

National Electric Power Regulatory Authority

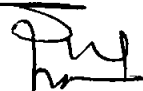
NOTIFICATION



Islamabad, the 21st day of July, 2022

S.R.O. 1239 (I)/2022. - In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the Decision of the Authority along with schedule of Insurance Component of Capacity Charge regarding adjustment in insurance component of capacity charge part of Nishat Power Ltd.'s tariff on account of Actual Insurance Premium for the period 1st July, 2021 to 30th June, 2022 in Case No. NEPRA/TRF-71/NPL-2007.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.


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(Syed Safeer Hussain)
Registrar

**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE
COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR NISHAT POWER
LIMITED**

1. Pursuant to the decision of the Authority dated March 22, 2011 in the matter of Motion for Leave for Review filed by NPL against the decision of the Authority at COD dated October 15, 2010 regarding Nishat Power Limited (NPL), the insurance component of tariff is subject to adjustment as per actual annually. NPL vide its letter No. Ins/NPL/0821-16189 dated August 12, 2021 requested to approve insurance component of Rs. 0.1674/kW/h for the period July 1, 2021 to June 30, 2022. NPL in support of its request provided copies of insurance policies, premium calculations, endorsement notes. NPL further vide dated October 9, 2021 provided payment evidences of previous year and detail of no claim bonus. The details of requested insurance cost net of sales tax on services is as under:

Policy Name	Net Amount (Rs.)
All Risks and Business Interruption	174,007,320
Terrorism & Sabotage	95,399,797
General Liability	5,245,483
Motor insurance	5,307,000
Marine Insurance	84,386
Hospitalization Insurance	5,955,001
Head Office Assets	406,564
Cash	33,956
Total	286,439,507

2. Schedule VIII of PPA does not provide for hospitalization, head office and cash insurances, therefore, the same have not been considered. Further, Schedule VIII of PPA does not provide for marine insurance during operational phase of the project, therefore, the same has also not been considered.
3. Accordingly, on the basis of documents provided by NPL, Schedule VIII of PPA and remaining insurance premium of Rs. 279,959,600/- (exclusive of sales tax on services), the insurance component of capacity charge part of tariff has been revised pertaining to coverage period July 1, 2021 to June 30, 2022.. The revised insurance component of capacity charge part of tariff as indicated hereunder shall be immediately applicable:

Period	Insurance Component Rs./kW/Hour	
	Reference	Revised
July 1, 2021 to June 30, 2022	0.1220	0.1636

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

AUTHORITY

Rehmatullah Baloch
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Tauseef H. Farooqi
Chairman



Nishat Power Limited
Schedule of Insurance Component of Capacity Charge
Adjustment on account of Actual Insurance Premium

Period	Reference Insurance Premium	Revised Insurance Premium	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.	Rs./kW/Hour	Rs./kW/Hour
July 1, 2021 to June 30, 2022	208,757,119	279,959,600	0.1220	0.1636





REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-71/13420-22

July 21, 2022

The Manager
Printing Corporation of Pakistan Press (PCPP)
Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY ALONG WITH SCHEDULE OF INSURANCE COMPONENT OF CAPACITY CHARGE REGARDING ADJUSTMENT IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF NISHAT POWER LTD.'S TARIFF ON ACCOUNT OF ACTUAL INSURANCE PREMIUM FOR THE PERIOD 1ST JULY, 2021 TO 30TH JUNE, 2022**

In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997); enclosed please find herewith '*Decision of the Authority along with schedule of Insurance Component of Capacity Charge regarding adjustment in insurance component of capacity charge part of Nishat Power Ltd.'s tariff on account of Actual Insurance Premium for the period 1st July, 2021 to 30th June, 2022*' for immediate publication in the official Gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification (3 Pages) & CD

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-ul-Haq Road, Block H, G 7/2 Blue Area, Islamabad
2. **Syed Mateen Ahmed**, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad


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(Syed Safeer Hussain)