

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 23rd day of April, 2024

S.R.O. 622 (I)/2024.- 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 dated 7th March, 2024 in the matter of annual adjustment of insurance component for the period **May 20, 2018 to May 19, 2023** of Quaid-e-Azam Thermal Power Private Limited in Case No. NEPRA/TRF-347/QATPL-2016.

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



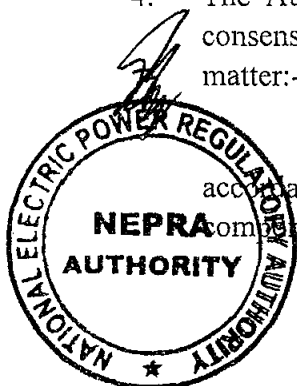

**ANNUAL ADJUSTMENT OF INSURANCE COMPONENT FOR THE PERIOD
MAY 20, 2018 TO MAY 19, 2023 OF QUAID-E-AZAM THERMAL POWER
PRIVATE LIMITED.**

1. Pursuant to the Authority's decision dated January 3, 2023 notified vide S.R.O. No. 182(1)/2023 in the matter of Commercial Operation Date Adjustment of Quaid-e-Azam Thermal Power Private Limited (QATPL), the insurance component of tariff is subject to annual adjustment as per actual cost. QATPL requested to revise the insurance component on RLNG and HSD fuels for the period of May 20, 2018 to May 19, 2023 (1st to 5th agreement year). QATPL provided copies of premium invoices and payment evidences. QATPL also vide dated November 14, 2023 provide further documentary evidences in support of its request. The detail of requested insurance premiums and cost components are provided hereunder:

Sr.	Insurance Policy	1 st Agreement Year	2 nd Agreement Year	3 rd Agreement Year	4 th Agreement Year	5 th Agreement Year
		Premium Excl. Sales Tax (Rs.)	Premium Excl. Sales Tax (Rs.)	Premium Excl. Sales Tax (Rs.)	Premium Excl. Sales Tax (Rs.)	Premium Excl. Sales Tax (Rs.)
1.	All Risks	1,436,047,349	1,447,575,194	1,230,665,175	1,117,126,089	1,625,524,565
2.	Political Violence	37,152,718	29,917,630	23,466,250	18,885,587	28,254,622
3.	Third Party Liability	4,093,015	4,270,500	4,662,671	4,161,059	6,276,413
Total		1,477,293,082	1,481,763,325	1,258,794,095	1,140,172,735	1,660,055,600
Total (US\$)		10,648,000	9,261,509	7,814,752	6,325,584	6,360,780

2. As per the approved mechanism, QATPL is allowed to adjust its insurance component annually on the basis of Actual Premium or 1% of the EPC cost at exchange rate prevailing on the 1st day of the insurance coverage period, whichever is lower. Accordingly 1% of the EPC cost of US\$ 549.067 million for the period from May 20, 2018 to May 19, 2023 (1st to 5th years) works out Rs. 635,270,519/-, Rs. 815,364,495/-, Rs. 884,546,937/-, Rs. 844,190,513/- and Rs. 1,100,604,802/- at prevailing exchange rate of Rs. 115.70/US\$, Rs. 148.5/US\$, Rs. 161.10/US\$, Rs. 153.75/US\$ and Rs. 200.45/US\$, respectively.
3. The requested insurance premium for 1st to 5th year (May 20, 2018 to May 19, 2023) works out 2.32%, 1.82%, 1.43%, 1.35% and 1.51%, respectively, of the approved EPC cost and is higher than the approved limit of insurance cost. Therefore, as per the approved mechanism maximum allowed insurance premium has been considered for adjusted insurance components.
4. 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 QATPL and in accordance with Schedule VIII of the Power Purchase Agreement, the insurance components of capacity charge part of tariff for 1st to 5th agreement year have been revised



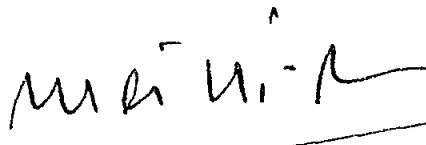
pertaining to coverage period of May 20, 2018 to May 19, 2023 (1st to 5th agreement year)."

5. The revised insurance component of capacity charge part of tariff indicated hereunder shall be immediately applicable:

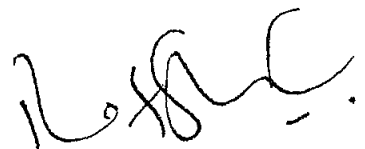
Period	Reference Insurance Component		Revised Insurance Component	
	RLNG	HSD	RLNG	HSD
	Rs./kW/Hour	Rs./kW/Hour	Rs./kW/Hour	Rs./kW/Hour
May 20, 2018 to May 19, 2019	0.0574	0.0626	0.0623	0.0679
May 20, 2019 to May 19, 2020			0.0798	0.0870
May 20, 2020 to May 19, 2021			0.0868	0.0946
May 20, 2021 to May 19, 2022			0.0829	0.0903
May 20, 2022 to May 19, 2023			0.1080	0.1177

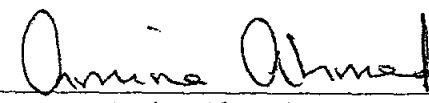
6. The revised tariff schedule attached as **Annex-I** is to be notified in the official Gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.


AUTHORITY


Mathar Niaz Rana (nsc)
Member


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member

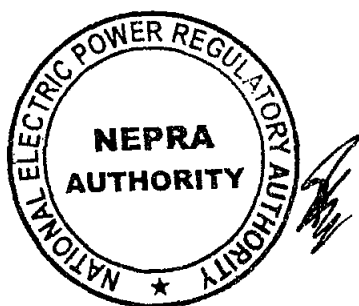

Amina Ahmed
Member


Waseem Mukhtar
Chairman



Quaid-e-Azam Thermal Power (Pvt) Limited
Schedule of Insurance Component of Capacity Charge
Adjustment on Account of Actual Insurance Premium

Period	Reference Insurance Premium	Revised Insurance Premium	Plant Operation	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
May 20, 2018 to May 19, 2019	584,901,320	635,270,519	RLNG	0.0574	0.0623
			HSD	0.0626	0.0679
May 20, 2019 to May 19, 2020		815,364,495	RLNG	0.0574	0.0798
			HSD	0.0626	0.0870
May 20, 2020 to May 19, 2021		884,546,937	RLNG	0.0574	0.0868
			HSD	0.0626	0.0946
May 20, 2021 to May 19, 2022		844,190,513	RLNG	0.0574	0.0829
			HSD	0.0626	0.0903
May 20, 2022 to May 19, 2023		1,100,604,802	RLNG	0.0574	0.1080
			HSD	0.0626	0.1177





REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/5385-87

April 23, 2024

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


Subject: **NOTIFICATION REGARDING DECISIONS OF THE AUTHORITY**

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 following Decisions of the Authority as per following detail for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date
1	Decision of the Authority in the matter of Annual Adjustment of Sinusure Component of Capacity Charge Part of Tariff for Port Qasim Electric Power Company (Private) Ltd. for the period November 24, 2023 to November 23, 2024	3279-3283 07.03.2024
2.	Decision of the Authority regarding Indexation/Adjustment of Insurance Component of Capacity Charge Part of Tariff of Huaneng Shandong Ruyi (Pakistan) Energy Private Limited for the period October 28, 2022 to October 27, 2023	3291-3295 07.03.2024
3.	Decision of the Authority in the matter of annual adjustment of insurance component of Quaid-e-Azam Thermal Power Private Limited for the period May 20, 2018 to May 19, 2023	3285-3289 07.03.2024

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 03 Notifications


(Engr. Mazhar Iqbal Ranjha)

CC:

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