



National Electric Power Regulatory Authority
Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad
Ph: 9206500, 9207200 Fax : 9210215
E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/R/LAD-32/6955-58

July 22, 2009

Mr. Khalid Siraj Subhani
Senior Vice President
Engro Chemical Pakistan Limited
Daharki-65020, District Ghotki,

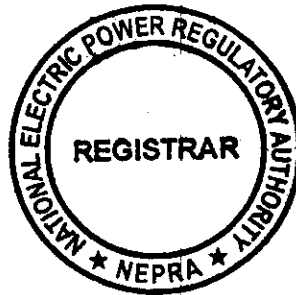
Subject: **Grant of Distribution Licence No. 19/DL/2009**
Licence Application No. LAD-32
Engro Chemical Pakistan Limited

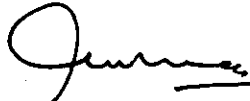
Please refer to your application No. nil dated March 12, 2009 to NEPRA for grant of a Distribution Licence.

2. Enclosed please find herewith Distribution Licence No. 19/DL/2009, granted by the Authority to Engro Chemical Pakistan Limited (ECPL). The Licence is granted to you pursuant to Section 20 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

3. Please quote above mentioned Distribution Licence No. in your future correspondence with the Authority.

Enclosure: As above




(Engr. Arshad Mehmood)

CC (along with enclosures):

1. Secretary, Irrigation & Power Department, Govt. of Sind, Sind Secretariat, Karachi
2. Chief Executive Officer, Hyderabad Electric Supply Company Limited, Old State Bank Building, GOR Colony, Hyderabad
3. Director General, Pakistan Environmental Protection Agency (Pak-EPA), House No. 311, Main Margalla Road, Sector F-11/3, Islamabad

**National Electric Power Regulatory Authority
(NEPRA)
Islamabad – Pakistan**

DISTRIBUTION LICENCE

No. 19/DL/2009

In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section 20 & 21 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Authority hereby grants a Distribution Licence

ENERGONATIONAL PAKISTAN LIMITED

Incorporated under the Companies Act, 1913

Under Certificate of Incorporation

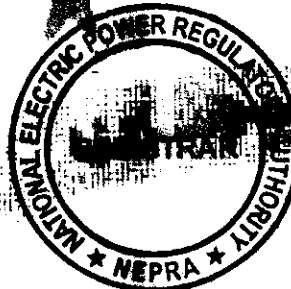
No. KAR-1879 of 1965-66, dated September 16, 1965

**For its Isolated Distribution System
Located at Daharki, District Ghotki, Sindh**

to engage in Distribution Business subject to and in accordance with the Articles of Association & Schedule I of this Licence.

Given under my hand this 29th day of JULY Two thousand & Nine, and expires on 29th day of JULY Two thousand & Twenty Nine.


Registrar



Article-1
Definitions & Interpretations

In this Licence:-

- (i). "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of) 1997, as amended from time to time;
- (ii). "Authority" means the National Electric Power Regulatory Authority constituted under section 3(1) of the Act;
- (iii). "Distribution Activity" means the distribution of electric power, not involving sale to the consumers, carried on or to be carried on by the Licensee in the Service Territory of XW Disco, pursuant to and in accordance with the terms of this distribution licence. ;
- (iv). "Distribution System" means distribution facilities located in the Service Territory which is owned, operated, managed or controlled by the Licensee for the Distribution Activity including, but not limited to , electric lines or circuits, electric plants, meters, interconnection facilities or all other facilities operating at the distribution voltage, and shall also include any other electric lines, circuits, transformers, sub-stations, electric plants, interconnection facilities or other facilities determined by the Authority as forming part of the distribution system, operating at the distribution voltage;







- (v). "Generation Facility" means the ownership, operation, management or control of generation facilities for the delivery of electric power solely for the consumption of the Licensee and not for sale to the consumer;
- (vi). "Isolated Distribution System" means a distribution system of the Licensee connected to the Generation Facility of the Licensee, without any interconnection to the electric system of any other consumer;
- (vii). "Licensee" means Engro Chemical Pakistan Limited as the holder of this Licence for carrying out Distribution Activity through its Isolated Distribution System, and shall include its permitted successors and assigns;
- (viii). "Rules" means legal provisions prescribed as rules under the NEPRA Act, as amended from time to time;
- (ix). "Service Territory" shall bear the meaning ascribed thereto in the distribution license # 05/DL/2002, dated April 23, 2002 issued to XW DISCO (Hyderabad Electric Supply Company Limited), as amended from time to time;
- (x). "XW DISCO" means an Ex-WAPDA distribution company engaged in the distribution of electric power.

Words and expressions used but not defined herein bear the meaning given thereto in the Act or in the Rules.



Article-2
Application of Rules

This Licence is issued subject to the provisions of the Act and Rules, as amended from time to time.

Article-3
Isolated Distribution System

3.1 The details specific to the Isolated Distribution System of the licensee, including length of feeder, feeder type (underground/overhead), technical limits, technical functional specifications and other information relevant to the Isolated Distribution System of the Licensee is set out in Schedule-I of this Licence.

3.2 The Licensee shall provide the final arrangement, technical and financial specifications and other details specific to Isolated Distribution System before commissioning of the same.

Article-4
Grant of Licence

4.1 The Licence is being granted under Section-20 & 21 of the Act.

4.2 The Licensee shall engage in the Distribution Activity in the territory provided in Schedule-I to this License, through the Isolated Distribution System.

4.3 The Distribution System of the Licensee is limited up to three (3) meters on either side of the 11/6.6 KV distribution feeder as shown in Schedule-I of this Licence.

4.4 At the time of grant of this Licence, where the line part of a distribution system owned/operated by any XW DISCO is located within three (3) meters of spatial distance on either side of the 11 KV Isolated



Distribution System of the Licensee as shown in Schedule-I of this Licence, such 11/6.6 KV Distribution System of the Licensee, where it is technically not feasible otherwise, shall be converted into an underground system in accordance with applicable IEC/IEEE standards for the area where such proximities exist.

4.5 The Licensee shall not alter or modify its 11/6.6 KV Isolated Distribution System arrangement, as authorized in Schedule-I of this Licence, without the consent and approval of the Authority, which consent or approval shall not be unreasonably withheld or delayed.

Article-5
Licence fee

After the grant of this Licence, the Licensee shall pay to the Authority the Licence fee, in the amount and manner as prescribed by the Authority.


Article-6
Term of Licence

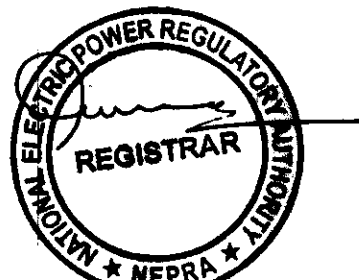
6.1 The Licence is granted for a term of twenty (20) years from the date of issue of this Licence.

6.2 Unless revoked earlier, the Licensee may ninety days (90) days prior to the expiry of the term of the Licence, apply for renewal of the Licence under the Licensing (Application and Modification Procedures) Regulation, 1999.

Article-7
Isolation of the System

The Isolated Distribution System of the Licensee as detailed in Schedule-I shall be operated and utilized solely for the Distribution Activity from the Generation Facility.



Article-8
Tariff/Use of System Charge
(UoS)

8.1 The Licensee shall only be allowed to operate its Isolated Distribution System solely for the Distribution Activity from the Generation Facility.

8.2 The Licensee shall not be allowed to sell the power from its Generation Facility to any other consumer at all except for its own use only.

Article-9
Disposal of Assets

The Licensee shall not except under a prior authorization, sell or dispose in any manner any of the tangible assets comprised in the Isolated Distribution System or any intangible assets accruing or likely to accrue to the Licensee from the Distribution Activity.

Article-10
Compliance with Performance Standards and Distribution Code

The Licensee shall conform to the Performance Standards and Distribution Code as prescribed by the Authority for distribution companies to the extent it is applicable.

Article-11
Compliance with Safety Standards

11.1 The Licensee shall conform to the relevant Safety Standards as prescribed by the Authority from time to time including safety standards mentioned in the performance standards for the distribution companies, to the extent it is applicable, prescribed by the Authority. In case, no such standards are prescribed, the Licensee shall comply with relevant IEEE/IEC Standards.







11.2 All disputes relating to the safety concerns shall be decided by the Authority.

Article-12
Compliance with Environmental Standards

The Licensee shall conform to the Environmental Standards as may be prescribed by the relevant competent authority.

Article-13
Maintenance of record

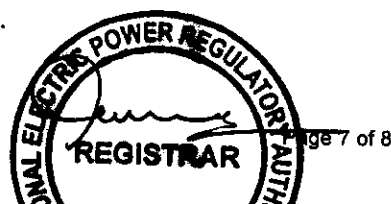
13.1 The Licensee shall keep and maintain complete and accurate record and the date in respect of all aspects of its Distribution Activity in their original form. Three years after the issuance of this Licence, the Licensee shall start maintaining the above mentioned record in electronic form as well.

13.2 Without prejudice to the provisions of the Article 13.3, unless provided otherwise under the law or the applicable documents, all record and data shall be maintained for a period of five year after the creation of such record or data. The Licensee shall not destroy or dispose off any such record or data after the aforesaid period without thirty days prior written notice to the Authority. The Licensee shall not dispose off or destroy any record or data which the Authority directs the Licensee to preserve.

13.3 All record and data maintained in an electronic form shall, subject to just claims of confidentiality, be accessible by staff authorized by the Authority.

Article-14
Provision of information

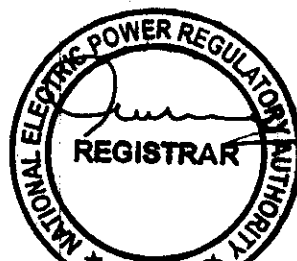
14.1 The obligation of the Licensee to provide information to the Authority shall be in accordance with Section 44 of the Act.



14.2 The Licensee shall be subject to such penalties as may be specified in the relevant rules made by the Authority, for failure to furnish such information as may be required from time to time by the Authority and which is or has been in the control or possession of the Licensee.

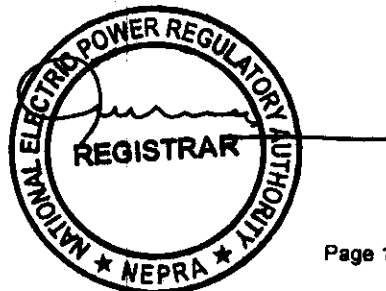
Article-15
Dispute Resolution

Any dispute or disagreement relating to any matter arising out of, or in connection with, the activities covered under this licence shall be submitted to the Authority for decision under the NEPRA Rules and Regulations.



SCHEDULE-I

The details of the distribution facilities [including length of feeder(s), feeder type (underground/overhead) and other specific details pertaining to the Isolated Distribution System Linked with Licensee.



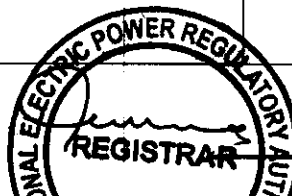
**ISOLATED
DISTRIBUTION SYSTEM
DETAILS**

A. General Information

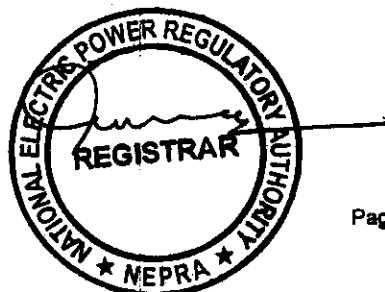
(i).	Name of Applicant	Engro Chemical Pakistan Ltd
(ii).	Registered Office	7 th Floor, Harbor Front Building, Marine Drive, Clifton, Karachi.
(iii).	Plant Location	Daharki, District Ghotki, Sindh.

B. DISTRIBUTION NETWORK SYSTEM

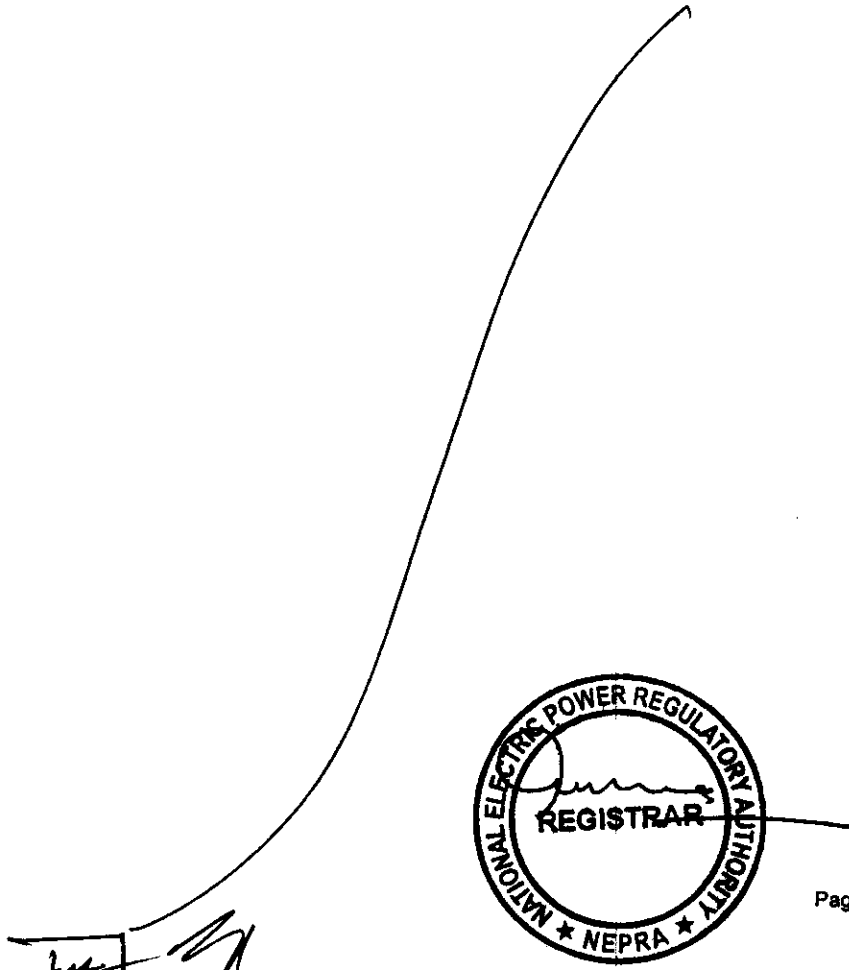
(i).	Type of Distribution System (Over Head Lines/Underground Cables)	OLD			NEW		
		OVERHEAD FEEDER			OVERHEAD FEEDER		
(ii).	Voltage Level (KV)	OLD			NEW		
		6.6			6.6		
(iii).	No. of Poles/ Structures	OLD			NEW		
		36'	45'	Total	45'	55'	Total
		106	16	122	227	25	252
(iii).	Type of Conductor/Cable	OLD			NEW		
		ACSR GOAT (Pole No. 1 to Pole No. 122)			ACSR GOAT (Pole No. 1 to Pole No. 68) & ACSR PANTHER (Pole No. 68 to Pole No. 252)		
(iv).	No. of Feeders/Cables	OLD			NEW		
		One (01) i.e. Pole No. 1 to Pole No. 122			One (01) i.e. Pole No. 1 to Pole No. 68 & Pole No. 68 to Pole No. 252		
(v).	Length of Feeder/Cable (K.M.)	OLD			NEW		
		6.9 K.M.			12.60 K.M.		



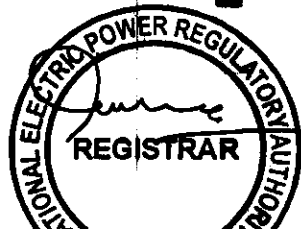
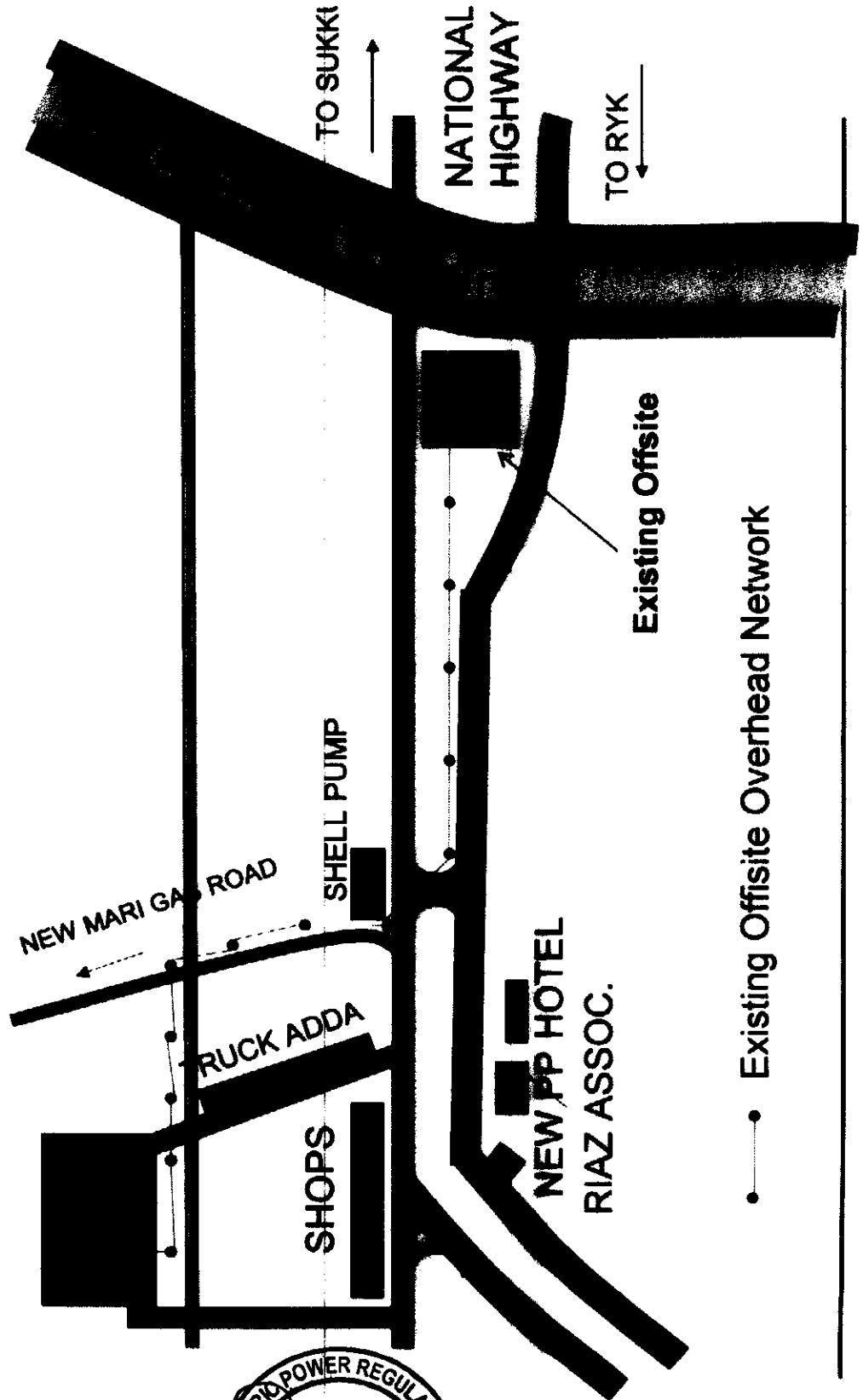
(vi).	Regulation	Voltage Level	±1% at Generation Facility, ±5% at each Transformer
		Frequency Level	±0.5% at Generation Facility



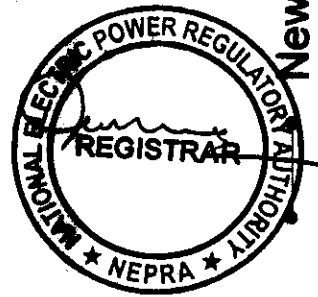
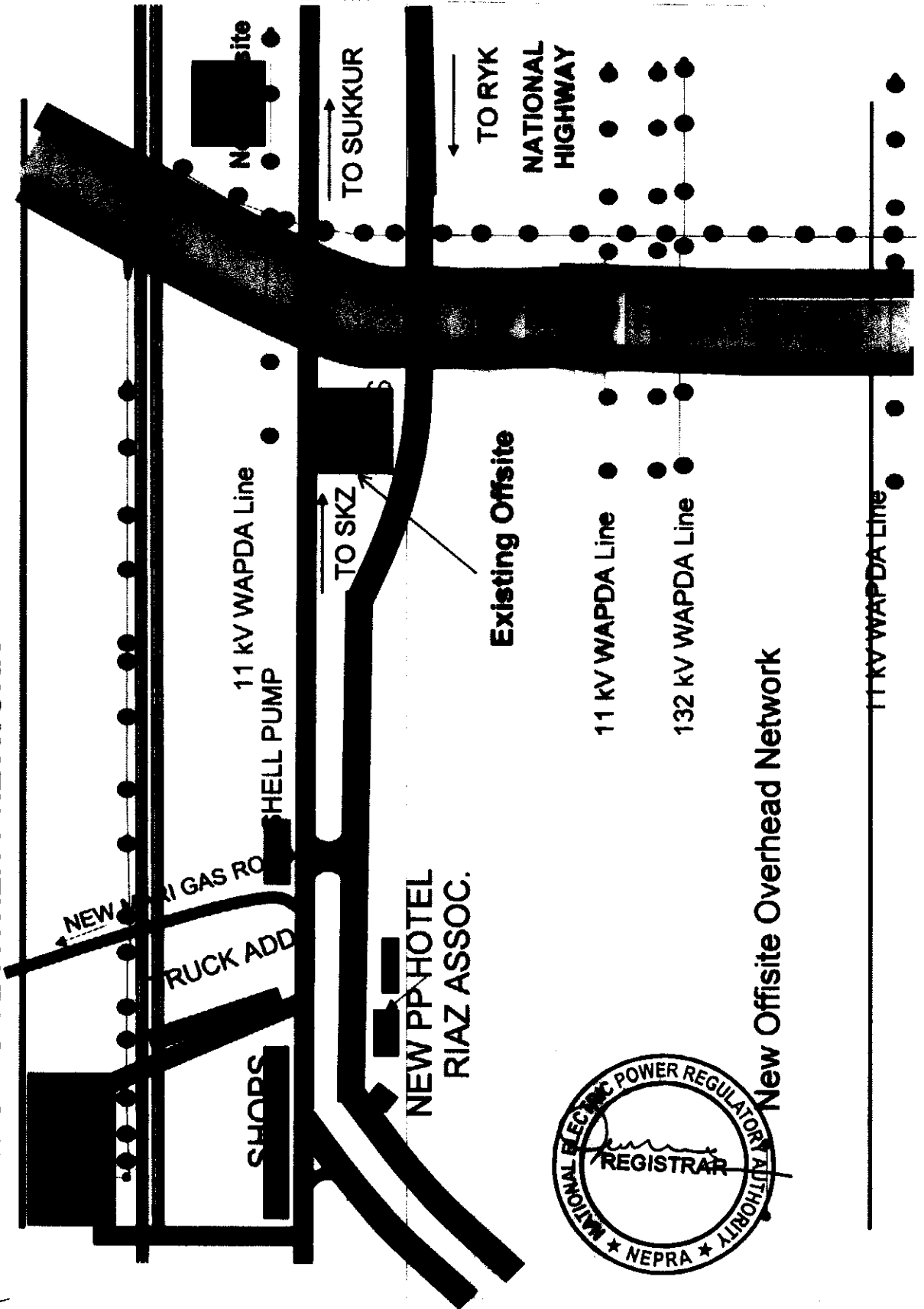
[Feeder Map(s)]
of
Isolated Distribution Facilities
of
ECPL



EXISTING OFFSITE NETWORK



NEW OFFSITE FACILITY NETWORK



New Offsite Overhead Network