

**National Electric Power Regulatory Authority**

**NOTIFICATION**



Islamabad, the 6<sup>th</sup> day of April, 2023

**S.R.O. 461 (I)/2023.** - 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 in the matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Nishat Power Limited for the period of July 1, 2022 to June 30, 2023 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.

  
(Engr. Mazhar Iqbal Ranjha)  
Registrar



**DECISION OF THE AUTHORITY IN THE MATTER OF ADJUSTMENT IN INSURANCE  
COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR NISHAT POWER  
LIMITED FOR THE PERIOD OF JULY 1, 2022 TO JUNE 30, 2023.**

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 requested to approve insurance component of Rs. 0.2134/kW/h for the period July 1, 2022 to June 30, 2023. NPL in support of its request provided copies of insurance policies, premium calculations, endorsement notes, 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:

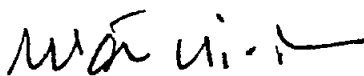
Policy Name	Net Amount (Rs.)
All Risks and Business Interruption	233,508,261
Terrorism & Sabotage	110,986,959
General Liability	6,709,060
Motor insurance	4,197,015
Marine Insurance	708,941
Hospitalization Insurance	8,734,855
Head Office Assets	283,744
Cash	33,956
<b>Total</b>	<b>365,162,791</b>

2. Schedule VIII of PPA does not provide for hospitalization, head office assets 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 not been considered.
3. Accordingly, on the basis of documentary evidences provided by NPL, Schedule VIII of PPA and remaining insurance premium of Rs. 355,401,295/- (exclusive of sales tax on services), the insurance component of capacity charge part of tariff has been revised pertaining to coverage period from July 1, 2022 to June 30, 2023. 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, 2022 to June 30, 2023	0.1220	0.2077


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).

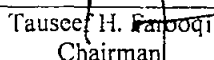
**AUTHORITY**

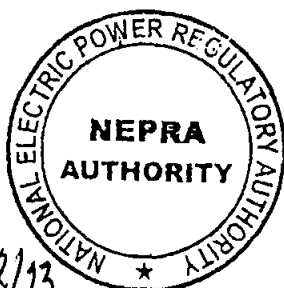


Mathar Niaz Rana (nsc)  
Member

  
Engr. Maqsood Anwar Khan  
Member

  
Engr. Rafique Ahmed Shaikh  
Member

  
Tauseef H. Farooqi  
Chairman

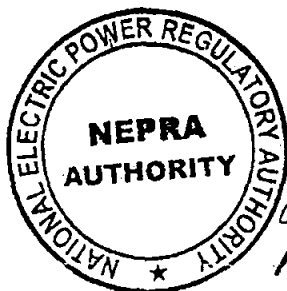


  
22/02/23

Nishat Power 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	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.	Limit of 1.35%	Rs./kW/Hour	Rs./kW/Hour
July 1, 2022 to June 30, 2023	208,757,119	355,401,295	0.95%	0.1220	0.2077

Note: Based on the data declared by Nishat Power Limited.





REGISTRAR

**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

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No. NEPRA/TRF-71/8470-72

6<sup>th</sup>  
April, 2023

The Manager  
Printing Corporation of Pakistan Press  
Shahrah-e-Suharwardi  
Islamabad

Subject: **DECISION OF THE AUTHORITY IN THE MATTER OF  
ADJUSTMENT IN INSURANCE COMPONENT OF CAPACITY  
CHARGE PART OF TARIFF FOR NISHAT POWER LIMITED FOR  
THE PERIOD OF JULY 1, 2022 TO JUNE 30, 2023**

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 in the matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Nishat Power Limited for the period of July 1, 2022 to June 30, 2023*' 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 [03 pages]

  
(Engr. Mazhar Iqbal Ranjha)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-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 [w.r.t. NEPRA's Decision issued vide No. 3230-3232 dated February 22, 2023]