



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/ 20420-24

November 25, 2025

Subject: **Decision of the Authority in the matter of Adjustment in Insurance Component of Capacity Charge Part of tariff for the Period from June 01, 2025 to May 31, 2026 for Uch-II Power (Private) Limited**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with **Annex-I** (total 02 pages) regarding Adjustment in Insurance Components of Capacity Charge Part of Tariff on account of Actual Insurance Premium for the period **June 01, 2025 to May 31, 2026** 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 Calendar 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**

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
Islamabad

Wasim Anwar Bhinder
(Wasim Anwar Bhinder)

Copy to:

1. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad
2. Mr. Shehriyar Abbasi, Deputy Secretary, Cabinet Division, Cabinet 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, Uch-II Power (Pvt.) Limited, Building 2-B, I&T Center, Sector G-6/1-1, Islamabad - 44000 [Phone #: +92-51-2624 840-845]

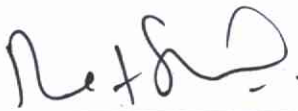
DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR THE PERIOD FROM JUNE 1, 2025 TO MAY 31, 2026 FOR UCH-II POWER (PRIVATE) LIMITED.

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. Uch-II requested to approve insurance component of Rs. 0.2709/kW/h for the period from June 1, 2025 to May 31, 2026. Uch-II in support of its request provided copies of insurance policies, premium calculation, payment evidences and letter from insurance company regarding no claim bonus. The details of insurance premium net of sale tax is as under:

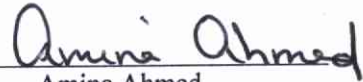
Insurance Policy	Amount (Rs.)
All Risk and Business Interruption	827,635,687
Sabotage & Terrorism	70,036,962
Third Party Liability	2,273,854
Cyber Insurance	3,493,861
Total	903,440,364

2. The Schedule VIII of the Power Purchase Agreement (PPA) does not provide provision for cyber insurance, therefore, the same has not been considered. CPPA-G on June 26, 2025 submitted joint application with Uch-II for the reduction of tariff. As per clause 3.1 of amendment agreement dated June 3, 2025 insurance cap shall be 0.9% of EPC cost. The actual premium claimed by Uch-II is 0.87% of the EPC cost which is within the maximum allowed limit.
3. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-
- "Based on information, documentary evidence(s) provided by Uch-II and in accordance with Schedule VIII of PPA, the insurance component of capacity charge part of tariff has been revised of Rs. 0.2698/kW/h for the coverage period from June 1, 2025 to May 31, 2026 on the basis of net insurance cost of Rs. 899,946,503."
4. 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY



Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Engr. Maqsood Anwar Khan
Member



Waseem Mukhtar
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 0.9%	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
June 1, 2025 to May 31, 2026	297,178,000	899,946,503	0.87%	0.0891	0.2698

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

Ans 9

