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

National Electric Power Regulatory Authority

NOTIFICATION

Islamabad, the 19th day of October 2026

S.R.O. 1900 (I)/2026.- 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 September 17, 2026 along with **Annex-I** in the matter of annual adjustment in insurance component of capacity charge part of tariff for the period **January 01, 2026** to **December 31, 2026** for Kot Addu Power Company Limited in Case No. NEPRA/TRF-600/KAPCO-2023.

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

Wasim Anwar Bhinder

(Wasim Anwar Bhinder)
Registrar

DECISION OF THE AUTHORITY IN THE MATTER OF ANNUAL ADJUSTMENT IN INSURANCE COMPONENT OF CAPACITY CHARGE PART OF TARIFF FOR KOT ADDU POWER COMPANY LIMITED

1. Pursuant to the decision of the Authority dated September 23, 2025, in the matter of approval of reference generation tariff of Kot Addu Power Company Limited (KAPCO), and the decision dated December 09, 2025, in the matter of motion for leave for review against reference tariff, the insurance component of tariff is subject to annual adjustment as per actual cost with maximum cap of 0.90% of the apportioned EPC cost on the basis of prevailing exchange rate as on 1st day of the insurance coverage period.

2. KAPCO requested revised insurance components of Rs. 0.0732/kW/h for RLNG and Rs. 0.0758/kW/h for LSFO, based on an insurance premium of Rs. 317,491,922 for the period from January 01, 2026 to December 31, 2026. KAPCO in support provided copies of insurance policies, premium invoices and payment receipts. The detail of requested insurance cost is hereunder:

Sr.	Insurance Policy	Premium Excl Sales Tax (Rs.)	Premium for Non-Operational Assets (Rs.)	Net Amount for Operational Assets (Rs.)
1.	All Risk & Business Interruption	287,159,650	(2,613,223)	284,546,427
2.	Political Violence	27,222,181	-	27,222,183
3.	Third Party Liability	5,723,312	-	5,723,312
Total		**320,105,144**	**(2,613,223)**	**317,491,922**

3. It has been observed that, in the case of IPPs, the PPA specifies the list of insurance policies required to be obtained by the power plant. However, in the instant case, the PPA does not specify the list of insurance policies required to be obtained by KAPCO. Article XII of the PPA stipulates the company shall maintain adequate insurance coverage with financially sound insurers in accordance with the Tariff Determination. The insurance policies obtained by KAPCO are in line with those obtained by other power plants and the requested insurance premium is 0.40% of the apportioned EPC cost as against 0.90%.

4. The Authority, in its collective and joint wisdom and considering all aspects decided with consensus as under; which will hereafter called as decision of the Authority in the matter:

> "Based on information and documentary evidence(s) provided by KAPCO and considering Article XII of the Tripartite Power Purchase Agreement, the insurance component of capacity charge part of tariff has been revised for the period January 01, 2026 to December 31, 2026 on the basis of insurance premium of Rs. 317,491,922"

5. The revised applicable insurance cost component of capacity charge part of tariff is indicated hereunder:

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY NEPRA AUTHORITY

Period	Insurance Component (Rs. /kW/h)			
	Reference		Revised	
	RLNG	LSFO	RLNG	LSFO
January 01, 2026 to December 31, 2026	0.0587	0.0608	0.0732	0.0758

6. KAPCO is directed to conduct competitive bidding for procurement of insurance for future periods, in line with the practice being followed by other IPPs.

7. 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.

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

AUTHORITY

Amina Ahmed
Member

Engr. Maqsood Anwar Khan
Member

Ghulamullah Shaikh
Member

Waseem Mukhtar
Chairman

Kot Addu Power Company Limited
Schedule of Insurance Component of Capacity Charge
Adjustment on account of Actual Insurance Premium

Period	Reference Insurance Premium	Revised Insurance Premium	% of Apportioned EPC Cost	Reference Insurance Component		Revised Insurance Component	
				RLNG	RFO	RLNG	RFO
	Rs.	Rs.	%	Rs./kW/Hour		Rs./kW/Hour	
January 01, 2026 to December 31, 2026	254,633,101	317,491,922	0.40%	0.0587	0.0608	0.0732	0.0758

-Based on data declared by Kot Addu Power Company Limited

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY ★ NEPRA ★ REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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REGISTRAR

No. NEPRA/TRF-100/Notifications/ 2121-13 October 19, 2026

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

Subject: **NOTIFICATIONS 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 notifications in respect of the following Decisions of the Authority for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date	SRO No. allotted by PCPP
1.	Decision of the Authority in the matter of adjustment in insurance component of capacity charge part of tariff for the period of **May 24, 2026 to May 23, 2027** for Orient Power Company Limited	18873-18877 17-09-2026	1898
2.	Decision of the Authority in the matter of adjustment/indexation in insurance component of capacity charge part of tariff for the period of **July 30, 2025** to **January 26, 2026** for Central Power Generation Company Limited for its 747 MW Combined Cycle Power Project at Guddu	18885-18889 17-09-2026	1899
3.	Decision of the Authority in the matter of annual adjustment in insurance component of capacity charge part of tariff for the period **January 01, 2026** to **December 31, 2026** for Kot Addu Power Company Limited	18879-18883 17-09-2026	1900

2. Please also furnish ten (10) copies of each Notifications to this Office after its publication.

Encl: 03 Notifications

Wasim Anwar

(Wasim Anwar Bhinder)

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**, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad