



Registrar

# 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/ADG(TRF)/PAR-146/KE(FPCL)-2015/16405-09

October 28, 2024

Subject: **Decision of the Authority in the matter of Annual Adjustment of Insurance Component for July 01, 2022 to June 30, 2023 of FFBL Power Company (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 component of capacity charge part of FFBL Power Company (Private) Limited tariff on account of Actual Insurance Premium for the period from **July 01, 2022 to June 30, 2023** in Case No. NEPRA/PAR-146/KE(FPCL)-2015.

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 (Power Division)  
'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, K-Electric Limited (KEL), KE House, Punjab Chowrangi, 39-B, Sunset Boulevard, Phase-II, Defence Housing Authority, Karachi.
4. Chief Executive Officer, FFBL Power Company Limited, FFBL Tower, C1/C2, Sector B, DHA II, Islamabad, Phone #: +92 51 8762600

**ANNUAL ADJUSTMENT OF INSURANCE COMPONENT FOR JULY 1, 2022 TO JUNE 30, 2023 OF FFBL POWER COMPANY (PRIVATE) LIMITED.**

1. Pursuant to the Authority's decision dated February 9, 2022 notified vide S.R.O. No. 1375(1)/2022 on July 18, 2022 in the matter tariff adjustment at Commercial Operation Date of FFBL Power Company Limited (hereinafter refer as "FPCL"), the insurance component of tariff is subject to annual adjustment as per actual cost with maximum of 1% of EPC cost. FPCL vide its letter dated September 11, 2024 requested to revise the insurance component of Rs. 0.1692/kWh on the basis of insurance cost of Rs. 65,525,179/- for the period July 1, 2022 to June 30, 2023. FPCL in support provided copies of premium invoices and payment evidences. The detail of insurance premiums (net of sales tax/FED) is reproduced hereunder:

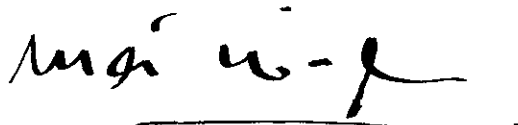
Name of Policy	Premium (Rs.)
All Risks & Business Interruption	180,352,740
Terrorism Insurance	5,649,950
General Liability Insurance	2,095,760
<b>Total insurance premium</b>	<b>188,098,450</b>
<b>Insurance cost allocated to KE @ 34.8356</b>	<b>65,525,179</b>

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 documentary evidences and information provided by FPCL and in accordance with Schedule VIII of Power Purchase Agreement, the insurance component of Rs. 0.1692/kWh of capacity charge part of tariff has been revised on the basis of insurance cost of Rs. 65,525,179/- pertaining to coverage period of July 1, 2022 to June 30, 2023."

3. The revised tariff schedule attached as **Annex-I** is to be notified in the official Gazette, in accordance with the provision 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 (nsc)  
Member



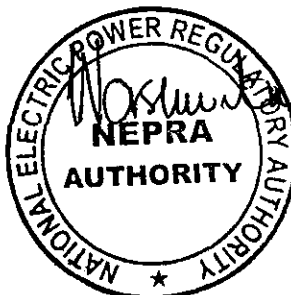
Engr. Maqsood Anwar Khan  
Member



Engr. Rafique Ahmed Shaikh  
Member



Amina Ahmed  
Member

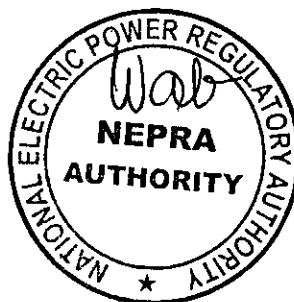


Waseem Mukhtar  
Chairman

**FFBL Power 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 1.00%	Total No. Units During Period	Reference Insurance Component (Feb 9, 2022)	Revised Insurance Component
	Rs.	Rs.		KWH	Rs./kWh	Rs./kWh
July 1, 2022 to June 30, 2023	61,627,037	65,525,179	0.38%	387,192,000	0.1592	0.1692

-Based on Data Declared by FFBL Power Company Limited



*h* *9*