



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/LAG-150/1463-1465

February 26, 2010

Ms. Ummekulsum Imam
Chief Executive Officer
Davis Energen Private Limited
House # 31, St # 8
Sector F-7/3, Islamabad

Subject: **Generation Licence No. IPGL/22/2010**
Licence Application No. LAG-150
Davis Energen Private Limited

Reference: *Your application received vide letter no. nil, dated August 21, 2009*

Enclosed please find herewith Generation Licence No. IPGL/22/2010 granted by National Electric Power Regulatory Authority (NEPRA) to Davis Energy Private Limited (DEPL), pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997). Further, the determination of the Authority in the subject matter is also attached.

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

Enclosure: **Generation Licence**
(IPGL/22/2010)


(Syed Safeer Hussain)

Copy to:

1. Chief Executive Officer, Faisalabad Electric Supply Company Ltd. (FESCO) Canal Road, Abdullahpur, Faisalabad
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. IPGL/22/2010

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:

DAVIS ENERGEN (PRIVATE) LIMITED

Incorporated under the Companies Ordinance, 1984
Under Certificate of Incorporation

No. I-01427, dated May 10, 1994

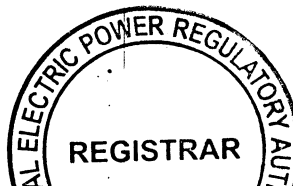
**For its Plant Located at 3.2-KM Jhang- Toba Tek Singh Road
Jhang, Punjab**

(Installed Capacity: 12.164 MW Gross ISO)

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

Given under my hand this 26th day of **February**, Two Thousand & Ten, and expires on 29th day of **June**, Two Thousand & **Forty**.


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) "Agreements" means any or both of the Implementation Agreement and the Power Purchase Agreement,
- (c) "Authority" means the National Electric Power Regulatory Authority constituted under Section 3 of the Act, or any successor thereof;
- (d) "Implementation Agreement" means the Implementation Agreement March 28, 1995 as amended between the Licensee and the President of Pakistan;
- (e) "Licensee" means Davis Energen (Private) Limited;
- (f) "Power Purchase Agreement" means the Power Purchase Agreement January 18, 1995 as amended between the Licensee and the power purchaser thereof and for the due performance of which a sovereign guarantee has been executed by the Government of Pakistan;
- (g) "Rules" means the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000, as amended from time to time;

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

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

2.2 During the subsistence of the Agreements entered into by the Licensee prior to the enactment of the Act, nothing contained in the Rules or this Licence shall be applied in a manner which is inconsistent with the Agreements and materially increases the obligations or impairs the rights of the Licensee under the Agreements.

Article-3
Generation Facilities

3.1 The location, size, technology, interconnection arrangements, technical limits technical functional specifications and other details specific to the generation facilities of the Licensee are set out in Schedule I to this Licence.

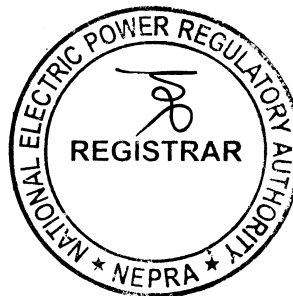
3.2 The net capacity of the generation facilities is set out in Schedule II hereto.

3.3 The Licensee shall provide the final arrangement, technical and financial specifications and other details specific to generation facilities before commissioning of the generation facilities.

Article-4
Term of Licence

4.1 Pursuant to Rule 5 of the Rules, this Licence is granted for a term of thirty years after the Commercial Operation Date.

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



Article 5
Licence Fee

The Licensee shall pay to the Authority the Licence fee in the amount and manner and at the time specified in the National Electric Power Regulatory Authority (Fee) Rules, 2002.

Article-6
Tariff

The Licensee shall charge only such tariff which has been approved/specified or allowed by the Authority.

Article-7
Competitive Trading Arrangement

7.1 During the subsistence of the Agreements entered into by the Licensee prior to the enactment of the Act, the Licensee shall have the option to participate in such measures as may be directed by the Authority from time to time for development of a Competitive Trading Arrangement.

7.2 Any variation or modification in the Agreements under the foregoing sub-article (1), for allowing the Licensee 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.

7.3 In the event that the Licensee exercises its option to participate wholly or partially in development of the Competitive Trading Arrangement under the foregoing sub-article (1), 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 and in doing so, the Licensee shall not by any act or omission impede the development, implementation or operation of the Competitive Trading Arrangement.





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

Subject to the provisions of Article 2(2), the Licensee shall comply with the relevant rules on performance standards as may be prescribed by the Authority from time to time.

Article-10
Compliance with Environmental Standards

The Licensee shall, to the full satisfaction of the relevant competent authority, comply with the environmental standards as may be prescribed by the aforesaid relevant competent authority from time to time.

Article-11
Provision of Information

Subject to the provisions of Article 2(2), the Licensee shall provide to the Authority all such information as the Authority may require.

Article-12
Revocation and Suspension

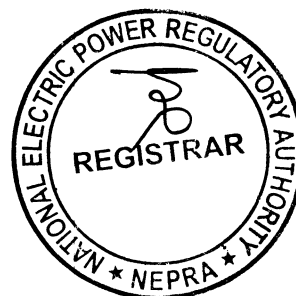
12.1 In exercising its powers to suspend or revoke the Licence under Section 28 of the Act, the Authority shall issue a show cause notice of a period not less than 30 days.

12.2 Pursuant to the powers under Rule 8(4), the obligations of the Licensee under Rule 8(3) stand modified to the extent of inconsistencies with the

Agreements and in the event of termination of the Agreements, the Authority may revoke or suspend this Licence.

Article-13
Approvals and Authorisations

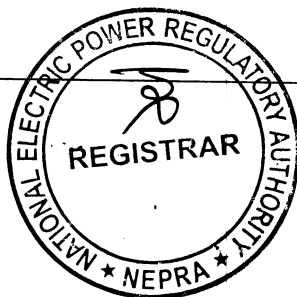
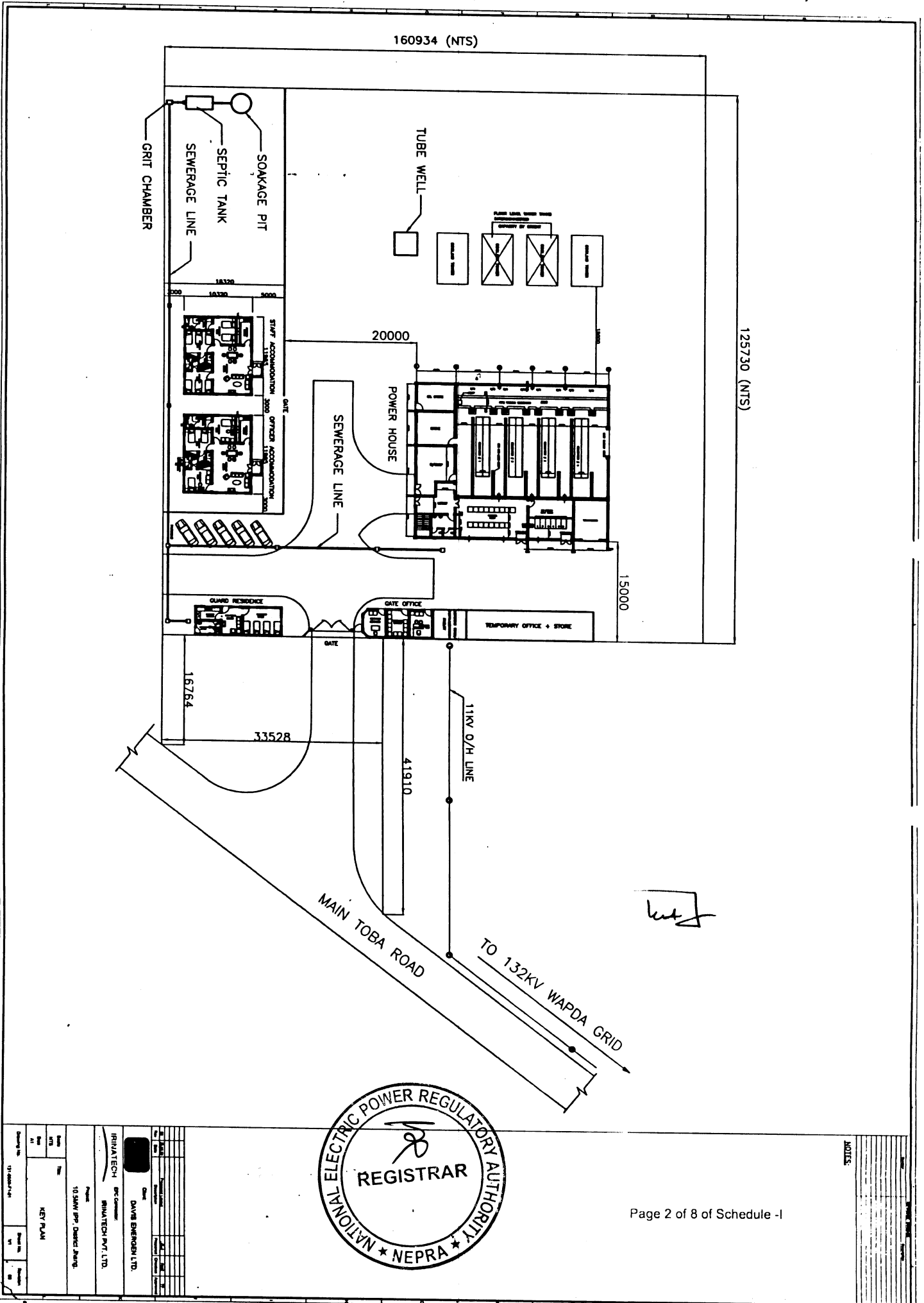
Notwithstanding the provisions of Article-12(2), the Licensee shall apply to the Authority, where required, for approvals and authorizations under the Rules, including without limitation, the approvals and authorisations under Rule 8, Rule 10 and Rule 14.

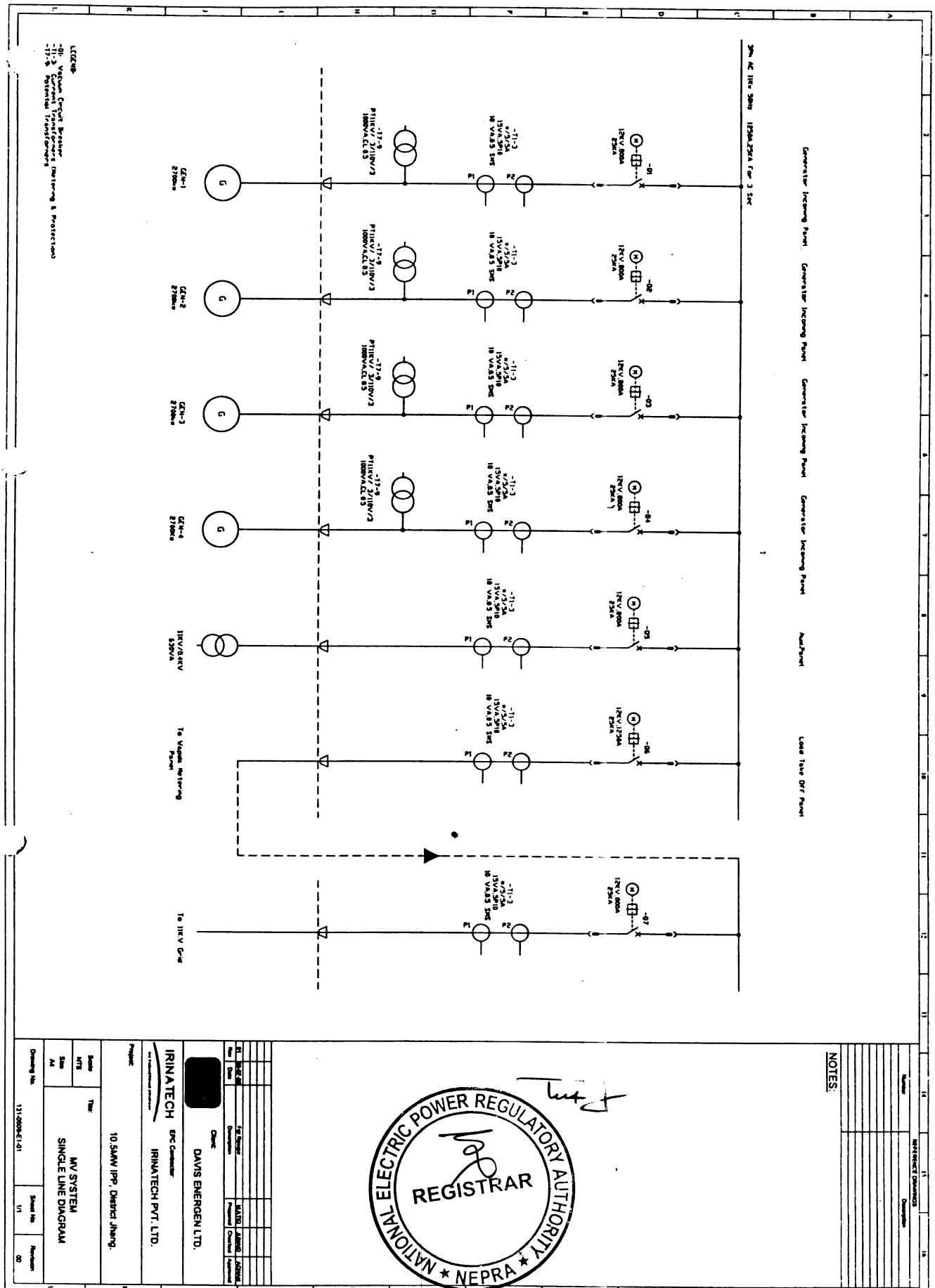


SCHEDULE-I

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.



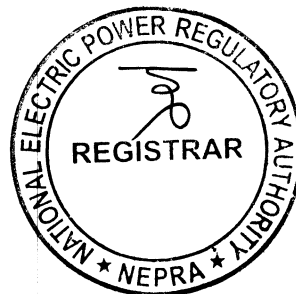




Interconnection/Transmission
Scheme for Dispersal Of Power from
Davis Energen (Private) Limited

The Power generated by the Davis Energen (Private) Limited (DEPL) will be dispersed to the Load Center/Ring of Faisalabad Electric Supply Company Limited (FESCO) at 11 KV voltage level.

The Interconnection/Transmission Facilities will be consisting of three (03) Overhead 11 KV feeders having a length of approximately 3.2 KM from the proposed Power Plant to 132 KV Jhang Grid Station.



Schematic Diagram

For Interconnection/Transmission Arrangement for Dispersal of Power from Davis Energen (Private) Limited

Revision Description		DATE	Worked	Checked	Approved
Rev					

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1 2 3 4 5 6 7 8

DAVIS ENERGEN POWER HOUSE
MAP OF 11 KV FEEDER

JHANG CITY **TOBA** **ROAD**

GRID STATION **POWER HOUSE**

PROPOSED 11 KV LINE 3 CIRCUIT WITH OSPERY CONDUCTOR AND SPAN POLES 45'

DATE: 09-02-10

DESIGN: 00

QUANTITY: 00

PROJECT: 10.5 MW POWER HOUSE

CONSULTANT: DAVIS ENERGEN

DRAWING TITLE: MAP OF 11 KV FEEDER

Rev. 00

Ref: 5-V-20-0000

IRINATECH (Pvt) LTD.
14KM MULTAN ROAD LAHORE

LEGEND:

--- 11 KV LINE WITH POLES
--- CONDUCTOR OSPERY
--- DISTANCE BETWEEN EACH POLE 150'
--- RAILWAY CROSSING

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
REGISTRAR

Page 5 of 8 of Schedule -I

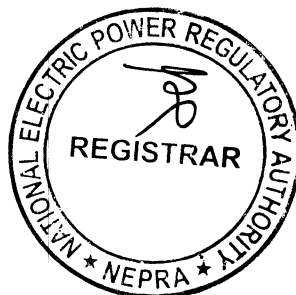
Plant Details*

(A). General Information

(i).	Name of Applicant	Davis Energen (Private) Limited
(ii).	Registered /Business Office	House No 31 Sector F7/3 Islamabad
(iii).	Plant Location	3.2-KM Jhang-Toba Tek Singh, Jhang, Punjab
(iv).	Type of Generation Facility	Thermal Generation

(B). Plant Configuration

(i).	Plant Size Installed Capacity (Gross ISO)	12.164 MW
(ii).	Type of Technology	Spark ignited Gas Engines Operating On Open Cycle
(iii).	Number of Units/Size (MW)	4 x 3.041MW
(iv).	Unit Make & Model	GE Jenbacher/JGS620 GS-N.L
(v).	De-rated Capacity at Mean Site Conditions	10.892 MW
(vi).	Auxiliary Consumption	00.340 MW
(vii).	Commissioning/ Commercial Operation date	June 30, 2010
(viii).	Expected Life of the Facility from Commercial Operation/ Commissioning Date	30 Years



* As provided by the Applicant

(C). Fuel Details

(i).	Primary Fuel	Natural Gas (Pipeline Quality)
(ii).	Alternate Fuel	Nil
(iii).	Start-Up Fuel	Natural Gas
(iv).	Fuel Source (Imported/Indigenous)	Indigenous
(v).	Fuel Supplier	Sui Northern Gas Pipeline Limited (SNGPL)
(vi).	Supply Arrangement	Through Pipeline

(D). Emission Values

(i).	SO _x (mg/Nm ³)	Nil
(ii).	NO _x (mg/Nm ³)	<500
(iii).	CO ₂	35%
(iv).	PM ₁₀	36%

(E). Cooling System

(i).	Cooling Water Source/ Cycle	Tube wells Installed at Site
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(F). Plant Characteristics

(i).	Generation Voltage	11KV
(ii).	Frequency	50Hz
(iii).	Power Factor	0.8 lagging
(iv).	Automatic Generation Control (AGC)	Yes

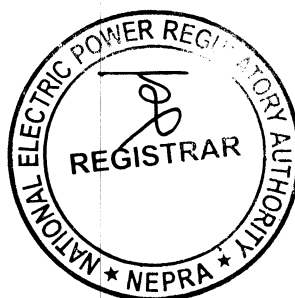


(v).	Ramping Rate	15kw/Sec. for Each Gas Engine
(vi).	Time required to Synchronize to Grid and loading the complex to full load.	To be provided later



SCHEDULE-II

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

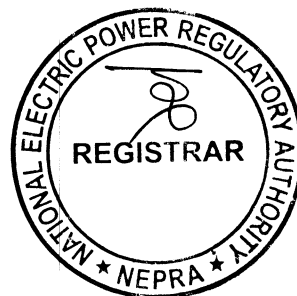


SCHEDULE-II*

1.	Installed Capacity Gross ISO	12 164 MW
2.	De-rated Capacity at Mean Site Conditions	10 892 MW
3.	Auxiliary Consumption	00 340 MW
4.	Net Capacity at Mean Site Conditions	10 552 MW

Note

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

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