



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Ataturk Avenue(East), G-5/1, Islamabad
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Registrar

No. NEPRA/R/LAG-87/15636-40

November 26, 2014

Chief Executive Officer
Eastern Power Company Limited (EPCO)
Office No. 4, 2nd Floor, Al-Babar Center
F-8 Markaz, Islamabad.

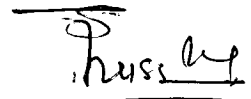
Subject: - **Revocation of Generation Licence.**

You are hereby informed that an amount of Rs.6,888,003/- had been pending against you on account of payment of Annual Licence Fee for the FY 2008-09 to FY 2012-13.

2. In view of your persistent failure in depositing the above mentioned amount, the Authority has decided to impose a fine of Rs.1,00,000/-. Further, the Authority has also decided to revoke your Generation Licence No. IGSPL/12/2007 dated May 30, 2007 in terms of Section 28 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("the NEPRA Act"), and Rule 8 of NEPRA Licensing (Generation) Rules 2000. In view of the said, you are no more authorized to carry out generation business/activity under the above Generation Licence.

3. The detailed decision/determination of the Authority pertaining to Revocation of Generation Licence and Imposition of fine is being forwarded for your information and record.

Encl:/As above


28.11.14
(Syed Safeer Hussain)

CC:-

1. Ministry of Water and Power Government of Pakistan, 'A' Block, Pak. Secretariat, Islamabad.
2. Private Power Infrastructure Board (PPIB), 50-Nazimuddin Road, F-7/4 Islamabad
3. Chief Executive Officer, National Transmission and Dispatch Company (NTDC), 414 WAPDA House, Shahrah-e-Quaid-e-Azam, Lahore
4. Director General, Pakistan Environmental Protection Agency, Plot No. 41, Street No. 6, H-8/2, Islamabad.

Decision of the Authority
Pertaining to Revocation of Generation Licence of Eastern Power
Company Limited

The Authority granted a Generation Licence No. IGSPL/12/2007 dated May 30, 2007 to Eastern Power Company Limited (EPCL) for its 152.475 MW Generation Facility located at 4-KM, Pasrur City, District Sialkot in the Province of Punjab.

(2). In terms of Article-5 of the above mentioned Generation Licence, EPCL was made obligatory to pay Annual Licence Fee as stipulated in National Electric Power Regulatory Authority (Fee) Rules, 2002 ("the Fee Rules"). In view of the said, EPCL was directed to deposit the Annual Licence Fee for the FY 2008-09. However, EPCL did not deposit the same despite a series of reminders. EPCL was also sent demands pertaining to Annual Licence Fee for the FY 2009-10, FY 2010-11, FY 2011-12 and FY 2012-13. However, subsequently EPCL did not deposit the amount of Annual Licence Fee which accumulated to Rs.6,888,003/-.

(3). In view of the persistent failure of EPCL in clearing its dues, the Authority in its Regulatory Meeting (RM-12-633) held on November 13, 2012 decided to initiate proceedings against EPCL for recovery of required amount pending on account of Annual Licence Fee as stipulated in the National Electric Power Regulatory Authority (Fines) Rules 2002 ("the Fine Rules"). Accordingly, an explanation was issued to EPCL under Rule 4(2) of the Fine Rules on December 06, 2012 with a reminder on January 10, 2013. However, EPCL did not respond to the said explanation despite publication of a public notice in the leading Newspapers (The News and Daily Express) dated March 07, 2013.

(4). The Authority in its Regulatory Meeting (RM-13-191) dated May 23, 2013 considered the matter and decided to issue a Show Cause Notice (SCN) in terms of Rule 4(8) of the Fine Rules to EPCL. Accordingly, the SCN was served on July 19, 2013 but EPCL did not respond to the same. The Authority in its Regulatory Meeting (RM-13-528) dated September 25, 2013 considered the issue and decided to impose a fine of Rs. 100,000/- on EPCL on account of default of payment of Annual Licence Fee in addition to outstanding Annual Licence Fee of Rs.6,888,003/-




(5). Further, the Authority also decided to initiate proceedings under Section 28 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("the NEPRA Act") for revocation of Generation Licence of EPCL. Accordingly, a SCN was issued to EPCL on January 27, 2014 as to why its Generation Licence should not be revoked. However, the said SCN returned undelivered.

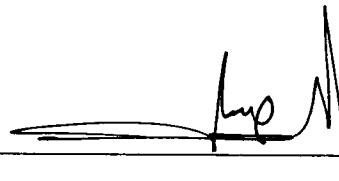
(6). The Authority considered the matter in its Regulatory Meeting (RM-14-283) dated May 13, 2014 and accordingly decided to revoke the Generation Licence of EPCL. Further, the Authority also decides to initiate proceedings for recovery of outstanding Licence Fee for the Financial Year 2013-14, under the Fine Rules.

Authority

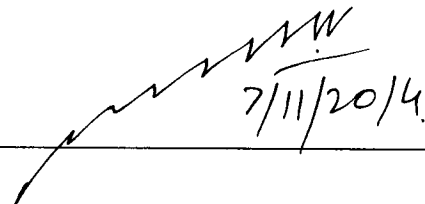
Maj. Retd. Haroon Rashid
Member

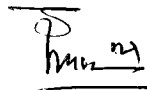
 *Smia*
17/11/14

Khawaja Muhammad Naeem
Member



Habibullah Khilji
Member/Vice Chairman


7/11/20/14


26.11.14

