

TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN
EXTRA ORDINARY, PART-I

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 09th day of May, 2024

S.R.O. 673 (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 21st March, 2024 in the matter of Adjustment in Insurance Component of Capacity Charge Part of Tariff for Nishat Power Limited for the period **July 01, 2023 to June 30, 2024** 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, 2023 TO JUNE 30, 2024.

- 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 dated February 19, 2024 requested to approve insurance component of Rs. 0.2726/kW/h for the period July 1, 2023 to June 30, 2024. 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	295,915,785
Terrorism & Sabotage	142,974,973
General Liability	8,641,836
Motor insurance	5,519,431
Marine Insurance	3,618,066
Workmen Compensation Insurance	9,275,966
Head Office Assets	524,483
Cash	33,956
Total	466,504,496

- The schedule VIII of Power Purchase Agreement (PPA) dated November 13, 2007 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.
- The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-

“Based on information, documentary evidence(s) provided by NPL and in accordance with Schedule VIII of PPA dated November 13, 2007, the insurance component of capacity charge part of tariff has been revised to Rs. 0.2641/kW/h for the coverage period from July 1, 2023 to June 30, 2024 (366 days) on the basis of net insurance cost of Rs. 453,052,025.”
- The above decision of the Authority along with revised tariff schedule attached as **Annex-I** are 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.
- CPPA(G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

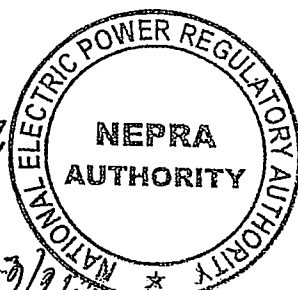
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

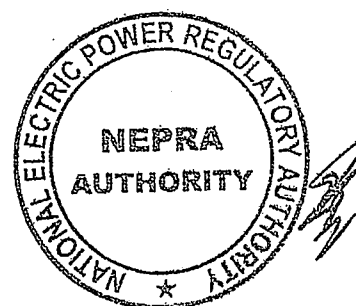
Waseem Mukhtar
Chairman



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 Limit of 1.35%	Reference Insurance Component	Revised Insurance Component
	Rs.	Rs.		Rs./kW/Hour	Rs./kW/Hour
July 1, 2023 to June 30, 2024	208,757,119	453,052,025	0.87%	0.1220	0.2641

A. J.





REGISTRAR

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Islamic Republic of Pakistan

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Subject: **NOTIFICATION REGARDING 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 JULY 01, 2023 TO JUNE 30, 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), 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 **July 01, 2023 to June 30, 2024**' 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, 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 [w.r.t. NEPRA's Decision issued vide No. 3825-3829 dated March 21, 2024]