

National Electric Power Regulatory Authority Islamic Republic of Pakistan

2nd Floor, OPF Building G-5/2, Islamabad Tele: 9206500, Fax: 9210215 E-Mail: info@nepra.org.pk

Registrar

No. NEPRA/R/LAG-81/5290-9+

21-66,2006

Mr. Shahid Abdullah Director Sapphire Electric Company Ltd. 7-A/K, Main Boulevard, Gulberg-II, Lahore

Subject:

Grant of Generation Licence IGSPL/05/2006

Licence Application No. LAG-81

M/s. Sapphire Electric Company Ltd. (SECL)

Please refer to your application No. nil dated 06.02.2006 to NEPRA for a Generation Licence.

Enclosed here is Generation Licence No. IGSPL/05/2006 granted by the Authority to M/s. Sapphire Electric Company Ltd. The Licence is granted to you pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997).

Please quote above mentioned Generation Licence No. in your future correspondence OWER RE

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with the Authority.

DA/as above.

(Mahjoob Ahmad Mirza)

Copy for information to Director General, Pakistan Environmental Protection Agency, 44-E, Office Tower, Blue Area, Islamabad.

National Electric Power Regulatory Authority (NEPRA) Islamabad – Pakistan

GENERATION LICENCE

No.	IGSPL	105	12006	
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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:

M/s Sapphire Electric Company Limited (Installed Capacity: 235 MW ISO Gross)

For its Plant at Sheikhopura-Muridke Road

Incorporated under the Companies Ordinance, 1984
Under Certificate of Incorporation

No. 00000004173/20050101 Dated January 18, 2005

to engage in generation dusiness subject to	and in acc	cordance with	n the
Articles of this Licence.			
Given under my hand this 21 St	day of	JUNE,	Two
Thousand & Six, and expires on 27th	day of	FEBRUARY,	Two
Thousand & THIRTY NINE			
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Registrar			

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Article 1 Definitions

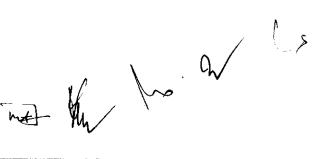
- 1.1 In this Licence
- (a) "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997);
- (b) "Authority" means the National Electric Power Regulatory Authority constituted under section 3 of the Act;
- (c) "Licensee" means M/s Sapphire Electric Company Limited
- (d) "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.



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- 3.2 The net capacity of the Licensee's 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

- 4.1 The Licence is granted for a term of 30 years after the commercial Operation date.
- 4.2 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 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 shall charge from its consumers only such tariff which has been approved by the Authority.

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 development of a Competitive Trading Arrangement. The Licensee shall in good faith work towards implementation and

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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 standards 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.

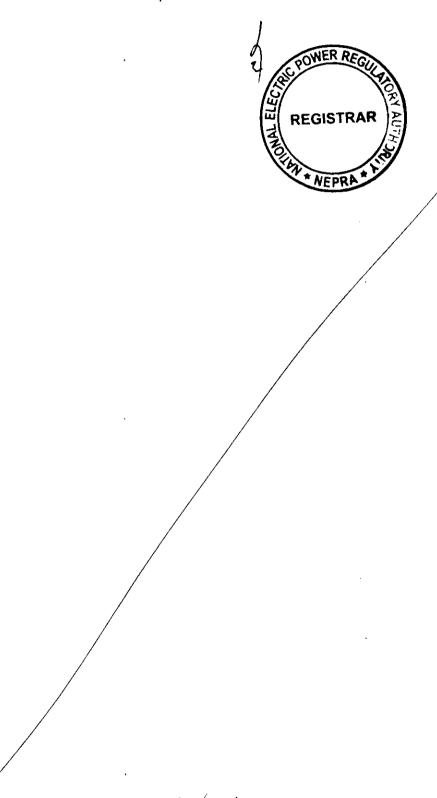
Article 11 Provision of Information

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

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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 have been in the control or possession of the licensee.



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SCHEDULE-I

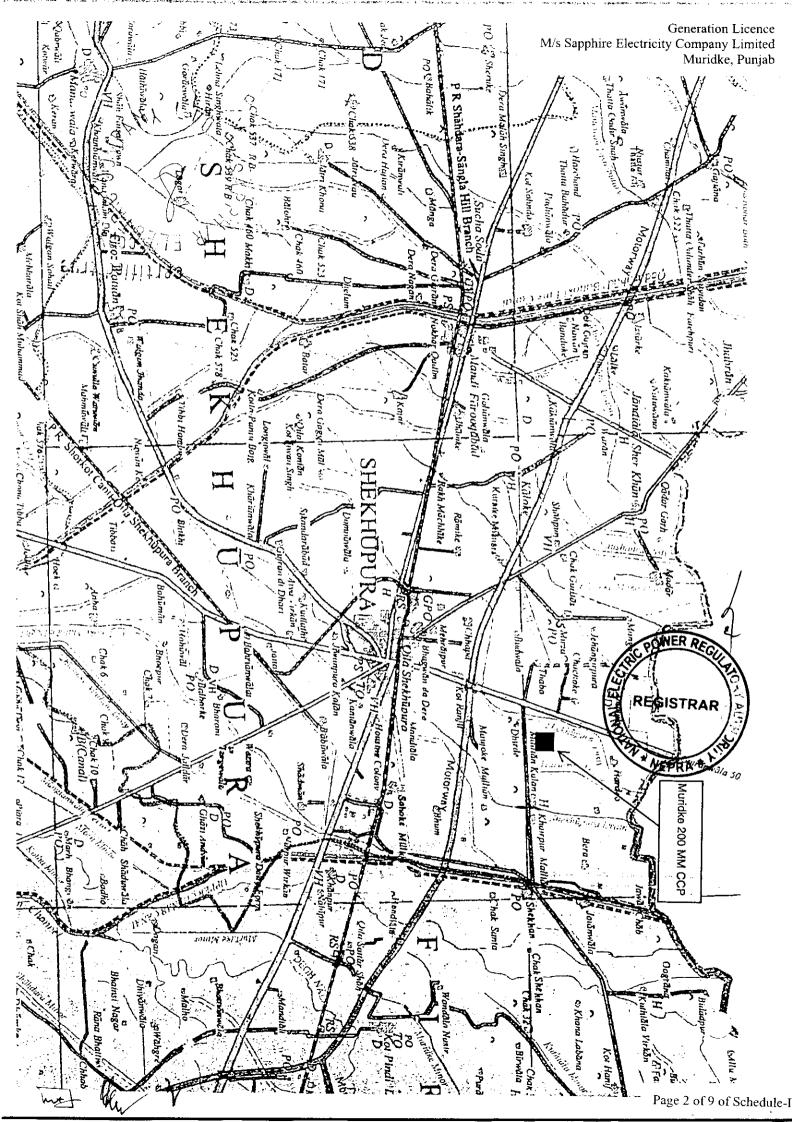
The location, size (capacity in MW) technology, interconnection arrangements, technical limits, technical functional specifications and other details specific to the Generation Facilities of the Licensee.



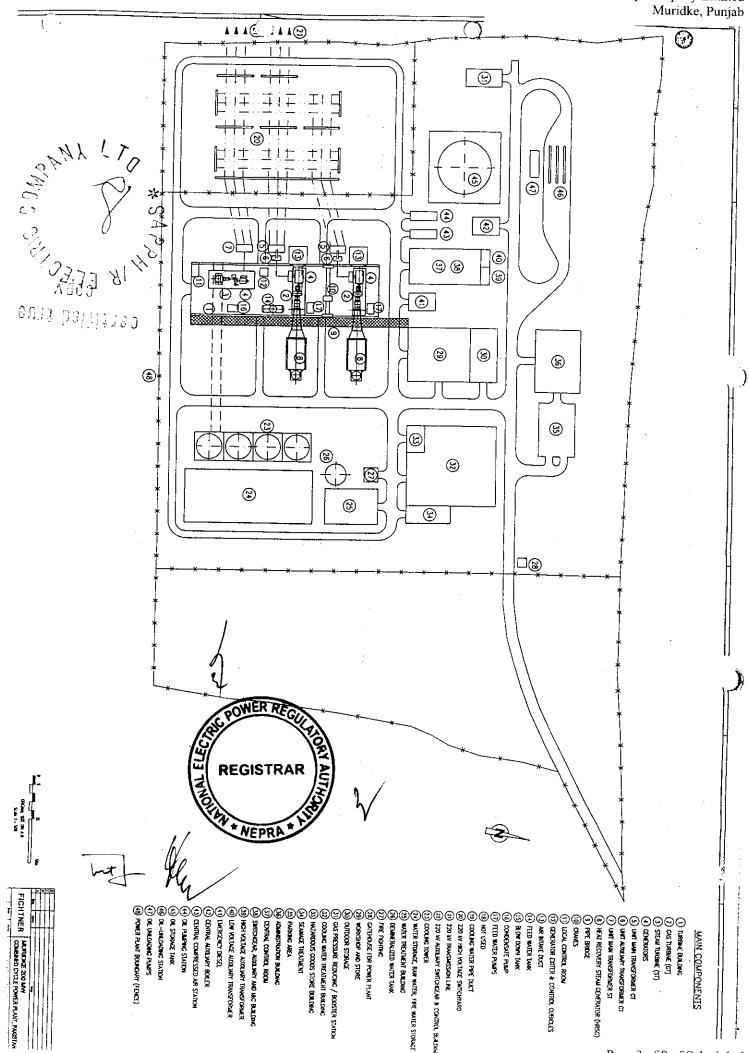


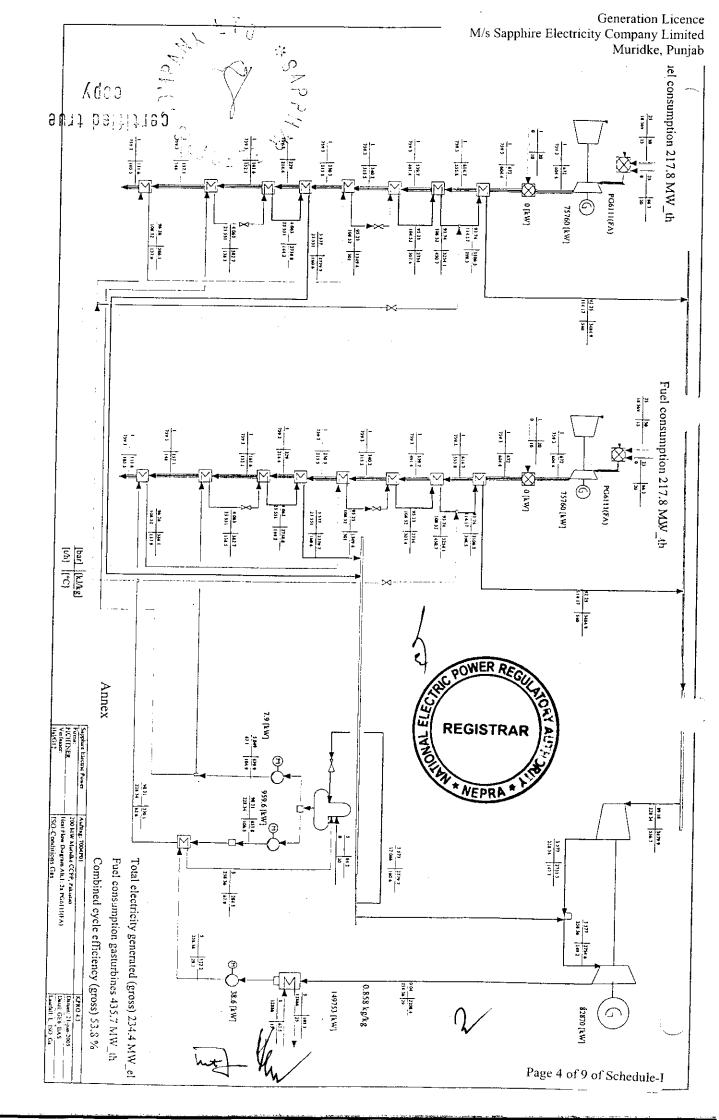
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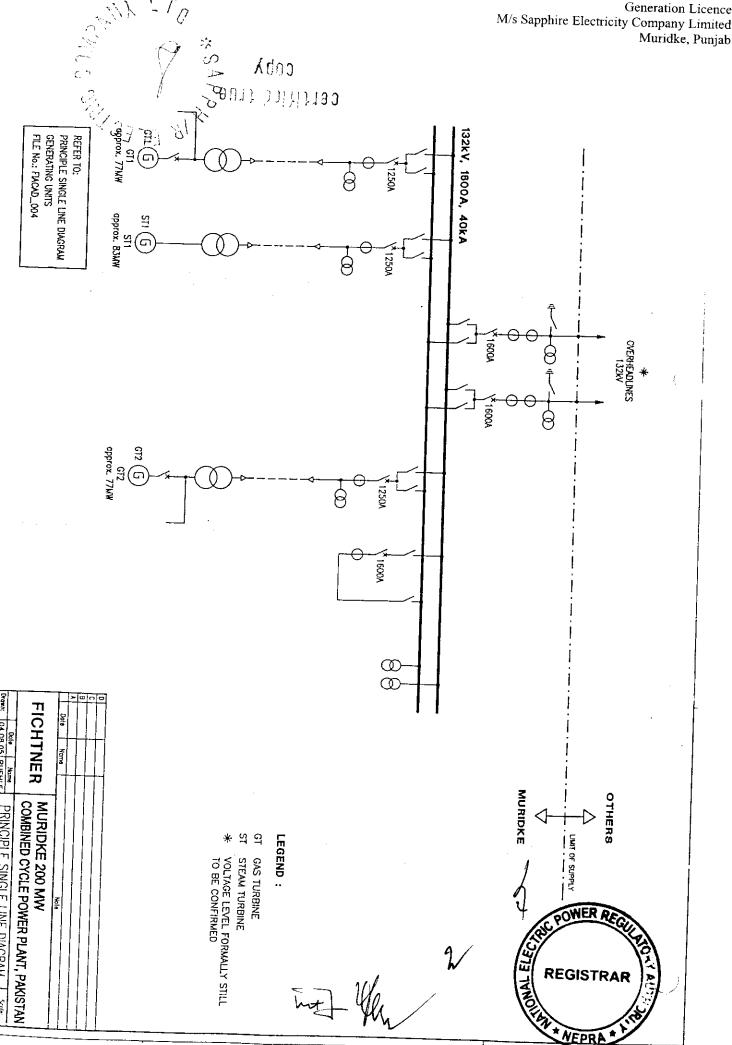
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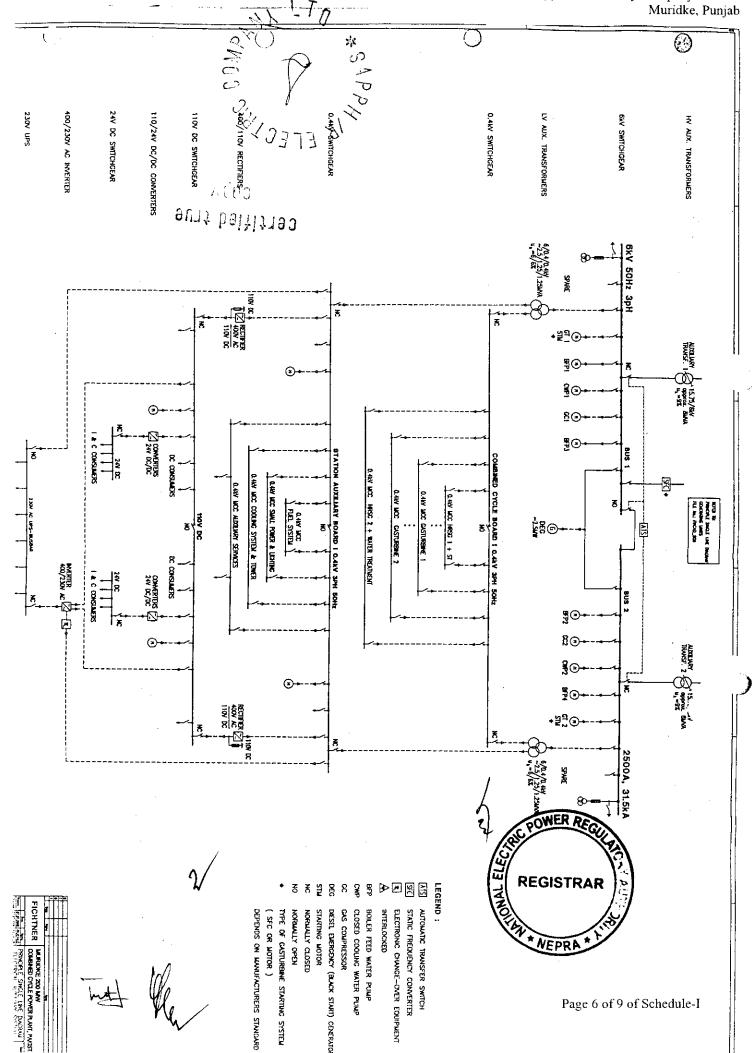
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A2 Project No.: 7004P01 File: FIACAD 031



Plant Details

General Information

1.	Name of Applicant	M/s Sapphire Electric Company Limited
2.	Registered Office	270, Sector I-9, Industrial Area, Islamabad
3.	Business Office	7-A/K, Main Boulevard, Gulberg-II, Lahore
4.	Plant Location	Near Village Dir Da Doghran on Sheikupura- Muridkee Road, Distrcit Shekupuara, Punjab
5.	Type of Generation Facility	Thermal (Combined Cycle)

6. Plant Configuration

i.	Plant Size Installed	235 MW
	Canacity Gross ISO	

ii.	Type of Technology	Combined Cycle Technology
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iii.	Number of Units/Size	2 x 76 MW (Gas Turbines)
		1 x 83 Mw (Steam Turbine)

iv.	Unit Make & Model	Gas Turbine (G.E.)/ PG 6111 (FA)
		Steam Turbine (G.E.)

v. De-rated Capacity at site conditions 213 MW (Gross Site Condition)

vi. Auxiliary Consumption 4 MW

vii.	Commissioning date	February 2009 (Anticipated)

viii.	Expected Life of the Facility from
	Commercial Operation Date

30 Years

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7. Fuel Details

i. Primary Fuel

Natural Gas

ii. Alternative Fuel

HSD

iii. Back-up Fuel

HSD

iv. Fuel Source (Imported/Indigenous)

Indigenous

v. Fuel Supplier

Sui Northern Gas Pipelines Limited (SNGPL)

vi. Supply Arrangement

Through an pipeline having an approximate length of almost 0.50 Kilometer.

vii. No. of Storage Tanks for backup fuel

2

viii. Storage Capacity of Tanks for backup fuel

15 days of backup fuel

8. Emission Values

i. SO_x

Gas

ii. NO_x

0.053t/d

125mg/Nm³

iii. PM₁₀

50mg/Nm³



9. Cooling System

i. Cooling Water Source/Cycle

Well water/Closed Circuit (water used for make

up only)

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(As per application) **Project Cost** 10.

Total (U.S. \$) 181.52 Million i.

ii. Debt (U.S. \$) 136.140 Million

Equity (U.S. \$) 45.380 Million iii.

11. **Plant Characteristics**

i. Generation Voltage

ii. Frequency 50 Hz (with 5% tolerance)

Preliminary 0.8-0.9 (To be discussed as part of Power Factor iii.

PPA)

To be discussed as part of PPA **Automatic Generation** ίV.

Control

To be discussed as part of PPA Ramping Rate ٧.

To be discussed as part of PPA Time required to vi.

Synchronize to Grid and loading the complex to full load

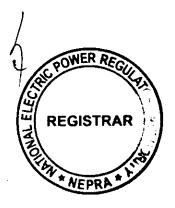




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SCHEDULE-II

The net capacity of the Licensee's Generation Facilities



SCHEDULE-II

1.	Installed Capacity Gross ISO	235 MW
2.	De-rated Capacity at Site Conditions	213 MW
3.	Auxiliary Consumption	4 MW
4.	Net Capacity of the Plant at Site Conditions	209 MW

Note

All the above figures are indicative as provided by the Licensee. The Net Capacity available to NTDC for dispatch and other purchasers will be determined through procedures contained in the Agreements or Grid Code.

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POWER DISPERSAL OF THE PLANT

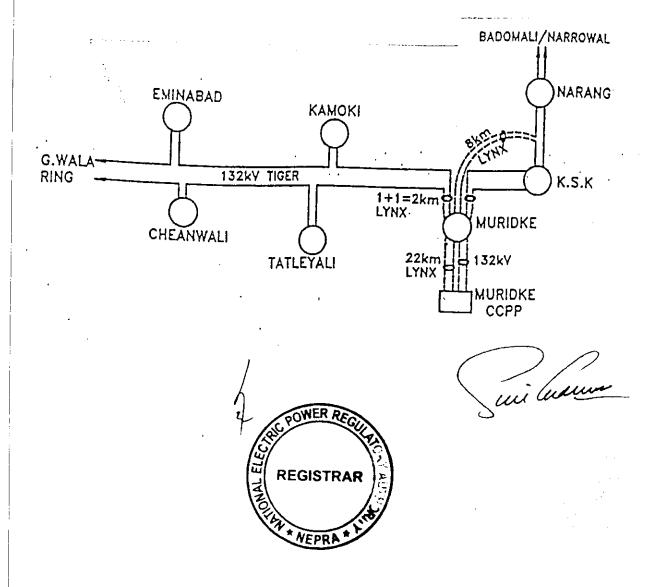
The power of the power plant shall be dispersed to system directly within LESCO and GEPCO load center at 132 KV voltage level as follows

- 1. A new 132 KV Grid station (Muridke) about 22 Km from the proposed site of Sapphire Electric Power Plant.
- 2. Two (2) new 132 KV D/C Transmission Lines each with a length of approximately 22 Km on Lynx Conductor from Sapphire Electric Power Plant to New Muridke Grid Station.
- 3. 132 KV D/C Transmission Line on Lynx Conductor for making Double In-Out of 132 KV D/C Kala Shah Kaku-Kamoki/Tatlay Ali Transmission Line at 132 KV new Muridke Grid Station.
- 4. 132 KV D/C Transmission Line on Lynx Conductor for making In-Out of 132 KV S/C Kaka Shah Kaku-Narang Transmission Line at 132 KV new Muridke Grid Station.

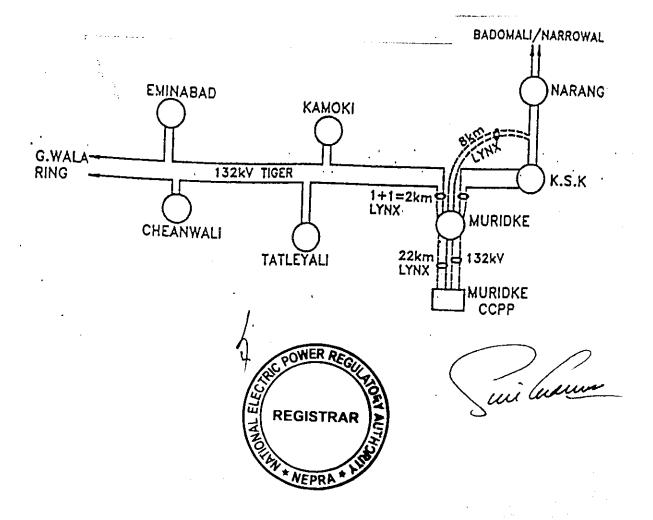


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