



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-80/226-228

September 25 2008

Corporate Secretary
Pakistan Steel Mills Corporation (Pvt.) Ltd. (PSMCPL)
P.O. Box # 5429,
Bin Qasim, Karachi

**Subject: Generation Licence No. SGC/41/2008
Licence Application No. LAG-80
Pakistan Steel Mills Corporation (Pvt.) Ltd. (PSMCPL)**

Reference: Your letter no. Sec-1/297-NEPRA/2006/093, dated February 06, 2006.

Enclosed please find herewith Generation Licence No. SGC/41/2008 granted by the Authority to Pakistan Steel Mills Corporation (Private) Ltd. (PSMCPL) pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

2. Please quote above mentioned Generation Licence No. for future correspondence.

**Enclosure: Generation Licence
(No. SGC/41/2008)**



(Signature)
25.09.08
(Mahjoob Ahmad Mirza)

Copy to:

1. Chief Executive Officer, Karachi Electric Supply Company (Pvt.) Limited (KESC), 7th Floor, State Life Building No. 11, Abdullah Haroon Road, Karachi
2. 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/41/2008

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:

Pakistan Steel Mills Corporation (Private) Limited

**Incorporated under the Companies Act, 1913
Under Certificate of Incorporation**

KAR No. 2477 of 1968-1969, dated July 2, 1968

For its Plant located at Bin Qasim, Karachi, Sindh

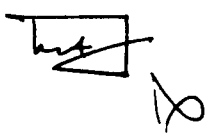
(Installed Capacity: 165.00 MW Gross ISO)

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

Given under my hand this 25th day of September, Two
Thousand & Eight, and expires on 24th day of September,
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 Pakistan Steel Mills Corporation (Private) 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

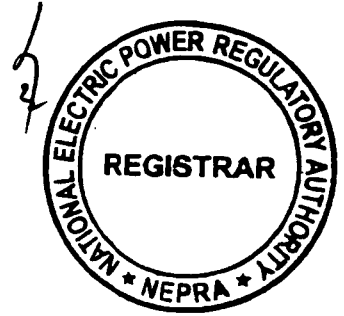
After the grant of the Generation Licence, the Licensee shall pay to the Authority the Licence Fee, in the amount and manner and at the time set out in National Electric Power Regulatory Authority (Fees) Rules, 2002.

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

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.

Article-9
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.

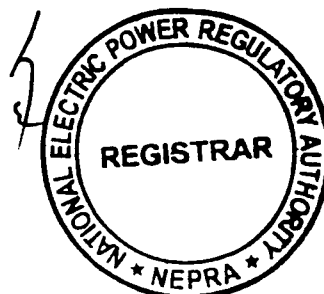
Article-10
Compliance with Environmental Standards

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

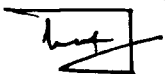
Article-11
Provision of Information

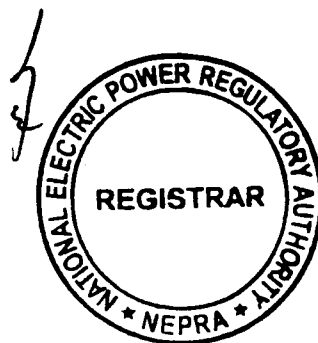
11.1 The obligation of the Licensee to provide information to the Authority shall be in accordance with Section 44 of the Act.





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.

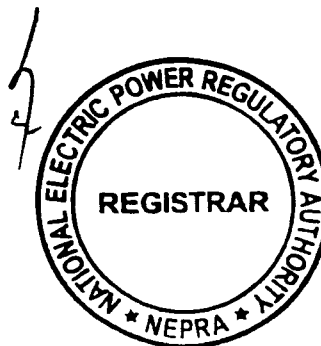

b

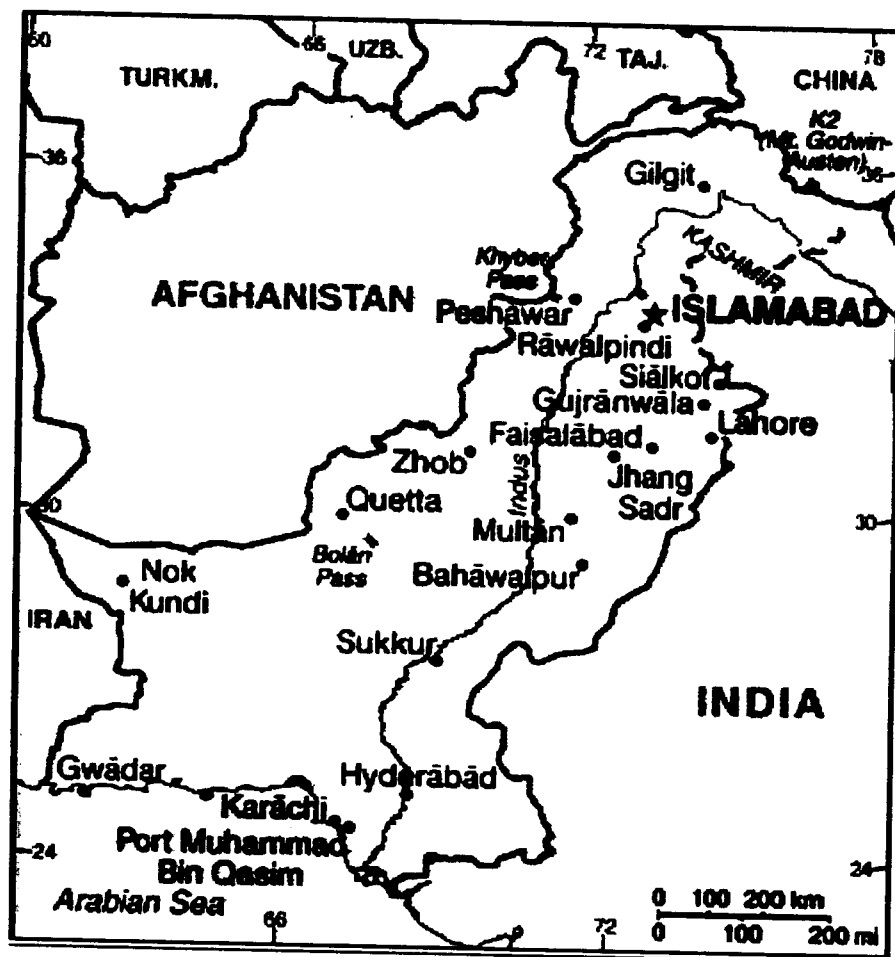


SCHEDULE-I

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.





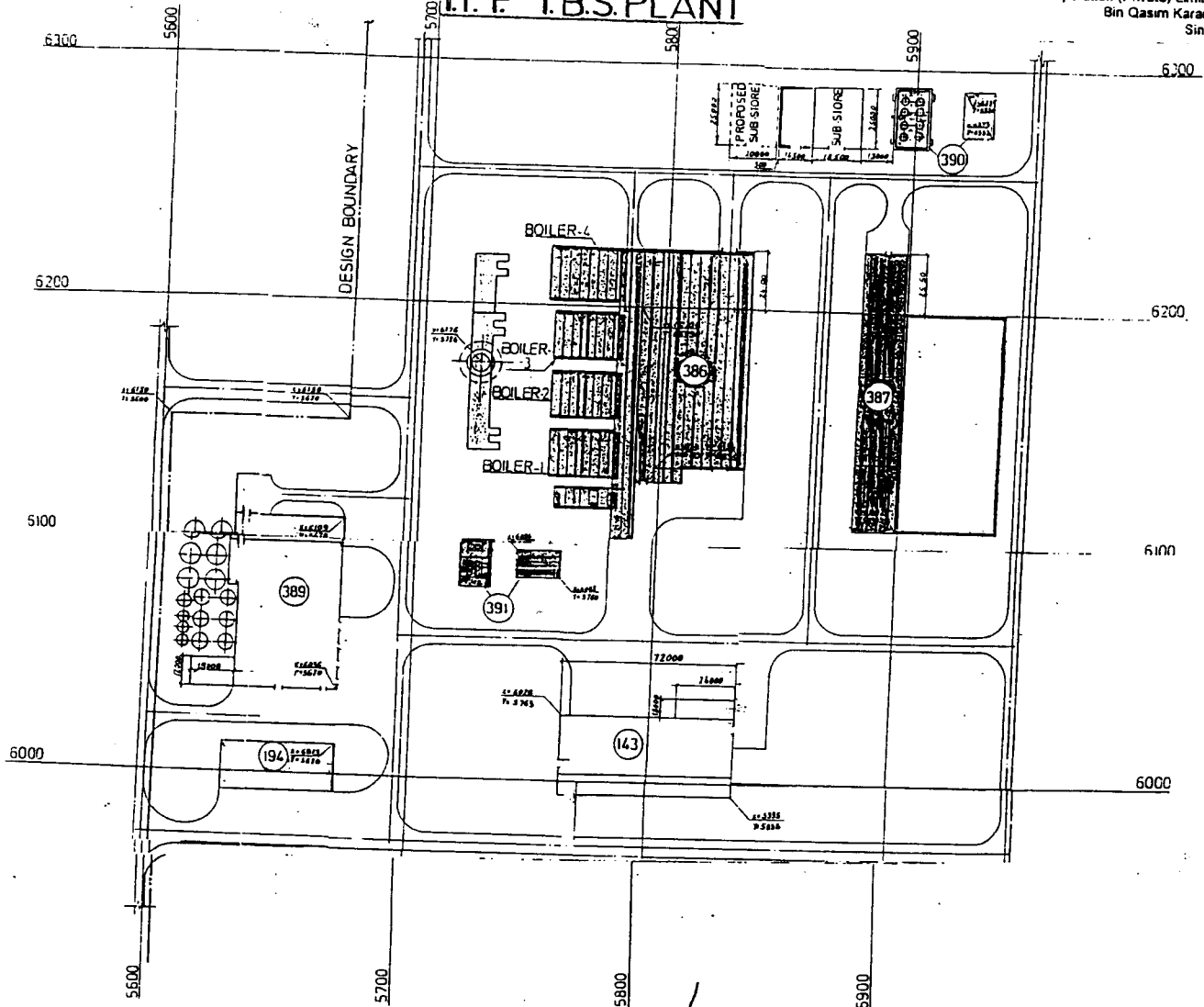


[Handwritten signature]

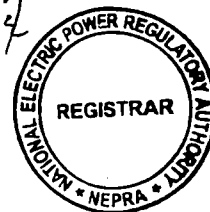


GENERAL LAYOUT I.P.P. T.B.S. PLANT

Generation Licence
Pakistan Steel Mills
Corporation (Private) Limited
Bin Qasim Karachi
Sindh



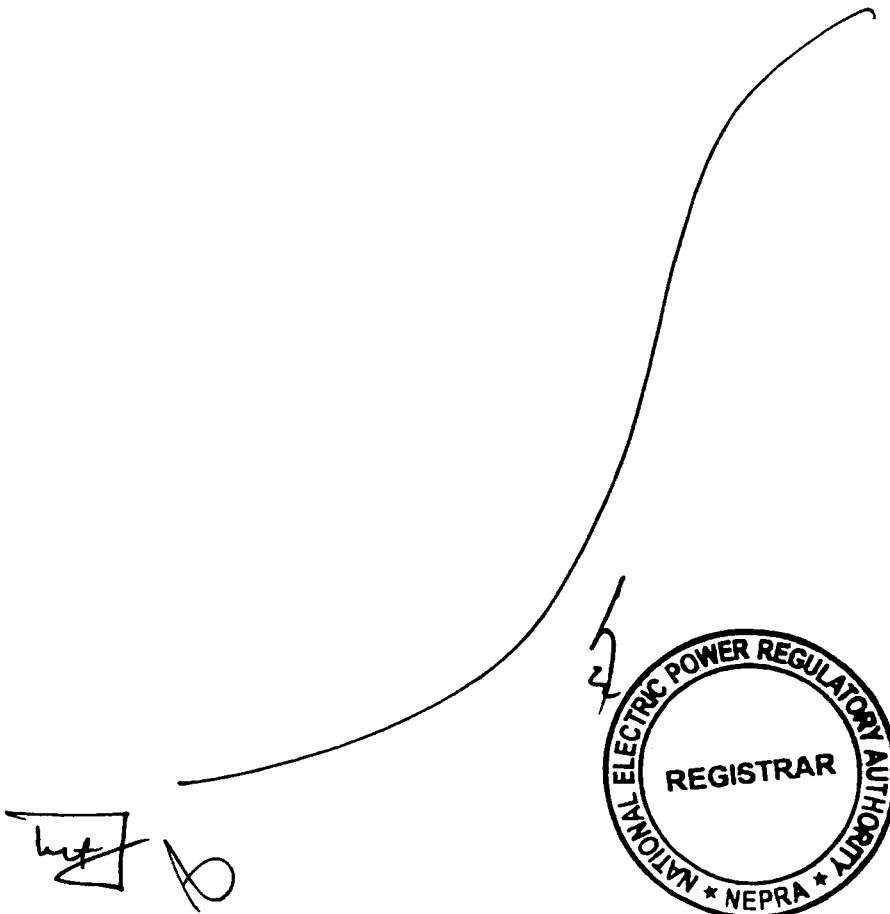
S.NO.	NO. AS PER EX. PLAN	DESCRIPTION	REMARKS
1.	386	I.P.P. main building	
2.	387	Main switch gear & out door transformer	
3.	389	W. C. T. P.	
4.	390	Transformer & oil facilities	
5.	391	Electrolyzer plant and receivers	
6.	143	Turbo-blower station	
7.	194	Administrative-service building	

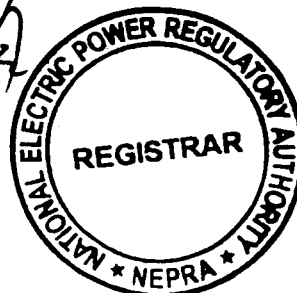


**INTERCONNECTION/TRANSMISSION
ARRANGEMENT FOR THE DISPERSAL OF
POWER FROM THE POWER PLANT**

The Power generated by Pakistan Steel Mills Corporation (Private) Limited (PSMCPL), from its Generation facility is exported to the Load Center/Ring of KESCL, through two 132 KV Overhead Transmission Lines (measuring approximately 2.00 KM each), from PSMCPL to 132 KV Pipri East Grid Station.

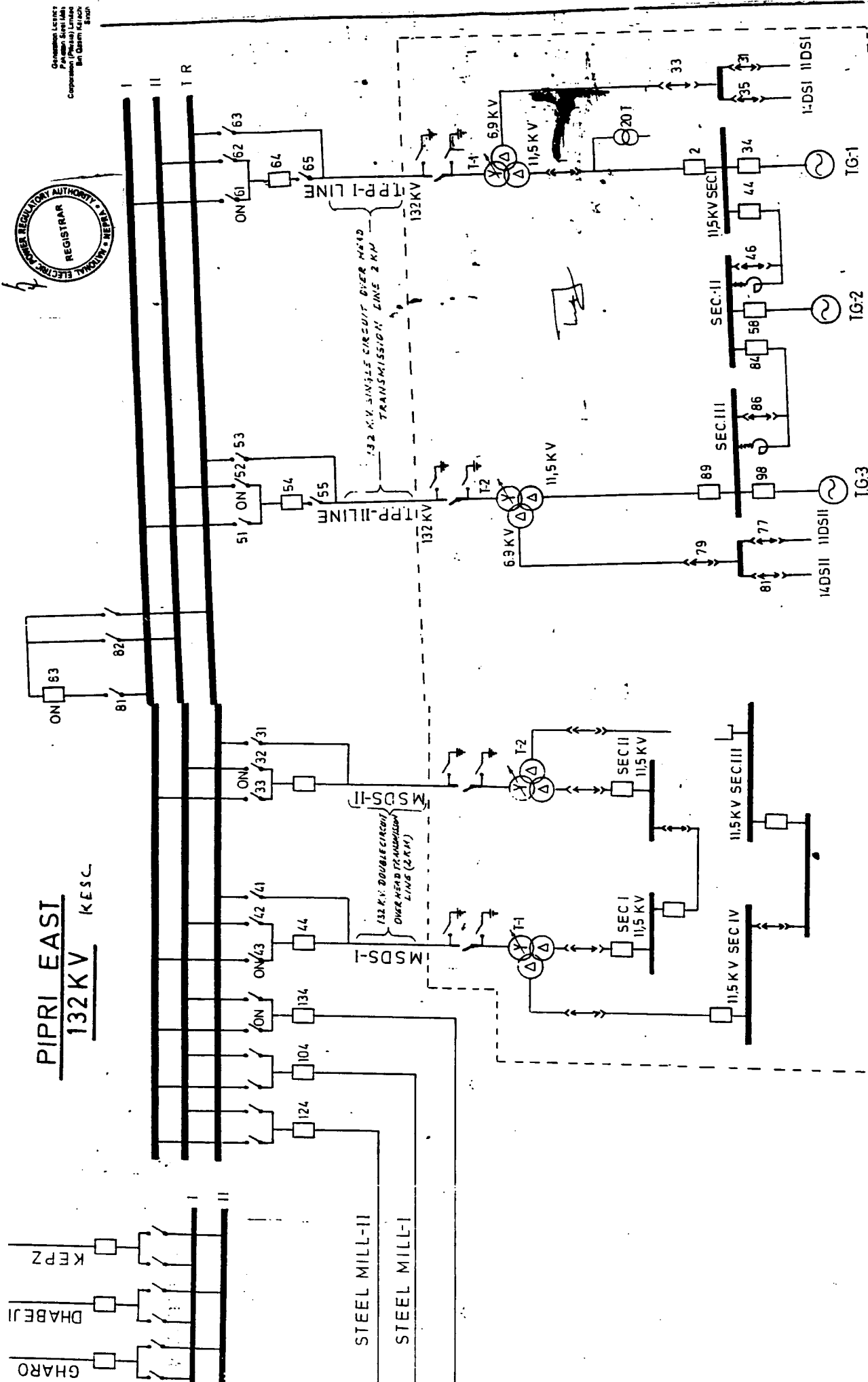
Similarly, the import of power by PSMCPL from KESCL is made through another two 132 KV overhead Transmission lines (measuring approximately 2.00 Km each), connecting 132 KV Pipri East Grid Station of KESCL to Main Step Down Sub-Station (MSDS) of PSMCPL.







PIPRI EAST
132KV RESC



M S D S T.P.P-T.B.S.
PAKISTAN STEEL

PAK STEEL **I.P.P.-I.B.S. PLANT**
POWER SUPPLY SCHEME
KESC & PAKISTAN STEEL

DRAWN BY	VERIFIED BY	APPROVED BY
[Signature]	[Signature]	[Signature]
SMAILED	A.H. BUCHHEIT	Z.N. ZUBOV
		MARCH 26-4-92

Plant Details*

1. General Information

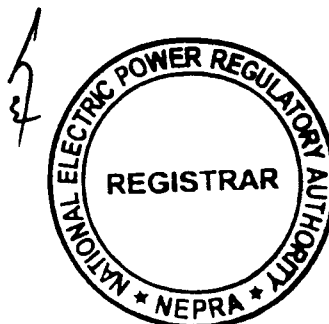
i.	Name of Applicant	Pakistan Steel Mills Corporation (Private) Limited
ii.	Registered/Business Office	Pakistan Steel Bin Qasim, Karachi.
iii.	Plant Location	Pakistan Steel Bin Qasim, Karachi.
iv.	Type of Generation Facility	Thermal Generation

2. Plant Configuration

i.	Plant Size Installed Capacity (Gross ISO)	165.00 MW		
ii.	Type of Technology	Steam Turbine		
iii.	Number of Units/Size (MW)	Unit-1	Unit 2 ~3	
		1 x 55.00 MW	2 x 55.00 MW	
iv.	Unit Make & Model	Unit-1	Unit 2 ~3	
		IIT-60-90/13	K-50-90	
v.	De-rated Capacity at Mean Site Conditions	90.00 MW		
vi.	Auxiliary Consumption	7.56 MW		
vii.	Commissioning and Commercial Operation date	Unit-1	Unit-2	Unit-3
		March 18, 1981	September 28, 1981	April 24, 1984
viii.	Expected Life of the Facility from Commercial Operation Date (COD)	25 Year from COD extendable up to another 10~15 years after major overhauling/ rehabilitation of the facility.		
ix.	Expected Remaining useful Life of the Facility	10~15 Years (after major overhauling/rehabilitation of the facility)		

* As provided by the Applicant

[Handwritten signature]



3. Fuel Details

i.	Primary Fuel	Coke Oven Gas/Blast Furnace Gas/Coal Tar	
ii.	Alternate Fuel	Natural Gas	
iii.	Fuel Source (Imported/Indigenous)	Primary Fuel	Alternative Fuel
		Indigenous	Indigenous
iv.	Fuel Supplier	Primary Fuel	Alternative Fuel
		Pakistan Steel Mills Corporation (Private) Limited	Sui Southern Gas Company Limited (SSGCL)
v.	Supply Arrangement	Primary Fuel	Alternative Fuel
		Through In-House Arrangement	Through dedicated pipeline

4. Emission Values

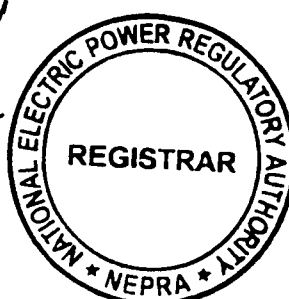
i.	SO _x	Primary Fuel/ Alternative Fuel
		2 mg/Nm ³
ii.	NO _x	14 mg/Nm ³
iii.	CO	43 mg/Nm ³
iv.	PM ₁₀	1.1 mg/Nm ³

5. Cooling System

i.	Cooling Water Source/Cycle	Sea Water through pipelines/Open Loop
----	-------------------------------	---------------------------------------

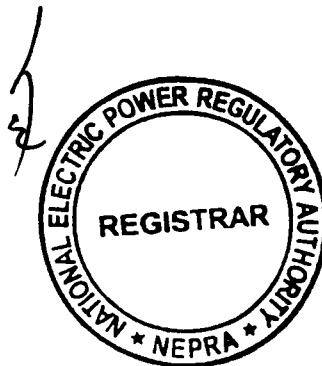
6. Plant Characteristics

i.	Generation Voltage	11.5 KV
----	--------------------	---------



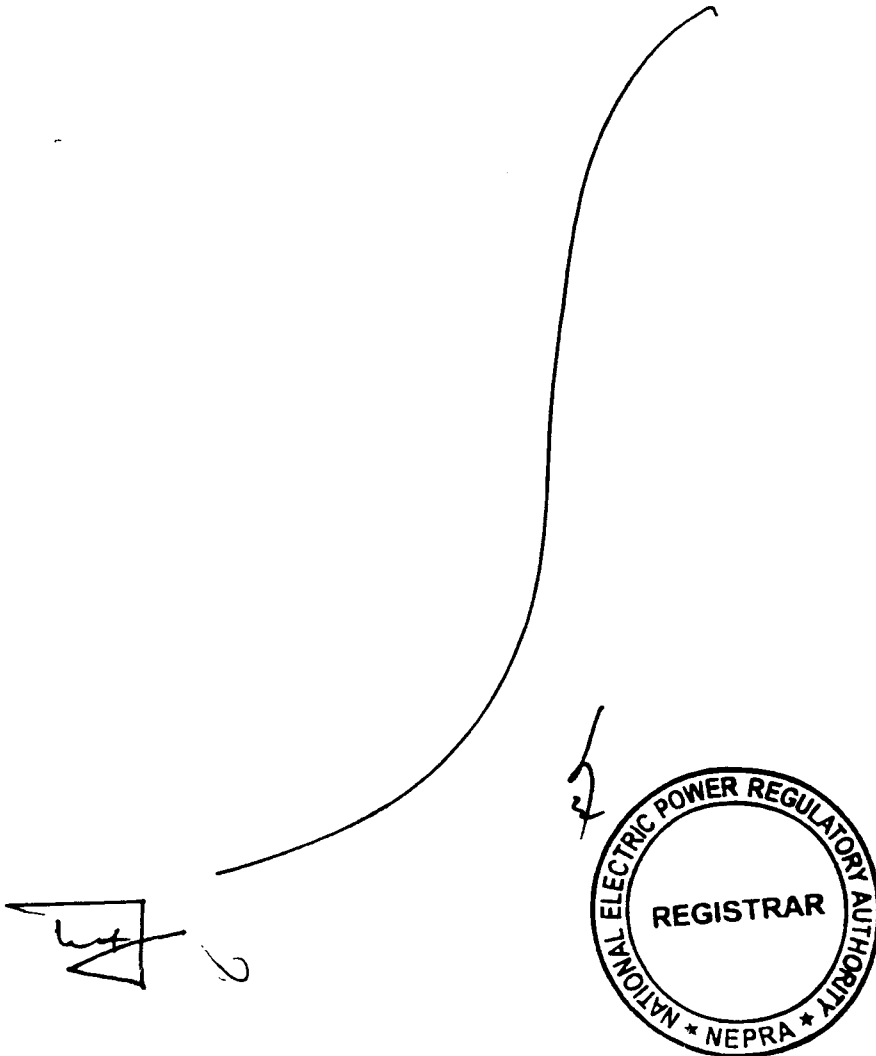
ii.	Frequency	50 Hz	
iii.	Power Factor	0.8	
iv.	Automatic Generation Control (AGC)	Yes	
v.	Ramping Rate	Unit-1	Unit 2 ~3
		5 Hrs & 20 Min	3 Hrs & 55 Min
vi.	Time required to Synchronize to Grid and loading the complex to full load.	Unit-1	Unit 2 ~3
		10 Min	5 Min

[Handwritten signature]



SCHEDULE-II

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



SCHEDULE-II*

1.	Installed Capacity Gross ISO	165.00 MW
2.	De-rated Capacity at Mean Site Conditions	90.00 MW
3.	Auxiliary Consumption	7.56 MW
4.	Net Capacity of the Plant at Mean Site Conditions	82.44 MW

Note

All the above figures are indicative as provided by the Licensee. The Net Capacity available to KESC 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

