



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad.
Tel: +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/ 12589-94

August 08, 2024

Subject: Decision of the Authority in the matter Annual Adjustment of Insurance Component for 6th Agreement Year (July 01, 2023 to June 30, 2024) of FFBL Power Company (Private) Limited

Dear Sir,

Please find enclosed herewith Decision of the Authority along with Annex-I (total 02 pages) regarding the Adjustment in Insurance Component of Capacity Charge Part of tariff of FFBL Power Company (Private) Limited tariff on account of Actual Insurance Premium for the period from **July 01, 2023 to June 30, 2024** 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, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
5. Chief Executive Officer, FFBL Power Company Limited, 73-Harley Street, Rawalpindi

ANNUAL ADJUSTMENT OF INSURANCE COMPONENT FOR 6TH AGREEMENT YEAR (JULY 1, 2023 TO JUNE 30, 2024) OF FFBL POWER COMPANY (PRIVATE) LIMITED.

- 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 requested to revise the insurance component of Rs. 0.2661/kWh on the basis of insurance cost of Rs. 103,310,142/- for the 6th agreement year (July 1, 2023 to June 30, 2024). FPCL in support provided copies of premium invoices and payment evidences. The detail of insurance premiums (net of sales tax/FED) is reproduced hereunder:

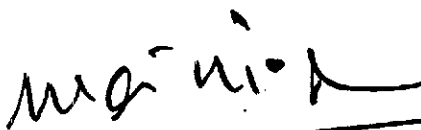
Name of Policy	Premium (Rs.)
All Risks & Business Interruption	283,919,459
Terrorism Insurance	10,049,874
General Liability Insurance	2,595,710
Total insurance premium	296,565,043
Insurance cost allocated to KE @ 34.8356	103,310,142

- 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:-

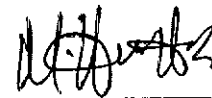
"Based on the documentary evidences and information provided by FPCL and in accordance with Schedule VIII of Power Purchase Agreement, the insurance component of Rs. 0.2661/kWh of capacity charge part of tariff for 6th agreement year has been revised on the basis of insurance cost of Rs. 103,310,142/- pertaining to coverage period of July 1, 2023 to June 30, 2024."

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

AUTHORITY



Mathar Naz 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, 2023 to June 30, 2024	61,627,037	103,310,142	0.42%	388,252,800	0.1592	0.2661

-Based on Data Declared by FFBL Power Company Limited

Qm 7

