



No. 9141-43/PEDO/CEO/NEPRA
21st November, 2019

To

The Registrar,
National Electric Power Regulatory Authority,
NEPRA Tower, Atatürk Avenue,
G-5, Islamabad.

Subject: **Licensee Proposed Modification under Regulation 10(2) of the National Electric Power Regulatory Authority Licensing (Application & Modification Procedure) Regulations, 1999.**

Dear Sir

With reference to your letter No. NEPRA/R/LAG-145/23732 dated November 08 2019, Pakhtunkhwa Energy Development Organization (PEDO) is hereby applying modification of its Generation License as Licensee Proposed Modification (LPM). This letter is being submitted in suspension to PEDO's earlier letter No. 8989-91/PEDO/CEO/NEPRA submitted to NEPRA dated 15th November, 2019.

This application for modification of generation license is being submitted under section 26 of NEPRA Act 1997 read with NEPRA application and Modification Procedure Regulation 1999. The information in support to this modification application (attached) are prepared and submitted in compliance with the provisions of Regulation 10(2) of the NEPRA Licensing (Application and Modification Procedure) Regulations 1999.

PEDO previously named as Sarhad Hydel Development Organization (SHYDO) was granted Generation License No. GL(Hydel)/08/2009 by NEPRA on 26th November 2009 (the "Generation License"). The Generation License was granted to PEDO under section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 for its 18 MW Pehur Hydropower Plant located at Pehur High Level Canal on the right bank of River Indus Downstream of Tarbela reservoir in District Swabi of Khyber Pakhtunkhwa Province (the "Project").

A pay order for differential fee amounting to Rs. 2,688/- (attached) is being submitted in respect to our application for LPM.

(Engr. Zahid Akhtar Sabri)
Chief Executive Officer
PEDO
Chief Executive Officer
PEDO

Copy for information to:

1. Secretary E&P Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. Chief Engineer O&C, PEDO Peshawar.

Chief Executive Officer
PEDO



Government of Khyber Pakhtunkhwa

PAKHTUNKHWA ENERGY DEVELOPMENT ORGANIZATION

38/B2, Phase-V, Hayatabad, Peshawar. Tel: 091-9217295; Fax 091-9219579



A - Text of the Proposed Modification

The Project is supplying electricity through 132KV grid station at Gadoon in Swabi district to PESCO grid under its Energy Purchase Agreement (EPA) with Central Power Purchasing Agency (CPPAG) dated 14th May 2019. Clause (l) of the said EPA allows suspension of agreement by seller upon issuance of written notice of not less than thirty (30) days to the purchaser.

Pakhtunkhwa Energy Development Organization (PEDO) intends to sell electricity generated by the Project to Bulk Power Consumers (BPCs) of Khyber Pakhtunkhwa province through wheeling under the NEPRA (Wheeling of Power) Regulation, 2016 using the PESCO's distribution system.

For this purpose, Authority is requested to include following BPCs in the Generation License of PEDO for supply of electricity to the following BPCs through wheeling under 2nd Supply Authorization:

AJ Textile Mills Limited
Cherat Cement Limited
Cherat Packaging Limited
Gadoon Textile Mills Limited
Premier Chipboard Industries (Private) Limited



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B - Statement of Reasons in Support of the Modification

Regulation 17 of the NEPRA (Wheeling of Power) Regulation, 2016 provides that the wheeler of power shall only be permitted to supply the power to Bulk Power Consumers under the second-tier supply authorization from the NEPRA under the NEPRA Licensing (Generation) Rules, 2000. NEPRA under rule 7 of the NEPRA Licensing (Generation) Rules, 2000, has the power to authorize any generation licensee for second-tier supply business.

In view of the above Authority is requested to accept and approve licensee proposed modification in generation license of PEDO/SHYDO, and authorize PEDO to engage in second-tier supply business by supplying electricity from the Project to BPCs listed in A above.

[Handwritten signature]



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C- Statement of the impact on the tariff, quality of service and the performance by the licensee of its obligations under the licence.

Since PEDO is only applying for 2nd tier supply authorisation, therefore, the modification shall not in any way impact on the tariff, quality of service and the performance by the licensee of its obligations under the licence.

PEDO would like to take this opportunity to clarify that we are not seeking an amendment to the terms and conditions of its Tariff but merely requesting to include list of BPCs in our Generation License and to allow 2nd tier supply authorisation for the Project. PESCO will be entitled to use of system charge under the wheeling arrangement as per the determination of the Authority.

PEDO further satisfies that quality of service and performance by the licensee of its obligations under the Generation License shall not be affected. Moreover, the proposed modification would facilitate the Company in fulfilling its obligations under the licence.

We hope the information provided above meets the Authority's requirements and we shall be pleased to submit any further information (if any) required for modification of Generation License.

Regards

For and on behalf of PEDO

Zahid Akhtar Sabri
Chief Executive Officer
PEDO



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BOARD RESOLUTION

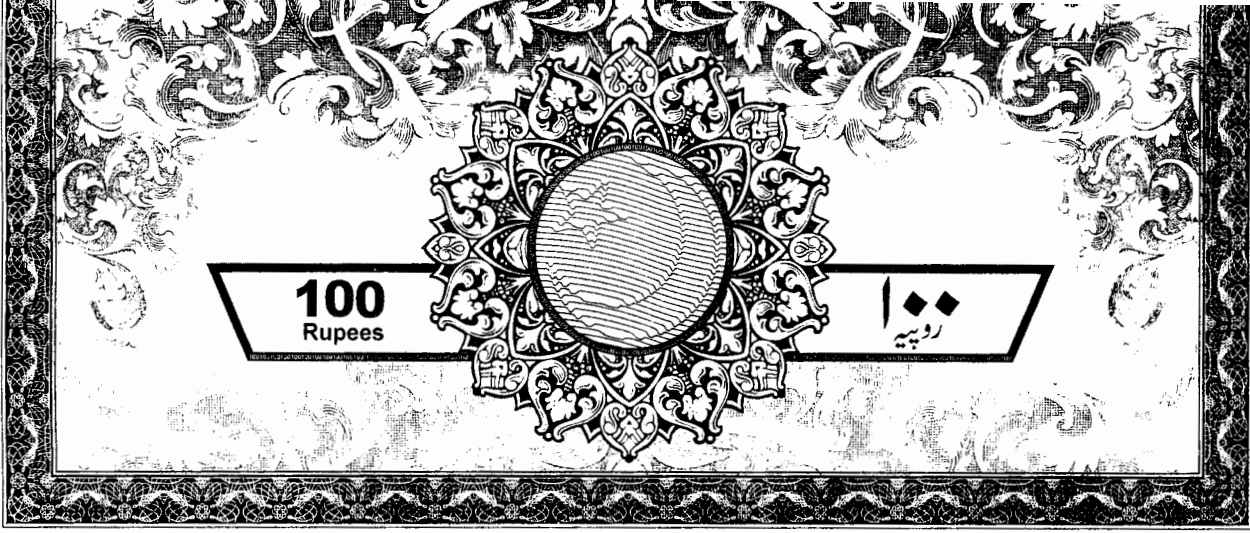
Resolved that Licensee Proposed Modification (the "LPM Application") to be initiated in respect of generation license issued by NEPRA License No. GL(Hydel)/08/2009 by NEPRA on 26th November 2009 in respect of Pakhtunkhwa Energy Development Organization's (PEDO's) 18 MW Pehur Hydropower Plant located at Pehur High Level Canal on the right bank of River Indus Downstream of Tarbela reservoir in District Swabi of Khyber Pakhtunkhwa Province (the "Project").

Resolved further that Mr. Zahid Akhtar Sabri, Chief Executive Officer, PEDO is hereby authorized to sign and submit the LPM Application, and any information or documents ancillary thereto as required by NEPRA, and to do all acts as necessary for processing and approval of LPM Application.

CERTIFIED TRUE COPY

I hereby certify that the above resolution was duly passed through circulation by the Board of Directors on *31st December, 2018.*


Company Secretary



BEFORE
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
AFFIDAVIT

I Zahid Akhtar Sabri s/o Abdul Aziz Sabri, Chief Executive Officer Pakhtunkhwa Energy Development Organization, bearing CNIC No. 17301-7090241-9 do hereby solemnly affirm and declare on oath as under:

1. The Licensee Proposed Modification (the "LPM Application") in respect of NEPRA's generation license No. GL(Hydel)/08/2009 by NEPRA on 26th November 2009 has been filed before the National Electric Power Regulatory Authority and the contents of the same may kindly be read as an integral part of this affidavit.
2. That the contents of the accompanying LPM Application are true and correct to the best of my knowledge and belief and nothing has been concealed or misstated therein.



Deponent
Zahid Akhtar Sabri
Chief Executive Officer
PEDO