



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

2nd Floor, OPF Building, G-5/2, Islamabad
Ph: 9207200, 9205225 Fax : 9210215
E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/R/LAG-106/9932-35

September 02, 2008

Mr. Pervez Ul Islam Mir
General Manager (Power)
Nishat Mills Limited (NML)
7-Main Gulberg,
Lahore

**Subject: Generation Licence No. SGC/40/2008
Licence Application No. LAG-106
Nishat Mills Limited (NML)**

Reference: Your letter No. nil, dated December 31, 2007

Enclosed please find herewith Generation Licence No. SGC/40/2008 granted by the Authority to Nishat Mills Limited (NML) pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

2. Also enclosed herewith 'Authorization' pursuant to Section 22 of the Act and Rule 7 of NEPRA Licensing (Generation) Rules-2000 for sale to bulk power consumers.
3. Please quote above mentioned Generation Licence No. for future correspondence.

Enclosure: / As above



(Signature)
(Mahjoob Ahmad Mirza)
02.09.08

Copy to:

1. Chief Executive Officer, Lahore Electric Supply Company Ltd. (LESCO), 22-A, Queens Road, Lahore
2. Chief Executive Officer, Faisalabad Electric Supply Company Ltd. (FESCO), Abdullahpur, Canal Bank Road, Faisalabad.
3. Director General, Pakistan Environmental Protection Agency, House No. 311, Main Margalla Road, F-11/3, Islamabad.

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

GENERATION LICENCE

No. SGC/40/2008

In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Authority hereby grants a Generation Licence to:

NISHAT MILLS LIMITED

Incorporated under the Companies Act, 1913
Under Certificate of Incorporation

KAR 765 of 1959-1960, dated November 16, 1959

For its three Plants located at 5-KM, Nishat Avenue, off 22 KM,
Ferozepur Road, Lahore, 12-KM Sheikhpura-Faisalabad Road,
Bhikki, Sheikhpura and Faisalabad-Sheikhpura Road,
Nishatabad, Faisalabad, Punjab

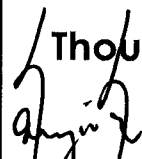
(Installed Capacity: 77.886 MW Gross ISO)

to engage in generation business subject to and in accordance with the Articles of this Licence.

Given under my hand this 2nd day of September, Two

Thousand & Eight, and expires on 30th day of March, Two

Thousand & Eighteen.


Registrar





Article-1
Definitions

1.1 In this Licence

- (a) "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997);
- (b) "Authority" means the National Electric Power Regulatory Authority constituted under Section 3 of the Act;
- (c) "Licensee" means Nishat Mills Limited;
- (d) "Power Purchaser" means a Distribution Licensee or a Bulk Power Consumer who purchases electricity from the Licensee, pursuant to a power purchase agreement for procurement of electricity;
- (e) "Rules" mean the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000.

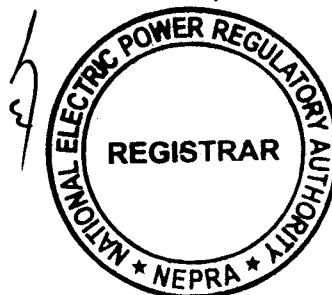

1.2 Words and expressions used but not defined herein bear the meaning given thereto in the Act or in the Rules.

Article-2
Application of Rules

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

Article-3
Generation Facilities

3.1 The location, size (capacity in MW), technology, interconnection arrangements, technical limits, technical functional specifications and other details



specific to the power generation facilities of the Licensee are set out in Schedule-I to this Licence.

3.2 The net capacity of the Licensee's generation facilities is set out in Schedule-II hereto.

Article-4
Term of Licence

4.1 The Licence is granted for a term of Ten (10) years.

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

Article-5
Licence Fee

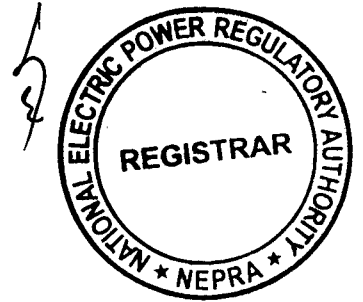
After the grant of the Generation Licence, the Licensee shall pay to the Authority the Licence Fee, in the amount and manner and at the time set out in National Electric Power Regulatory Authority (Fees) Rules, 2002.

Article-6
Tariff

The Licensee is allowed to charge such tariff which has been agreed between the Licensee and the Power Purchaser, pursuant to a power purchase agreement.

Article-7
Competitive Trading Arrangement

7.1 The Licensee shall participate in such measures as may be directed by the Authority, from time to time, for the development of a Competitive Trading Arrangement. The Licensee shall in good faith work towards implementation and operation of the aforesaid Competitive Trading Arrangement in the manner and



time period specified by the Authority. Provided that, any such participation shall be subject to any contract entered between the Licensee and another party with the approval of the Authority.

7.2 Any variation or modification in the above-mentioned contracts for allowing the parties thereto to participate wholly or partially in the Competitive Trading Arrangement shall be subject to mutual agreement of the parties thereto and such terms and conditions as may be approved by the Authority.

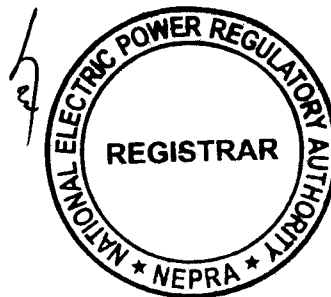
Article-8 **Maintenance of Records**

8.1 The Licensee shall keep complete and accurate record and data in respect of all aspects of the generation business and the second-tier supply business, in their original as well as in electronic form.

8.2 Without prejudice to the provisions of sub-rule 15(3) of the Rules, unless provided otherwise under the law or the applicable documents, all record and data shall be maintained for a period of five (5) years 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 also not dispose off or destroy any record or data which the Authority directs the Licensee to preserve.

8.3 For the purpose of sub-rule (1) of Rule 19 of the Rules, copies of records and data shall be retained in standard and electronic form and all such records and data shall, subject to just claims of confidentiality, be accessible by authorized officers of the Authority.

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



Article-9
Generating Capacity Reserve Requirements

The installed generating capacity of the Licensee shall not fall below 85% (95% in the case of single consumer on a feeder) of the connected load and generating capacity of the largest installed unit at the time of application for Generation Licence.

Article-10
Compliance with Performance Standards

The Licensee shall conform to the relevant NEPRA rules on Performance Standards as may be prescribed by the Authority from time to time.

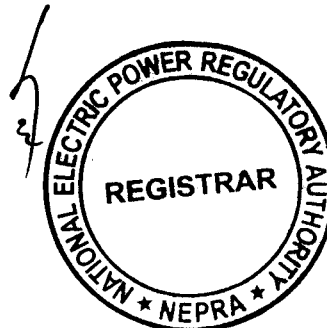
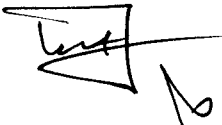
Article-11
Compliance with Environmental Standards

The Licensee shall conform to the environmental standards as may be prescribed by the relevant competent authority from time to time.

Article-12
Provision of Information

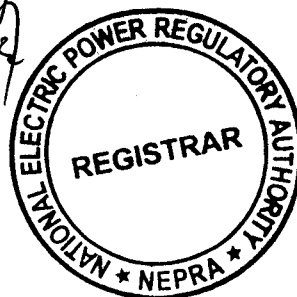
11.1 The obligation of the Licensee to provide information to the Authority shall be in accordance with Section 44 of the Act.

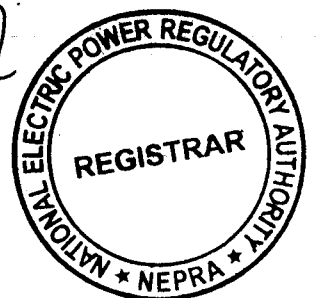
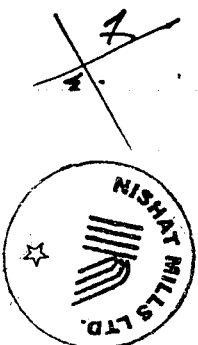
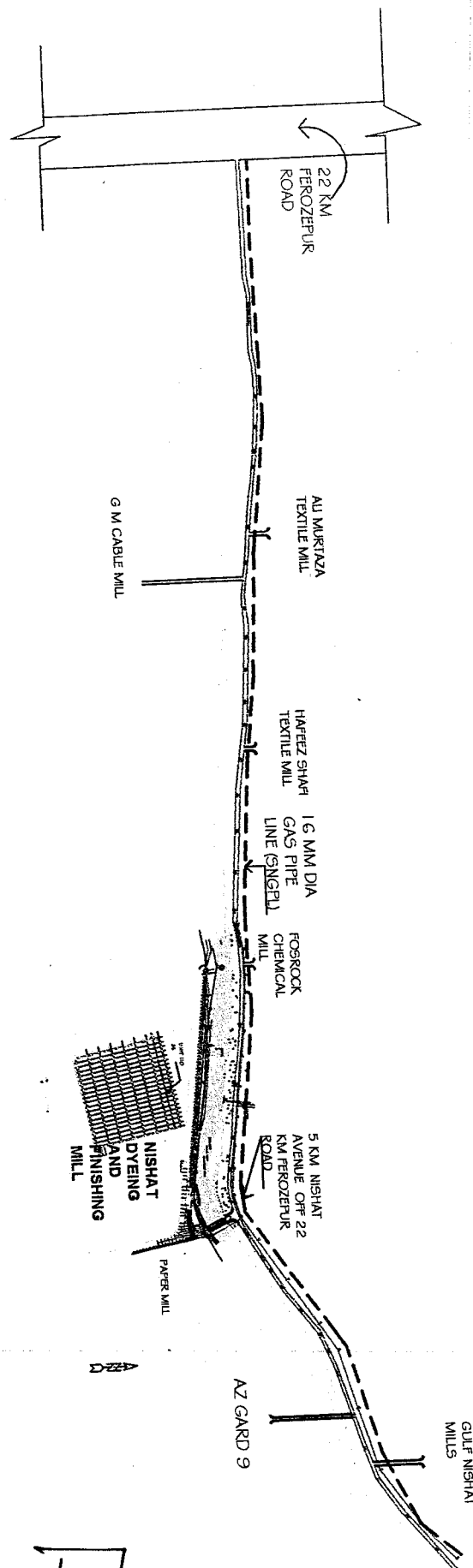
11.2 The Licensee shall be subject to such penalties as may be specified in the relevant rules made by the Authority for failure to furnish such information as may be required from time to time by the Authority and which is or ought to be or has been in the control or possession of the Licensee.



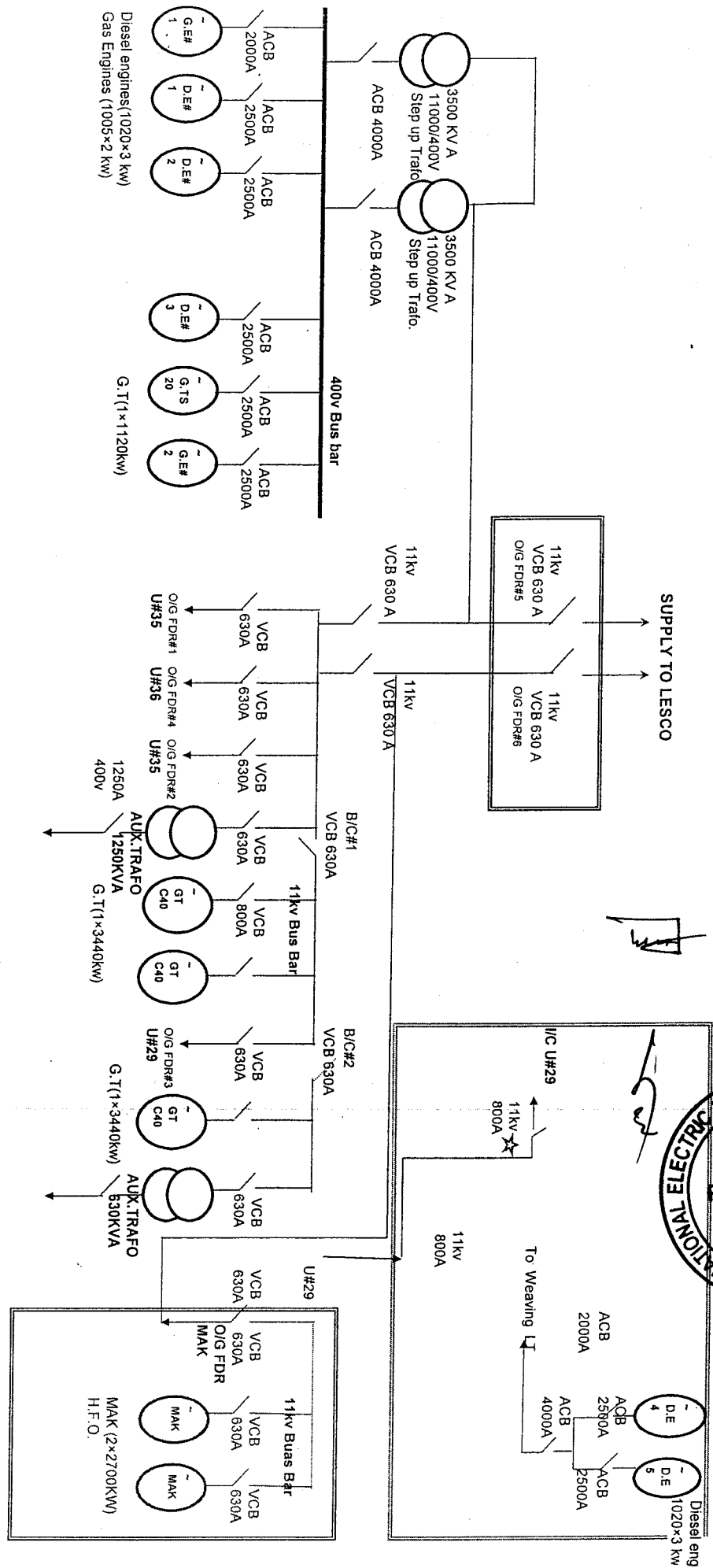
SCHEDULE-I

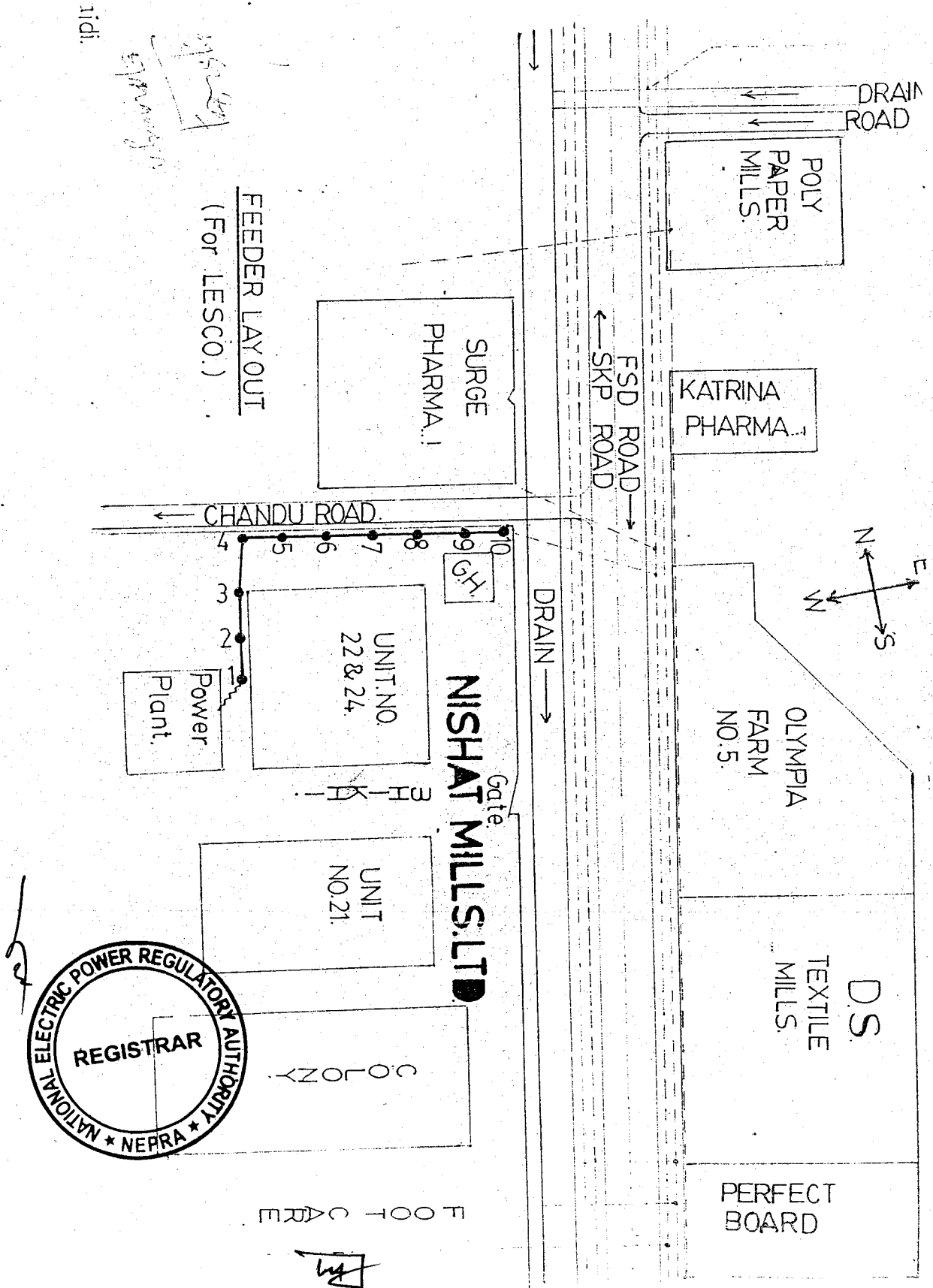
The location, size (capacity in MW) technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the Generation Facilities of the Licensee.



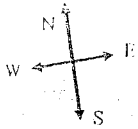


SUPPLY TO LESCO

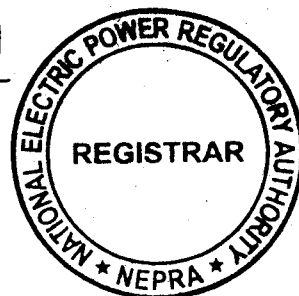
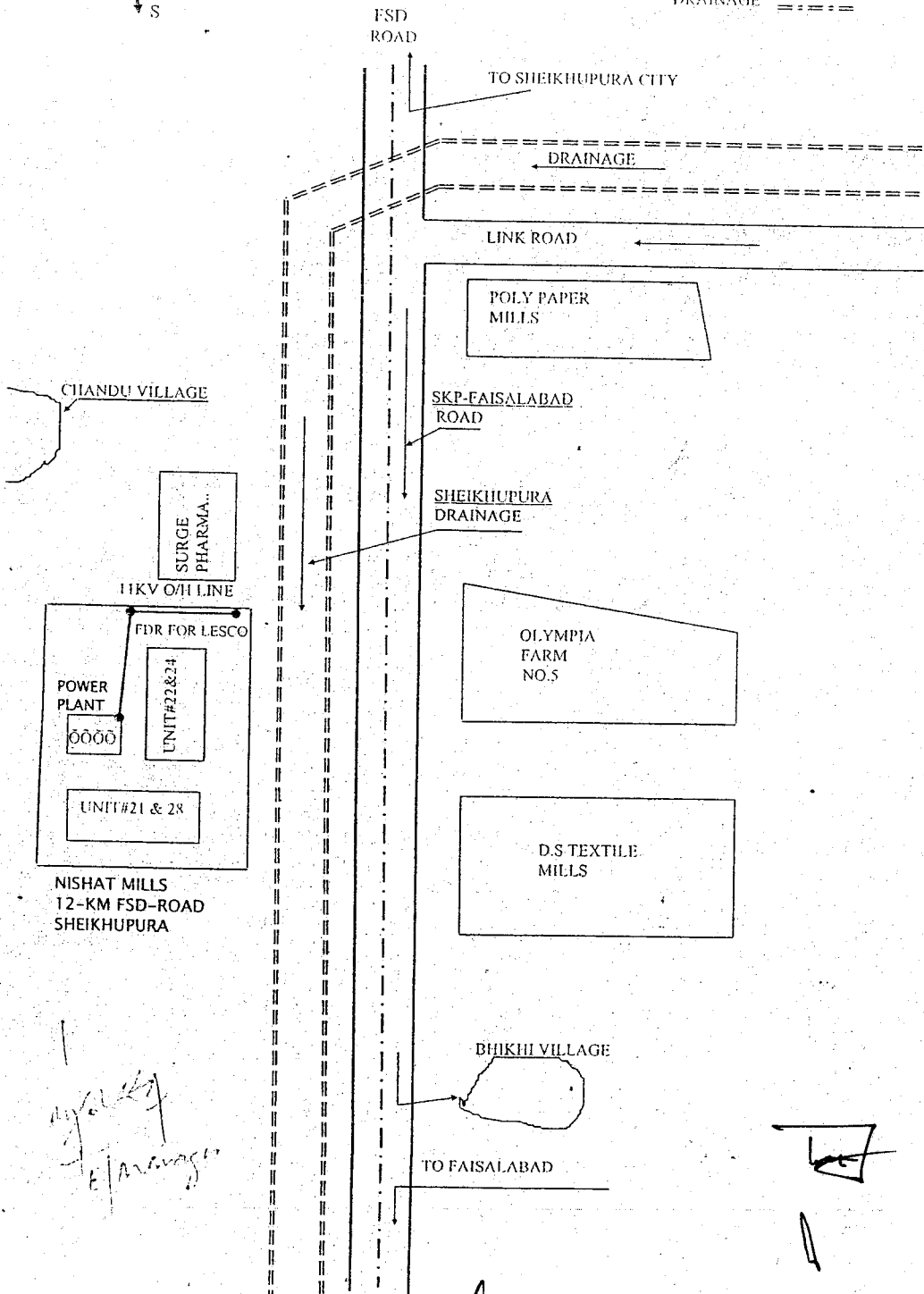




LOCATION LAYOUT OF NISHAT MILLS LTD
12-KM FAISALABAD ROAD BHIKHI SHEIKHUPURA



KEY: ROAD ———
11KV LINE ———
DRAINAGE =====



**LOCATION PLAN FOR NISHAT MILLS LIMITED
FAISALABAD**

FAISALABAD CITY

6-KM.

SHEIKHUPURA - FAISALABAD ROAD

NISHATABAD OVERHEAD BRIDGE

NISHATABAD

NISHATABAD

NML COLONY

STITCHING UNIT NML

MOSQUE

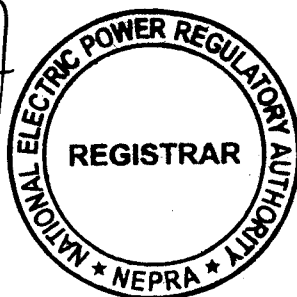
MAIN GATE NO 1

NISHAT MILL LIMITED
FAISALABAD

UNIT # 40

POWER PLANT

PESCO FEEDERS

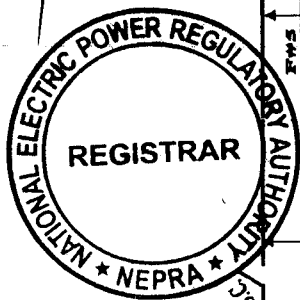


POWER PLANT

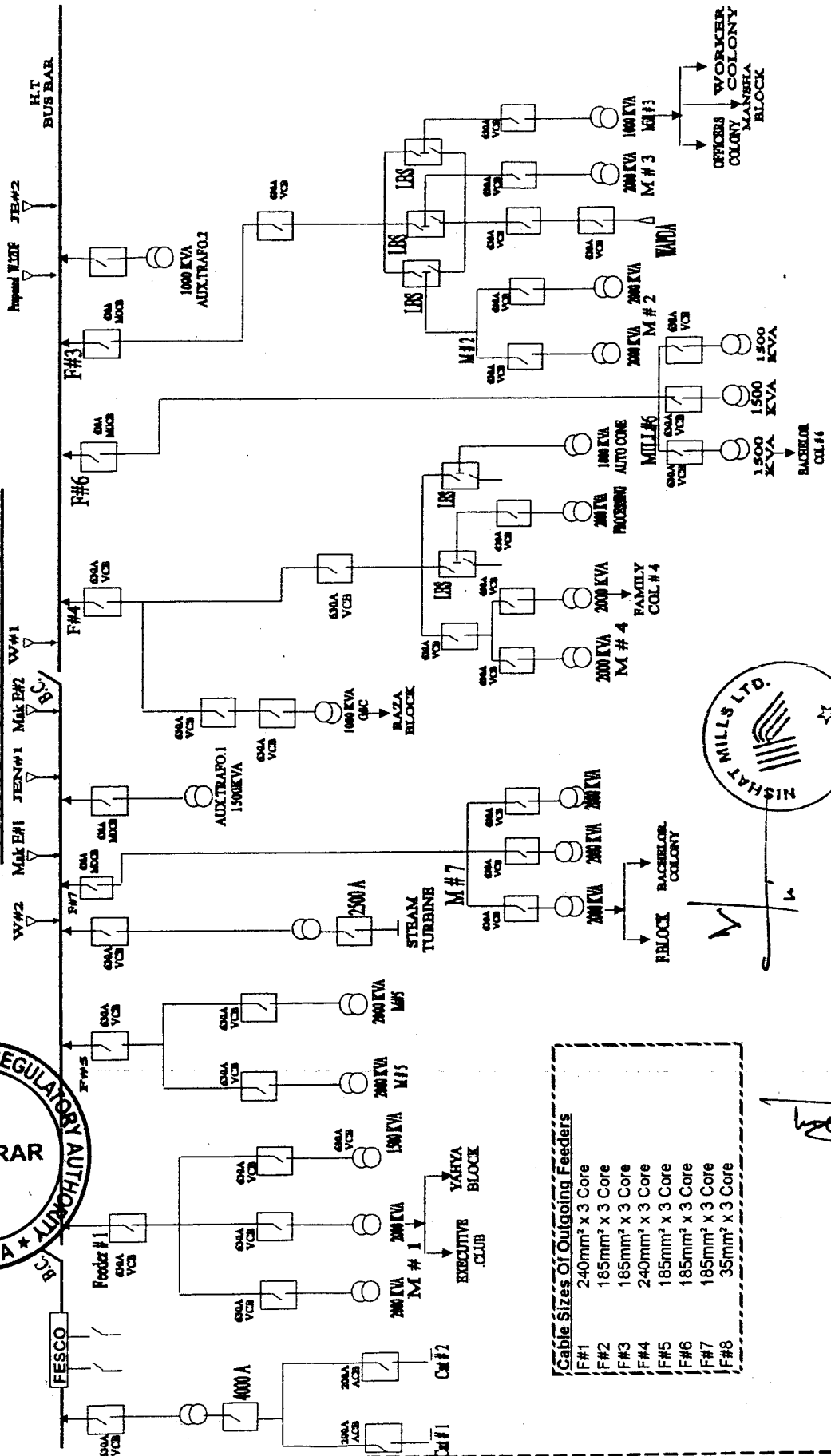
NISHAT MILLS LTD FAISALABAD

REGULATION 3(6)b6

Date:- 17-5-2008



11 K.V. SINGLE LINE DIAGRAM



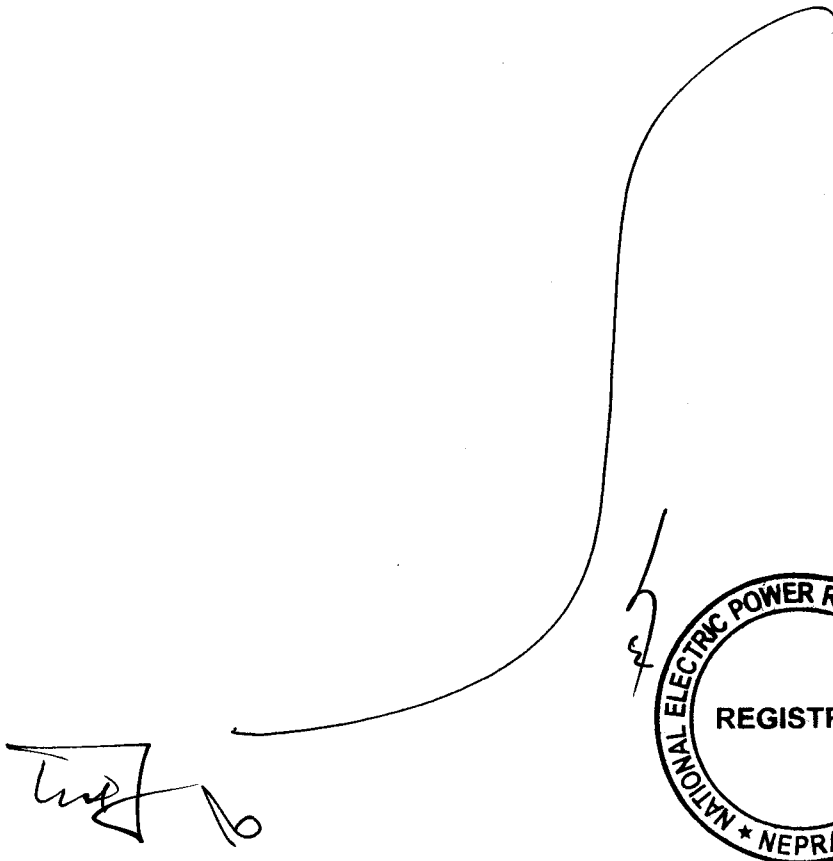
Cable Sizes Of Outgoing Feeders	
F#1	240mm ² x 3 Core
F#2	185mm ² x 3 Core
F#3	185mm ² x 3 Core
F#4	185mm ² x 3 Core
F#5	240mm ² x 3 Core
F#6	185mm ² x 3 Core
F#7	185mm ² x 3 Core
F#8	35mm ² x 3 Core

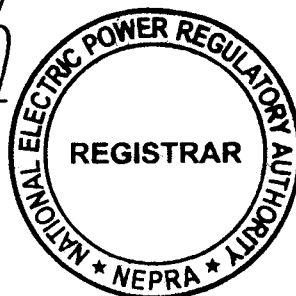
INTERCONNECTION/TRANSMISSION
ARRANGEMENT FOR THE DISPERSAL OF POWER
FROM THE POWER PLANT

The Power generated by Nishat Mills Limited from its distinctly located Thermal Power Generation facilities of Plant-1, Plant-2 and Plant-3, shall be dispersed to the Load Center/Ring of LESCO and FESCO respectively.

The Interconnection/Transmission Arrangement for the above mentioned facilities will be at 11 KV voltage as given in the Agreements for Power Purchase (PPA) of December 15, 2007 signed between NML and LESCO and of April 30, 2008 signed between NML and FESCO respectively.

The final Interconnection and Transmission Arrangement (s), for the dispersal of power, as agreed by NML, LESCO and FESCO shall be communicated to NEPRA in due course of time.





Plant Details*

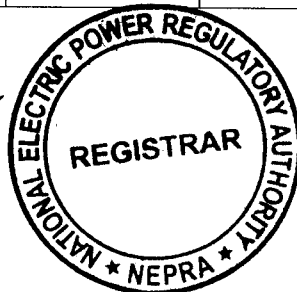
1. General Information

i	Name of Applicant	Nishat Mills Limited (NML)		
ii	Registered/ Business Office	Nishat House, 53-A, Lawrence Road, Lahore,		
iii	Plant Location	Plant-I	Plant-II	Plant-III
		5-KM, Nishat Avenue, off 22 KM, Ferozepur Road, Lahore	12-KM Sheikhpura-Faisalabad Road, Bhikki, Sheikhpura.	Sheikhpura Road, Nishatabad, Faisalabad
iv	Type of Generation Facility	Thermal Generation		

2. Plant Configuration

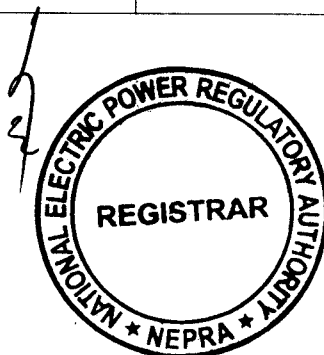
i	Plant Size Installed Capacity (Gross ISO)	Plant-I		Plant-II		Plant-III	
		25.7 MW		14.3 MW		37.886 MW	
ii	Type of Technology	Plant-I		Plant-II		Plant-III	
		Gas Turbine (GT)/ Gas Engine (GE)/Diesel Engine (DE)		Gas Turbine (GT)/Gas Engine (GE)/ Diesel Engine (DE)		Steam Turbine (ST)/ Gas Engine (GE)/ Diesel Engine (DE)	
iii	Number of Units/Size (MW)	Plant-I		Plant-II		Plant-III	
		No. of Unit	Size	No. of Unit	Size	No. of Unit	Size
		3	3.50 MW	1	3.5 MW	2	5.7 MW
		1	1.20 MW			2	5.993 MW
				3	2.0 MW	1	5.993

* As provided by the Applicant

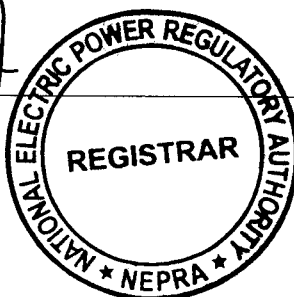


		2	2.5 MW				
						2	2.7 MW
		4	1.0 MW	4	1.2 MW	2	1.0 MW
		5	1.0 MW			1	1.2 MW
iv	Unit Make & Model	Plant-I		Plant-II		Plant-III	
		No. of Unit	Make	No. of Unit	Make	No. of Unit	Make
		3	G.T. Solar Centaur-40	1	G.T Solar Centaur-40	2	D.E. Mak 16M453C
						2	G.E. Wartsila 18V34SG
		1	G.T. Solar Saturn-20	3	D.E. Daihatsu 8DL32	2	G.E. Wartsila 18V34SG
						2	G.E. Jenbacher J620GSEO1
		2	D.E. Mak 8M453C	4	G.E. Caterpillar G3516-B	2	G.E. Caterpillar G 3516A
						1	S.T. Spilling STSC-2C
		4	G.E. Caterpillar G3516-A				
		5	D.E. Caterpillar 3512				
v	De-rated Capacity at Mean Site Conditions	Plant-I		Plant-II		Plant-III	
		22.70 MW		12.40 MW		32.30 MW	

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vi	Auxiliary Consumption	Plant-I		Plant-II		Plant-III	
		1.00 MW		0.53 MW		1.13 MW	
vii	Commissioning and Commercial Operation date	Plant-I		Plant-II		Plant-III	
		G.T. Solar Centaur-40	Aug 2001	G.T. Solar Centaur-40	June 2001	D.E. Mak 16M453C	Oct 1991
		G.T. Solar Saturn-20	July 2004			G.E. Wartsila 18V34SG	June 2004
		D.E. Mak 8M453C	June 1995	D.E. Daihatsu 8DL32	Nov 1995	G.E. Wartsila 18V34SG	June 2004
		G.E. Caterpillar G3516-A	April 2004			G.E. Jenbacher J620GSE O1	Nov 2005
		D.E. Caterpillar 3512	Jan 2001	G.E. Caterpillar G3516-B	May 2003	G.E. Caterpillar G 3516A	Sep 2001
						S.T. Spilling STSC-2C	Mar 2008
viii	Expected remaining useful Life of the Facility from Commercial Operation Date	20 Years					



3. Fuel Details

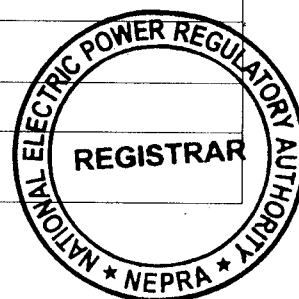
I	Primary Fuel	Plant-I			Plant-II			Plant-III		
		Heavy Fuel Oil (HFO) and Natural Gas (NG)			Heavy Fuel Oil (HFO) and Natural Gas (NG)			Heavy Fuel Oil (HFO) and Natural Gas (NG)		
li	Alternate Fuel	Diesel Oil (DO)			Diesel Oil (DO)			Diesel Oil (DO)		
lii	Fuel Source {(Imported (Imp)/ Indigenous (Ind))}	HFO	NG	DO	HFO	NG	DO	HFO	NG	DO
		Imp & Ind	Ind	Imp & Ind	Imp	Ind	Imp & Ind	Imp	Ind	Imp & Ind
Iv	Fuel Supplier	HFO			NG			DO		
		Shell/PARCO/PRL			SNGPL			Shell/PARCO/PRL		
V	Supply Arrangement	Through Oil Tankers			Through Pipeline			Through Oil Tankers		
Vi	No of Storage Tanks	Plant-I			Plant-II			Plant-III		
		HFO		DO	HFO		DO	HFO		DO
		3		3	2		3	1		2
Vii	Storage Capacity of each Tank	Plant-I			Plant-II			Plant-III		
		HFO		DO	HFO		DO	HFO		DO
		T1	160 tons	T1 & T2	170-000 Lite-rs	T1 & T2	900 tons	T1 & T2	20-000 Lite-rs	T1 & T2
		T2 & T3	18.5 tons	T3	10-000 Lite-rs	T2		T3		250 Lite-rs
Viii	Gross Storage	Plant-I			Plant-II			Plant-III		
		HFO		DO	HFO		DO	HFO		DO
		197 Tons		350,000 Liters	1800 Tons		60,000 Liters	1800 Tons		500 Liters

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4. Emission Values

I	SO _x	Plant-I		Plant-II		Plant-III	
		HFO	DO	HFO	DO	HFO	DO
		To be provided Later					
li	NO _x	-Do-					
lii	CO	-Do-					
lv	PM ₁₀	-Do-					



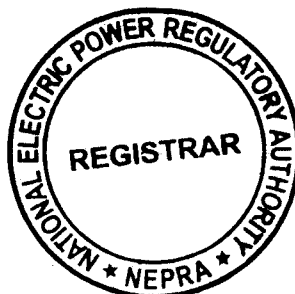
5. Cooling System

i	Cooling Water Source/ Cycle	Plant-I		Plant-II		Plant-III	
		Irrigation Department, Government of Punjab/Water Turbines		Ground Water Turbines		Irrigation Department, Government of Punjab/WASA/ Water Turbines	

6. Plant Characteristics

i	Generation Voltage	Plant-I			Plant-II			Plant-III			
		DE	GT	GE	DE	GT	GE	DE	GE (Wartsila)	GE (Jenbacher)	GE (Caterpillar)
		11 KV	11 KV	11 KV	11 KV	11 KV	400 V	11 KV	11 KV	11 KV	400 V
ii	Frequency	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz	50 Hz
iii	Power Factor	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging	0.8 Lagging
iv	Automatic Generation Control (AGC)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
v.	Ramping Rate	18 KW per Sec	25 KW per Sec	15 KW per Sec	20 KW per Sec	25 KW per Sec	15 KW per Sec	14 KW per Sec	15 KW per Sec	8 KW per Sec	15 KW per Sec

vi.	Time required to Synchronize to Grid and loading the complex to full load	To be provided later
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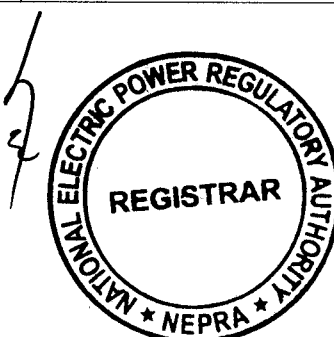
Licensee-Performa for Information regarding Distribution issues.

Network Facts

Part-A

A.	No. of Feeders	One (01)
B.	Length of Each Feeder (Meter)	200 Meter
C.	Length of Each Feeder to each Consumer	-Do-
D.	In respect of all the Feeders, describe the property (streets, farms, Agri land, etc.) through, under or over which they pass right up to the customer's premises, whether they cross-over or pass near the DISCO lines.	The 11 KV Underground Cable supplying power to Masood Textile Mills (Stitching Unit) is located on private property of NML, without any crossing etc.
E.	Whether owned by NML, Consumer or FESCO -(deal with each Feeder Separately)	
	- If owned by FESCO, please furnish particulars of contractual arrangement	N/A
	- Operation and maintenance responsibility for each feeder	The Operation and Maintenance is the responsibility of NML.
F.	Whether connection with network of FESCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	N/A
G.	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A

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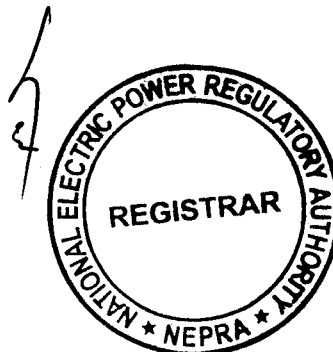


Licensee-Performa for Information regarding Distribution issues.
Consumer Facts

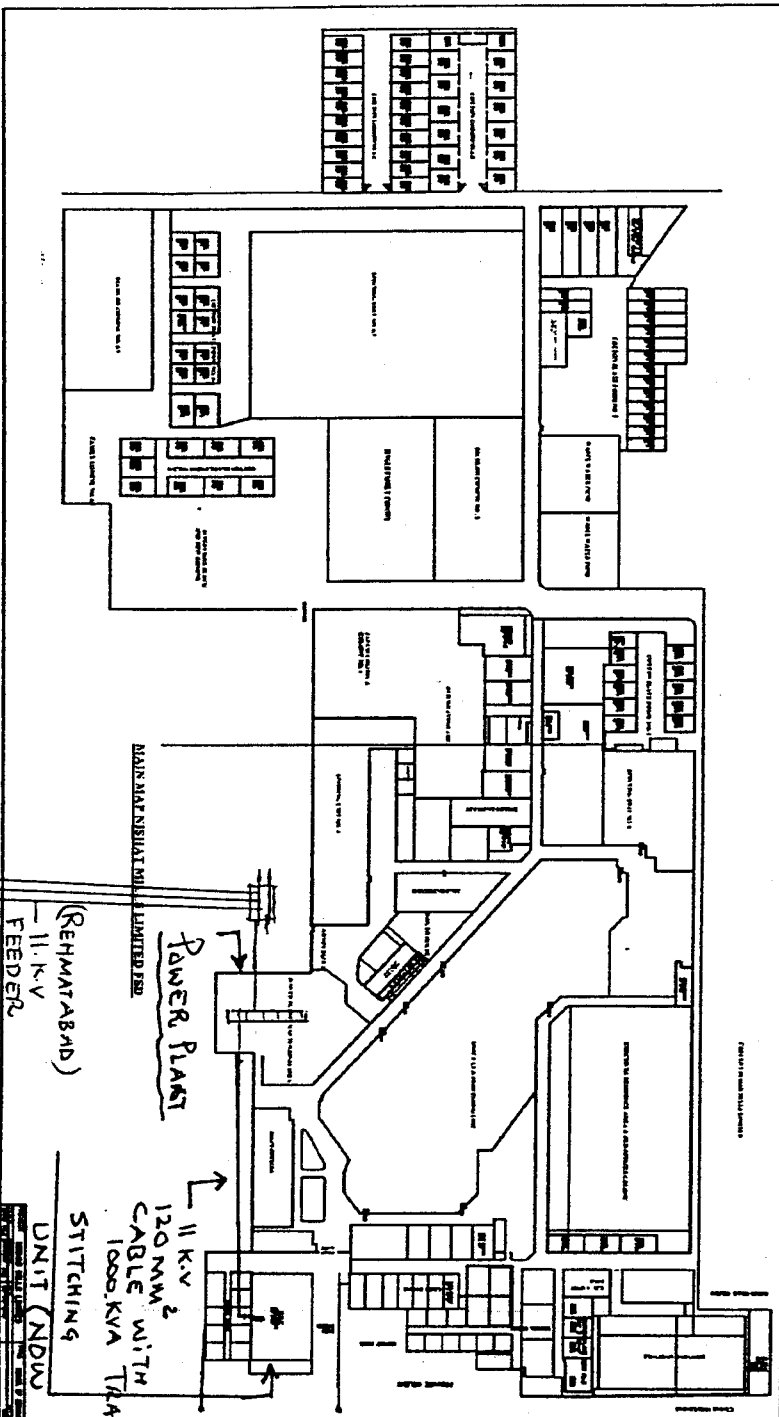
Part-B

A.	No. of Consumers	One (01)	
B.	Location of consumers (distance and/or identity of premises)	Masood Textile Mills Limited, 6-KM Faisalabad –Sheikhupura Road, Nishatabad, Faisalabad.	
C.	Contracted Capacity and Load Factor for consumer	Masood Textile Mills Limited	1.2 MW (Maximum)
D.	Specify Whether		
	(i)	The consumer is an Associate undertaking of the NML- If yes, specify percentage ownership of equity;	No.
	(ii)	There are common directorships:	No
	(iii)	Either can exercise influence or control over the other.	No
E.	Specify nature of contractual Relationship		
	(i)	Between each consumer and NML.	Firm Supply of Electricity on Continuous basis
	(ii)	Consumer and FESCO.	No
F.	Capacity originally sanctioned by Provincial Government- If subsequently enhanced, evidence of permission for enhancement.	N/A	
G.	Tariff Arrangement and particulars with WAPDA/Provincial Government	N/A	
H.	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A	

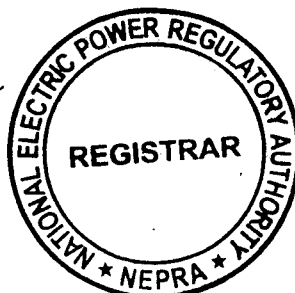
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NISHAT Mills Limited FAISAL ABAD

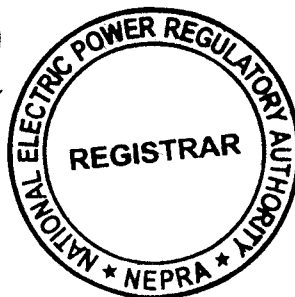


7/5/89



SCHEDULE-II

The Installed, De-Rated, Auxiliary and Net Capacity of the Licensee's
Generation Facilities



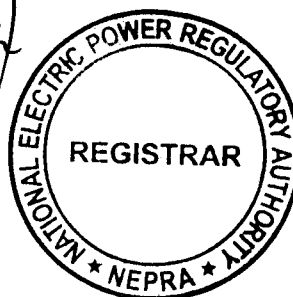
SCHEDULE-II*

Sr. No.	Description	Plant-I	Plant-II	Plant-III	Total
1.	Installed Capacity (Gross ISO)	25.70 MW	14.30 MW	37.886 MW	77.886 MW
2.	De-rated Capacity at Mean Site Conditions	22.70 MW	12.40 MW	32.30 MW	67.400 MW
3.	Auxiliary Consumption	1.00 MW	0.53 MW	1.13 MW	2.660 MW
4.	Net Capacity at Mean Site Conditions	21.70 MW	11.87 MW	31.17 MW	64.740 MW

Note

All the above figures are indicative as provided by the Licensee. The Net Capacity available to LESCO (from Plant-I and II) and FESCO (from Plant-III) for dispatch will be determined through procedure(s) contained in the Bi-lateral Agreement (s), Grid Code or any other applicable document(s).

* As provided by the applicant



Authorization by National Electric Power Regulatory Authority
(NEPRA) to Nishat Mills Limited

Incorporated under the Companies Act, 1913
Under Certificate of Incorporation

No. KAR 765 of 1959-1960, dated November 16, 1959

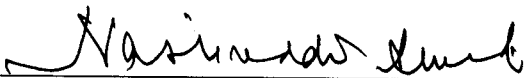
NEPRA GENERATION LICNCE No. SGC/40/2008


For


Sale to Bulk Power Consumer(s)

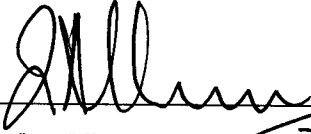
Pursuant to Section 22 of the Act and Rule 7 of the NEPRA Licensing (Generation) Rules-2000, the Authority hereby authorize Nishat Mills Limited (Licensee) to engage in second-tier supply business, limited to the following consumers also mentioned in Schedules-I of the Generation Licence No. SGC/40/2008.

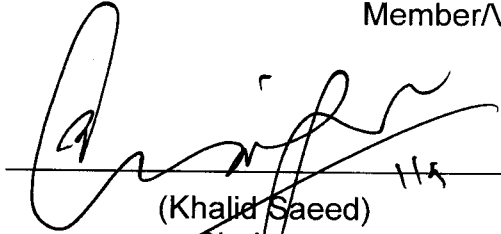
1. Masood Textile Mills Limited (MTM), Faisalabad.


(Nasiruddin Ahmed)
Member 26/8/08


(Abdul Rahim Khan)
Member 27/8


(Maqbool Ahmad Khawaja)
Member


(Zafar Ali Khan)
Member/Vice Chairman 29/8/08


(Khalid Saeed)
Chairman 11/8

