Uch-II Power (Pvt) 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 (Apr 24, 2018)	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
April 4, 2021 to May 31, 2022	297,178,000	588,576,569	0.89%	0.0891	0.1523

Note: Based on the data declared by Uch-II Power (Pvt.) Ltd.

*Signature*

