



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
Ph: +92-51-9206500, Fax: +92-51-2600026
Web: www.nepra.org.pk, E-mail: registrar@nepra.org.pk

Registrar

No. NEPRA/R/LAG-490/ 31501-08

July 13, 2021

Mr. Asim Maqsood

Chief Executive Officer

Ittehad (Private) Limited

Dost Street, Samundri Road, Faisalabad

**Subject: Grant of Generation Licence No. SGC/158/2021
Licence Application No. LAG-490
Ittehad (Private) Limited (ITDPL)**

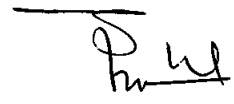
Reference: Your letter No. IPL/HR/20A/2020 dated 03-11-2020

Enclosed please find herewith Determination of the Authority in the matter of application of Ittehad (Private) Limited (ITDPL) for the grant of generation licence along with Generation Licence No. SGC/158/2021 annexed to this determination granted by the National Electric Power Regulatory Authority (NEPRA) to ITDPL for its 4.563 MW thermal generation facility located at 1-KM Jaranwala Road, Khurrianwala, Tehsil & District Faisalabad in the province of Punjab, pursuant to Section 14B of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (NEPRA Amended Act).

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

Enclosure: As Above




13 07 21

(Syed Safer Hussain)

Copy to:

1. Secretary, Power Division, Ministry of Energy, A Block, Pak Secretariat, Islamabad
2. Managing Director, NTDC, 414 WAPDA House, Lahore
3. Chief Executive Officer, CPPA(G), 73 East, A.K. Fazl-ul-Haq Road, Blue Area, Islamabad
4. Chief Executive Officer, Alternative Energy Development Board (AEDB), 2nd Floor, OPF Building, G-5/2, Islamabad
5. Chief Executive Officer, Faisalabad Electric Supply Company, Abdullahpur, Canal Bank Road, Faisalabad
6. Managing Director, Sui Northern Gas Pipelines Limited (SNGPL), Gas House, 21 Kashmir Road, Lahore
7. Director General, Environmental Protection Department, Government of the Punjab, National Hockey Stadium, Ferozpur Road, Lahore

National Electric Power Regulatory Authority
(NEPRA)

Determination of the Authority in the Matter of
Application of Ittehad (Private) Limited for the Grant of the
Generation Licence

July 13, 2021
Case No. LAG-490

(A). Filing of Application

(i). Ittehad (Private) Limited (ITDPL) submitted an application on November 05, 2020 for the grant of generation licence in terms of Section-14B of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act") read with the relevant provisions of the NEPRA Licensing (Application and Modification Procedure) Regulations, 1999 (the "Licensing Regulations").

(ii). The Registrar examined the submitted application and found the same compliant with the Licensing Regulations and accordingly, presented the matter before the Authority for its consideration for the admission or otherwise. The Authority considered the matter and found the form and content of the application in substantial compliance with Regulation-3 of the Licensing Regulations. Accordingly, the Authority admitted the application on November 19, 2020 for consideration of the grant of generation licence as stipulated in Regulation-7 of the Licensing Regulations. The Authority approved a Notice of Admission/Notice to invite comments of general public, interested and affected persons in the matter as stipulated in Regulation-8 of the Licensing Regulations. Accordingly, Notices were published in one (01) Urdu and one (01) English newspapers on November 20, 2020.



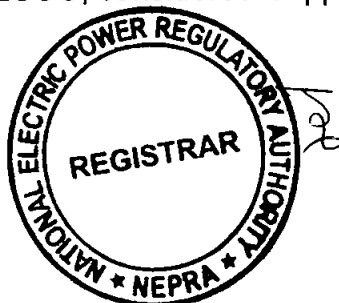
(iii). In addition to the above, the Authority also approved a list of stakeholders for seeking their comments for its assistance in the matter in terms of Regulation-9(2) of the Licensing Regulations. Accordingly, letters were sent to different stakeholders as per the approved list on November 20, 2020, soliciting their comments for assistance of the Authority.

(B). Comments of Stakeholders

(i). In reply to the above, the Authority received comments from two (02) stakeholders including Faisalabad Electric Supply Company Limited (FESCO) and Punjab Power Development Board (PPDB). The salient points of the comments offered by the above mentioned stakeholders are summarized in the paragraphs as mentioned below: -

- (a). FESCO submitted that ITDPL is 100% wholly owned subsidiary of Ittehad Factory Limited (ITDFL) and there is no need to issue the generation licence being utilized in the same periphery. Further, FESCO stated that ITDPL shall be confined within its own territory and will not extend its distribution network in the service territory of the utility; and
- (b). PPDB commented that ITDPL is planning to set up a generation facility with a gross capacity of 4.56 MW (consisting of 3 x 1.521MW of Gas Engines) supplying surplus to sister entities. Sui Northern Gas Sui Northern Gas Pipelines Limited (SNGPL) has already allocated Natural Gas for the generation facility and the company has confirmed that it will be deploying co-generation set up which will result in higher efficiency.

(ii). The Authority considered the above comments and in view of the observations of FESCO, considered it appropriate seeking perspective of ITDPL.



On the observations of FESCO, it was submitted that ITDPL plans supplying to its associated companies which are separate legal entities registered with the Securities and Exchange Commission of Pakistan (SECP) and according to the regulatory regime, under the circumstances a generation licence will be required. Further, the feeders used for supplying to the proposed Bulk Power Consumers [BPC(s)] are mostly located on the private property of ITDFL except a small portion of the public road crossing and will not have adverse impact the service territory of FESCO.

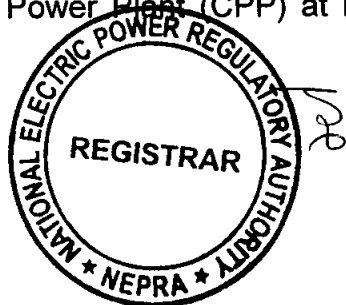
(iii). The Authority considered the above submissions and considered it appropriate to proceed further in the matter of the application of ITDPL for the grant of generation licence as stipulated in the Licensing Regulations and NEPRA Licensing (Generation) Rules, 2000 (the "Generation Rules").

(C). Evaluations/Findings

(i). The Authority examined the submissions of ITDPL including the information provided with its application for the grant of generation licence, the comments of the stakeholders, rejoinder submitted by the company/applicant/ITDPL, the relevant rules and regulations in the matter.

(ii). The Authority has observed that the applicant i.e. ITDPL was originally incorporated as a private limited company under Section 32 of the Companies Ordinance, 1984 (XLVII of 1984) vide Company Registration No. F-602 dated March 27, 2000. The Head Office of the company is located at Dost Street, Samundri Road, Faisalabad. It is submitted that being mainly a textile unit, the objectives of company according to the Memorandum of Association *inter alia* include establishing and set up cloth processing unit for the purpose of printing, dyeing and bleaching of cloth, etc.

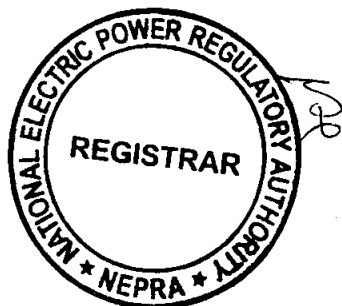
(iii). The Authority has considered the submissions of ITDPL and has observed that ITDPL has an existing generation facility which is being used a Captive Power Plant (CPP) at its above mentioned factory with a cumulative



Installed Capacity of 4.00 MW consisting of four (04) Gas Engines of Jenbacher of Various Capacities (i.e. 2 x 1.00 MW + 1 x 2.00 MW) operating on Natural Gas. The above mentioned CPP/generation facility is installed in the spinning unit of ITDPL and is being operated for self-use only.

(iv). The Authority has observed that as the existing Gas engines are of relatively lower efficiency to the tune of around 35% and due to the said, ITDPL now plans to replace the same with new 3 x 1.521 MW Gas Engines. The proposed gas engines will be of MTU Rolls-Royce with cumulative Installed Capacity of 4.563 MW having minimum electrical efficiency of around 44.30% which can be increased further if the exhaust from the gas engines is used. In this regard, ITDPL has confirmed that it will deploy co-generation technology to utilize the exhaust from the Gas Engines and due to which the overall efficiency will be around 60% or above than this. In consideration of the above, ITDPL has submitted that it plans supplying to Ittehad Fabrics (Pvt.) Limited-ITDFPL and Ittehad Textile (Pvt.) Limited-ITDTPL to the tune of 0.60 MW and 0.90 MW respectively as BPC(s), both of which are also existing consumers of the local utility/FESCO.

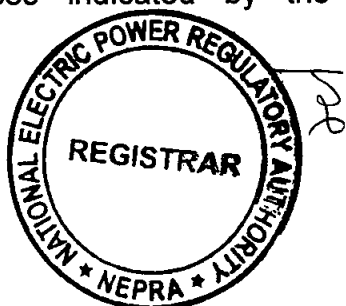
(v). In consideration of the above, it is pertinent to mention that BPC is a defined term as stipulated in Section-2(ii) of the NEPRA Act. According to the said, a BPC is a consumer which purchases or receives electric power, at one premises, in an amount of one (01) megawatt-MW or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas. In terms of Section 2 (xxva) of the NEPRA Act, for the purpose of specified means specified by regulations made by the Authority under the NEPRA Act. It is pertinent to mention that the relevant regulation in this regard are still under formation and in the absence of the same the Authority has been allowing even amount of less than 1.00 MW to be treated as BPC therefore, ITDFPL and ITDTPL can qualify as BPC(s) of ITDPL.



(vi). In its submissions made, ITDPL has informed that it plans supplying to ITDFPL and ITDTPL through underground cables which will be mainly located on private property owned by the respective BPC but will also cross a public property i.e. a road which is part of the Service Territory of FESCO for which it has exclusivity in terms of Section-21 and Article-7 of its Distribution Licence No. 02/DL/2002, dated April 01, 2002. In terms of Article-9 of its said Distribution Licence, FESCO is obligated to offer its distribution system to any Licensee supplying to a BPC, for which the Authority has been determining the Use of System Charge(s)-UoSC.

(vii). The Authority has observed that ITDPL has completed/carried out the necessary due diligence to confirm that there will be no environmental impact of the proposed arrangement as the CPP already exists and only the lower efficiency Gas Engines are being replaced with better efficiency engines. Further, ITDPL has confirmed that it will comply with the concerned environmental standards. In view of the said, the Authority considers it appropriate that ITDPL should be made obligatory to comply with the relevant environmental standards if it approves the grant of the generation licence.

(viii). The Rule-3(5) of the Generation Rules stipulates that the Authority may refuse to issue a generation licence where the site, technology, design, fuel, tariff or other relevant matters pertaining to the generation facility/power plant proposed in an application for a generation licence are either not suitable on environmental grounds or do not satisfy the least cost option criteria. In this regard, the Rule-3(5) of the Generation Rules stipulates the conditions pertaining to Least Cost Option Criteria which includes:- (a). sustainable development or optimum utilization of the RE or non-RE resources proposed for generation of electric power; (b). the availability of indigenous fuel and other resources; (c). the comparative costs of the construction, operation and maintenance of the proposed generation facility/co-generation facility/power plant against the preferences indicated by the Authority; (d). the cost and right-of-way

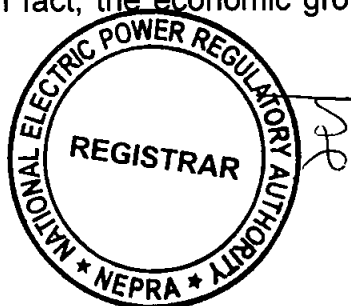


considerations related to the provision of transmission and interconnection facilities; (e). the constraints on the transmission system likely to result from the proposed generation facility/co-generation facility/power plant and the costs of the transmission system expansion required to remove such constraints; (f). the short-term and the long-term forecasts for additional capacity requirements; (g). the tariff resulting or likely to result from the construction or operation of the proposed generation facility/co-generation facility/power plant; and (h). the optimum utilization of various sites in the context of both the short-term and the long-term requirements of the electric power industry as a whole.

(ix). In consideration of the above, the Authority observes that generation facility for which ITDPL has approached for the grant of generation licence is already existing and is currently being utilized as a CPP only. As explained above, ITDPL is now planning to deploy better efficiency gas engines by replacing the old engines with higher efficiency machines. The requirement of the generation licence has arisen as ITDPL plans selling to its two sister concern which are distinct legal entities in the name of ITDFPL and ITDTPL respectively. The technology deployed by CPP is standard gas engines using natural gas as the fuel. The site of the generation facility/CPP is located at 1-Km Jaranwala Road, Khurrianwala, tehsil & district Faisalabad in the province of Punjab which is considered suitable due to the fact necessary infrastructure is already available. The Authority has observed that for its CPP, the company/ITDPL obtained a No Objection Certificate from the concerned department of Environment of the Govt. of Punjab. In light of the above, it is clear that the generation facility of ITDPL satisfies the criteria prescribed in the relevant rules for the grant of generation licence.

(D). Grant of Licence

(i). The Authority considers that sustainable and affordable energy/electricity is a key prerequisite for socio-economic development of any country. In fact, the economic growth of any country is directly linked with the

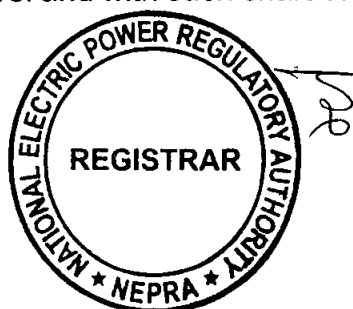


availability of safe, secure, reliable and cheaper supply of energy/electricity. The Authority is of the considered opinion that for the industry of the country to be competitive, it is imperative that electricity to the industry is provided on an affordable price in a reliable fashion and on a continuous basis.

(ii). In consideration of the above, the Authority is of the considered opinion that the Supply-Demand situation in the country has improved manifold and in fact there is available surplus capacity in the system. Despite the said, the issues of affordability, reliability and security due to system constraint are still haunting the end consumers specially the industrial units which are facing stiff competition from their peers worldwide. Due to the said issues, the industrial units are forced to explore other options for affordable prices and reliable supply.

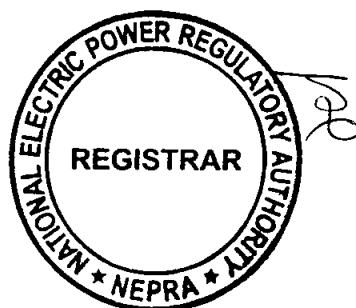
(iii). The Authority has observed that in the current case, ITDPL has approached for the grant of a generation licence for its generation facility/CPP (located at 1-Km Jaranwal Road, Khurrianwala, Tehsil & District Faisalabad in the Province of Punjab) as it intends supplying to ITDFPL and ITDTPL as BPC(s). The Authority considers that the above proposal of ITDPL is in line with the provisions of the NEPRA Act, relevant rules and regulations framed thereunder. The proposal will not only allow ITDPL to use its generation facility in an optimum manner but will provide ITDFPL and ITDTPL low cost affordable electricity and reliable electric power for its operations.

(iv). As explained above, ITDPL has provided the details of location, technology, size, net capacity, interconnection arrangements, technical details and other related information for its generation facility which are being incorporated in the generation licence. Further to the said, the Authority has observed that generation facility of ITDPL will not only be used for self-use but also for supplying to ITDFPL and ITDTPL as BPC(s). According to Section-2(ii) of the NEPRA Act, a consumer which purchases or receives electric power at one premises, in an amount of one megawatt or more or in such amount and voltage level and with such characteristics as the Authority may specify, is treated



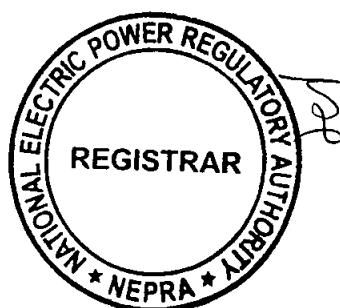
as BPC. As explained in the preceding paragraphs, ITDPL will be supplying ITDFPL and ITDTPL electric power to the tune of 0.60 MW and 0.90 MW respectively. Pursuant to proviso to Section-21/22 of the NEPRA Act, the Authority is empowered to allow a generation company to sell electric power to BPC(s) located in the service territory of a distribution company. In view of the explanation in the preceding paragraph that Authority had been allowing even amount of less than 1.00 MW to be treated as BPC(s) of the generation companies. In view of the said, the Authority declares ITDFPL and ITDTPL to be BPC(s) of ITDPL.

(v). The Authority observes that, ITDPL plans supplying to ITDFPL and ITDTPL through underground cables which will be mainly located on private property owned by the respective BPC but will also cross a public property i.e. a road which is part of the Service Territory of FESCO for which it has exclusivity in terms of Section-21, Section-50 of the NEPRA Act and Article-7 of its Distribution Licence No. 02/DL/2002, dated April 01, 2002. In terms of Article-9 of its said Distribution Licence, FESCO is obligated to offer its distribution system to any Licensee supplying to a BPC, for which the Authority has determined the UoS. In consideration of the said, FESCO may consider providing the connectivity for transporting the electric power for a BPC/affiliated unit from a generating company. However, the Authority has observed that XW-DISCO(s) are generally reluctant in the above arrangement due to physical constraints of the existing feeders/infrastructure and lack of funds to upgrade the existing infrastructure or laying of new feeder(s) for connecting the proposed BPC(s). Whereas, ITDPL and its prospective BPC(s) are ready to construct the said type of facilities and even handover to FESCO for Operation and Maintenance (O&M). It is pertinent to mention that the construction of Feeder/laying of overhead Feeder/underground cable by the ITDPL or its BPC(s) passing through public property has implications, as it will require Modification in the Distribution Licence of FESCO for carving out part of its Service Territory to accommodate these Feeder/underground cable. In this regard, the Authority in its previous



determinations pertaining to different cases did not consider the Modification in the Distribution Licence of XW-DISCO(s) desirable as it will restrict the future expansion of the utilities. Therefore, the Authority allows ITDPL or its BPC(s) to construct the distribution lines at their cost and hand over the same, either on lease basis or through outright sale to FESCO. However, FESCO will not be allowed to connect the said facilities with its main distribution system. Further, operation and maintenance of the facilities will be carried out by ITDPL or BPC or FESCO on mutually agreed terms and conditions. Accordingly, the Authority directs ITDPL or BPC(s) and FESCO to agree to a mutually beneficial arrangement for laying the Feeder/cable to allow supplying to the prospective BPC(s) without violating the exclusivity of the DISCO. In laying the overhead Feeder/underground cable, ITDPL and its BPC(s) are directed to adhere to all relevant construction, safety and operational standards. However, in case of any dispute, the matter may be referred to the Authority for adjudication and decision. It is pertinent to mention that the Authority had allowed the above arrangement previously in the matter of Gul Ahmad Textile Mills Limited, Kohinoor Mills Limited, Bhanero Energy Limited and Nishat Mills Limited.

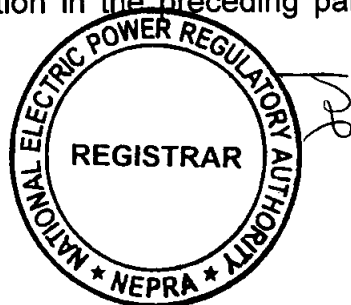
(vi). The Rule-5(1) of the Generation Rules stipulates that the term of a generation licence is to be consistent with the maximum expected useful life of the units comprised in a generating facility, except where an applicant consents to a shorter term. According to the information provided by ITDPL, the new Gas engines will be installed by July 31, 2021 and will have a useful life of more than twenty five (25) years. In this regard, ITDPL has requested that the term to the proposed generation licence may be fixed accordingly. It is clarified that as per the industry standards and practices, the useful life of Gas Engines is taken as twenty five (25) years and the term of the proposed licence can be fixed to twenty five (25) years from the date of Commercial Operate Date (COD) of the generation facility of ITDPL. In view of the said, the Authority fixes the term of the generation licence of ITDPL to twenty five (25) years from the date of its COD.



(vii). About compliance with the environmental standards, as explained in the preceding paragraphs, ITDPL has applied for the grant of the generation licence which is already existing/operational, having NOC from Environment Protection Department of Govt. of Punjab. In view of the importance of the issue, the Authority decides to include a separate article in the generation licence along with other terms and conditions making it obligatory for ITDPL to comply with relevant environmental standards at all times.

(viii). Regarding the rates, charges and terms and conditions of tariff between ITDPL and its BPC(s), it is reiterated that under Section-7(3)(a) of the NEPRA Act, determining tariff, rate and charges etc. is the sole prerogative of the Authority. However, the Authority observes that tariff between ITDPL and its BPC(s), does not affect any other consumer or third party. Therefore for the purpose of tariff, the Authority considers it appropriate directing ITDPL and its BPC(s) to agree on a bilateral agreement and accordingly ITDPL will be allowed to charge the agreed tariff subsequent to the grant of the generation licence.

(ix). The Authority has duly considered the comments of different stakeholders as explained in the preceding paragraphs. In this regard, the Authority has observed that FESCO had expressed that as ITDPL is 100% wholly owned subsidiary of ITFL there is no need to issue the generation licence being utilized in the same periphery. Further, FESCO stated that ITDPL must be confined within its territory of ITFL and will not extend its distribution network in its service territory. In consideration of the above, the Authority confirms that as the electric supply from ITDPL to ITDFPL and ITDTPL will be transaction between two separate legal entities therefore, ITDPL will require a generation licence as stipulated in Section-14B read with Section-2(xi) of the NEPRA Act. Further, as explained in the preceding paragraphs the supply to the said entities will involve laying a cable a portion of which pass through a public road which forms part of the Service territory of FESCO. In this regard, the Authority has given its determination in the preceding paragraph whereby ITDPL is allowed laying a



feeder but ultimately handing it over to FESCO. In view of the said, the Authority considers that all the observations of FESCO stand addressed and settled.


(x). In consideration of the above, the Authority hereby approves the grant of generation licence to ITDPL on the terms and conditions set out in the generation licence annexed to this determination. The grant of generation licence will be subject to the provisions contained in the NEPRA Act, relevant rules, regulations framed thereunder and other applicable documents.

Authority:

Engr. Maqsood Anwar Khan
(Member)



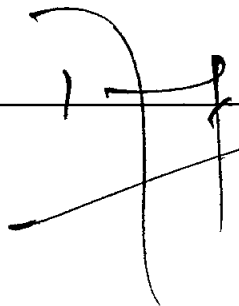
Engr. Rehmatullah Baloch
(Member)

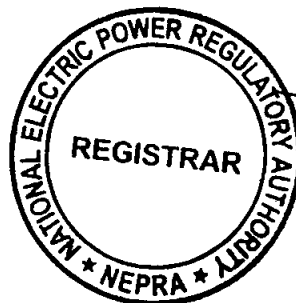

25/7/21

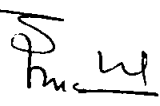
Engr. Rafique Ahmed Shaikh
(Member)

Did Not Attend

Engr. Tauseef H. Farooqi
(Chairman)






13 07 21

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

GENERATION LICENCE

No. SGC/158/2021

In exercise of the powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section 14B of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997/Amendment Act, 2018, the Authority hereby grants a Generation Licence to:

ITTEHAD (PRIVATE) LIMITED

Incorporated Under Section-32
of the Companies Ordinance 1984 (XLVII of 1984) Having Registration
No. F-602 dated March 27, 2000

**for its Natural Gas based Generation Facility/Thermal Power Plant
Located at 1-Km Jaranwala Road, Khurrianwala, Tehsil & District
Faisalabad in the Province of Punjab**

(Total Installed Capacity: 4.563 MW Gross)

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

Given under my hand this on 13th day of July Two Thousand
& Twenty-One and expires on 30th day of July Two Thousand
& Forty-Six.


13 07 21
Registrar



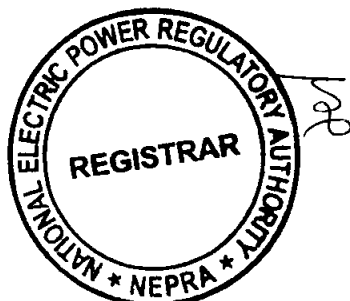




Article-1 Definitions

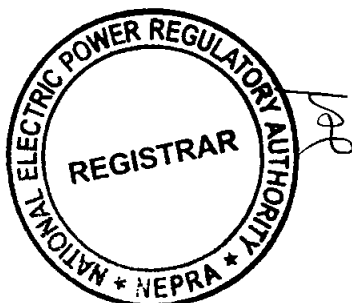
1.1 In this licence

- (a). "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended or replaced from time to time;
- (b). "Applicable Documents" mean the Act, the rules and regulations framed by the Authority under the Act, any documents or instruments issued or determinations made by the Authority under any of the foregoing or pursuant to the exercise of its powers under the Act, the Grid Code, the applicable Distribution Code, the Commercial Code if any, or the documents or instruments made by the Licensee pursuant to its generation licence, in each case of a binding nature applicable to the Licensee or, where applicable, to its affiliates and to which the Licensee or any of its affiliates may be subject;
- (c). "Applicable Law" means all the Applicable Documents;
- (d). "Authority" means the National Electric Power Regulatory Authority constituted under Section-3 of the Act;
- (e). "Bulk Power Consumer (BPC)" means a consumer which purchases or receives electric power, at one premises, in an amount of one (01) megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas;



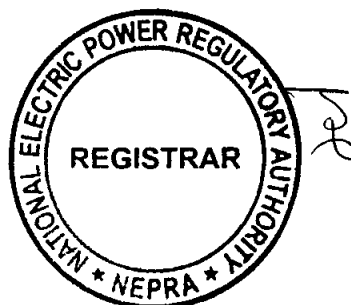
A handwritten signature consisting of several vertical and diagonal strokes.

- (f). "Bus Bar" means a system of conductors in the generation facility/Thermal Power Plant of the Licensee on which the electric power from all the generators is collected for supplying to the Power Purchaser;
- (g). "Commercial Code" means the commercial code under National Electric Power Regulatory Authority (Market Operator Registration, Standards and Procedure) Rules, 2015 as amended or replaced from time to time;
- (h). "Commercial Operations Date (COD)" means the day immediately following the date on which the generation facility/Thermal Power Plant of the Licensee is Commissioned;
- (i). "Commissioned" means the successful completion of commissioning of the generation facility/Thermal Power Plant for continuous operation and despatch to the Power Purchaser;
- (j). "Distribution Code" means the distribution code prepared by the concerned XW-DISCO and approved by the Authority, as may be revised from time to time with necessary approval of the Authority;
- (k). "FESCO" means Faisalabad Electric Supply Company Limited or its successors or permitted assigns;
- (l). "Generation Rules" mean the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 as amended or replaced from time to time;
- (m). "Grid Code" means the grid code prepared and revised from time to time by NTDC with necessary approval of the Authority;



- (n). "Licence" means this licence granted to the Licensee for its generation facility/Thermal Power Plant;
- (o). "Licensee" means **ITTEHAD (PRIVATE) LIMITED** or its successors or permitted assigns;
- (p). "Licensing Regulations" mean the National Electric Power Regulatory Authority Licensing (Application & Modification Procedure) Regulations, 1999 as amended or replaced from time to time;
- (q). "NTDC" means National Transmission and Despatch Company Limited or its successors or permitted assigns;
- (r). "Power Purchaser" means the BPC which will be purchasing electric power from the Licensee, pursuant to a PPA for procurement of electric power;
- (s). "Power Purchase Agreement-PPA" means the power purchase agreement, entered or to be entered into by and between the Power Purchaser and the Licensee, for the purchase and sale of electric energy generated by the generation facility/Thermal Power Plant, as may be amended by the parties thereto from time to time;
- (t). "Thermal Power Plant" means a generation facility used for production of electric power using fossil fuel of natural gas;
- (u). "XW-DISCO" means an Ex-WAPDA distribution company engaged in the distribution of electric power".

1.2 The words and expressions used but not defined herein bear the meaning given thereto in the Act or Generation Rules and Licensing Regulations issued under the Act.



Article-2 **Applicability of Law**

This licence is issued subject to the provisions of the Applicable Law, 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 generation facility/Thermal Power Plant of the Licensee are set out in Schedule-I of this licence.

3.2 The net capacity of the generation facility/Thermal Power Plant of the Licensee is set out in Schedule-II of this licence. The Licensee shall provide the final arrangement, technical and financial specifications and other specific details pertaining to its generation facility/Thermal Power Plant before its COD.

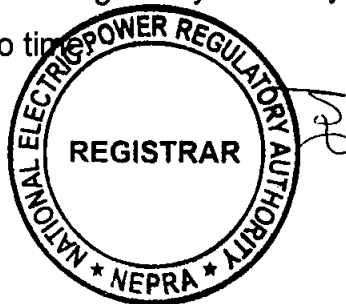
Article-4 **Term of Licence**

4.1 This licence shall become effective from the date of its issuance and will have a term of twenty five (25) years from the COD of the generation facility/Thermal Power Plant of the Licensee subject to Section 14-B of the Act.

4.2 Unless suspended or revoked earlier or Licence ceases to have effect, the Licensee may apply for renewal of this Licence ninety (90) days prior to the expiry of the above term, as stipulated in the Licensing Regulations.

Article-5 **Licence fee**

The Licensee shall pay to the Authority the licence fee as stipulated in the National Electric Power Regulatory Authority (Fees) Rules, 2002 as amended or replaced from time to time.



Article-6
Tariff

The Licensee is allowed to charge the Power Purchaser/BPC a mutually agreed tariff.

Article-7
Competitive Trading Arrangement

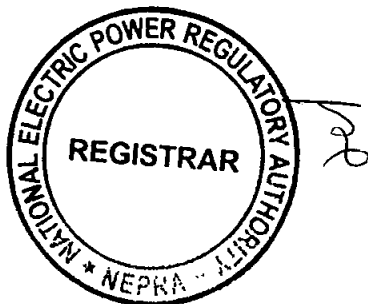
7.1 The Licensee shall participate in such manner as may be directed by the Authority from time to time for development of a Competitive Trading Arrangement.

7.2 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 into between the Licensee and another party with the approval of the Authority.

7.3 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 Generation 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 comply with the relevant provisions of the National Electric Power Regulatory Authority Performance Standards (Generation) Rules 2009 as amended or replaced from time to time.

Article-10
Compliance with Environmental & Safety Standards

10.1 The generation facility/Thermal Power Plant of the Licensee shall comply with the environmental and safety standards as may be prescribed by the relevant competent authority from time to time.

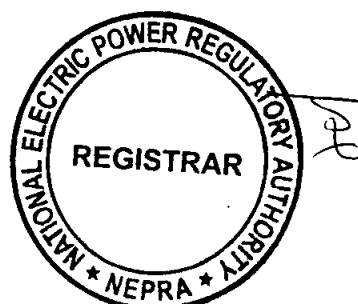
10.2 The Licensee shall provide a certificate on a bi-annual basis, confirming that the operation of its generation facility/Thermal Power Plant is in conformity with required environmental standards as prescribed by the relevant competent authority.

Article-11
Power off take Point and Voltage

The Licensee shall deliver the electric energy to the Power Purchaser at the outgoing Bus Bar of its generation facility/ Thermal Power Plant. The Licensee shall be responsible for the up-gradation (step up) of generation voltage up to the required dispersal voltage level.

Article-12
Provision of Information

In accordance with provisions of Section-44 of the Act, the Licensee shall be obligated to provide the required information in any form as desired by the Authority without any exception.



Article-13
Compliance with Applicable Law

The Licensee shall comply with the provisions of the Applicable Law, guidelines, directions and prohibitory orders of the Authority as issued from time to time.

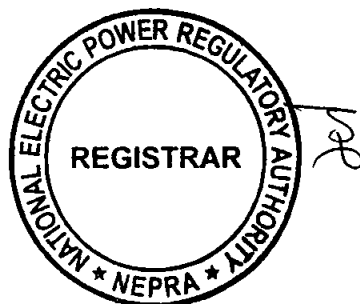
Article-14
Corporate Social Responsibility

The Licensee shall provide the descriptive as well as monetary disclosure of its activities pertaining to corporate social responsibility (CSR) on an annual basis.



SCHEDULE-I

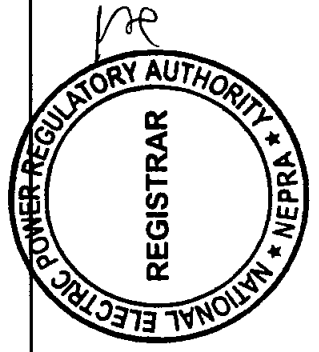
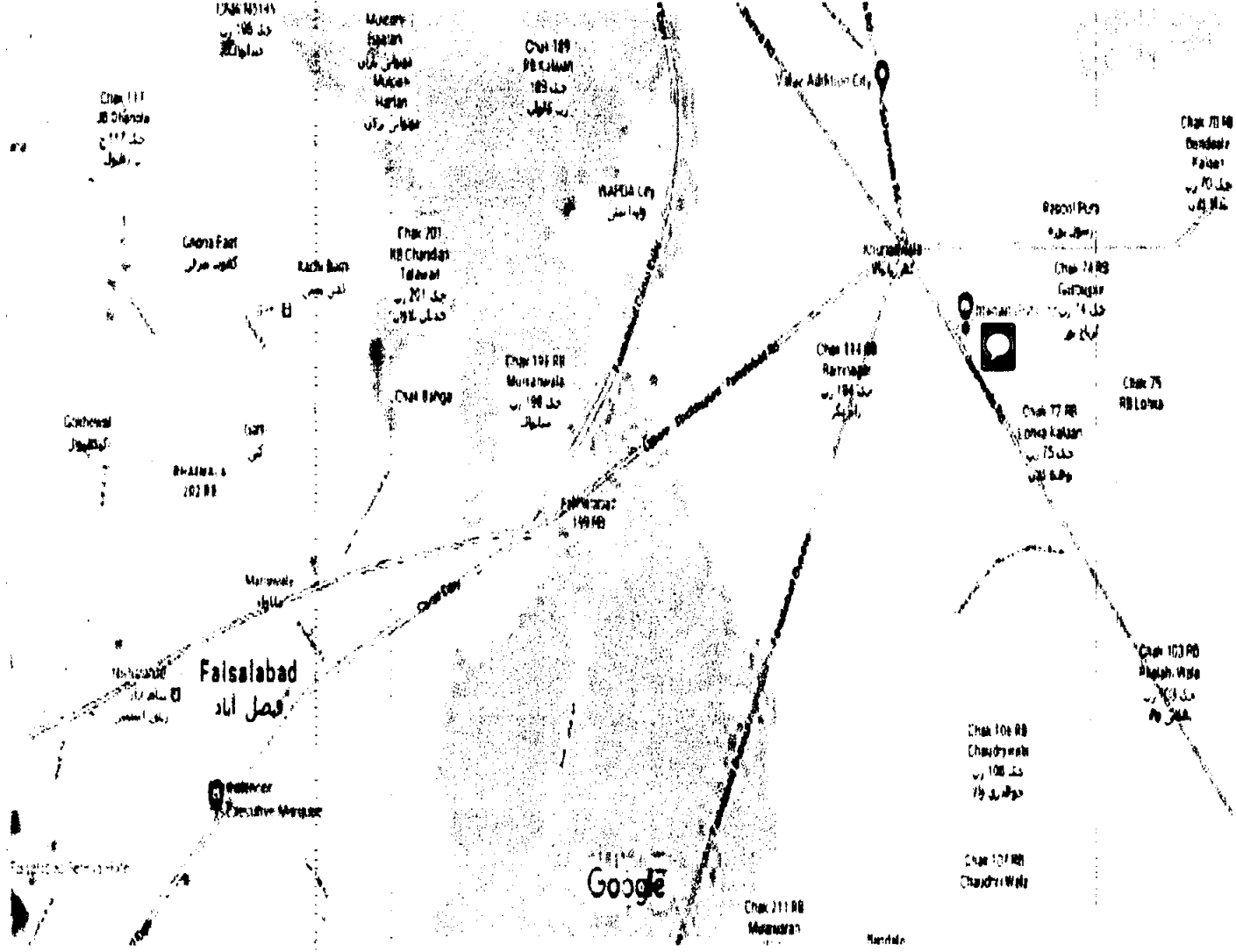
The Location, Size (i.e. Capacity in MW), Type of Technology, Interconnection Arrangements, Technical Limits, Technical/Functional Specifications and other details specific to the Generation Facilities of the Licensee are described in this Schedule.



[Handwritten signature]

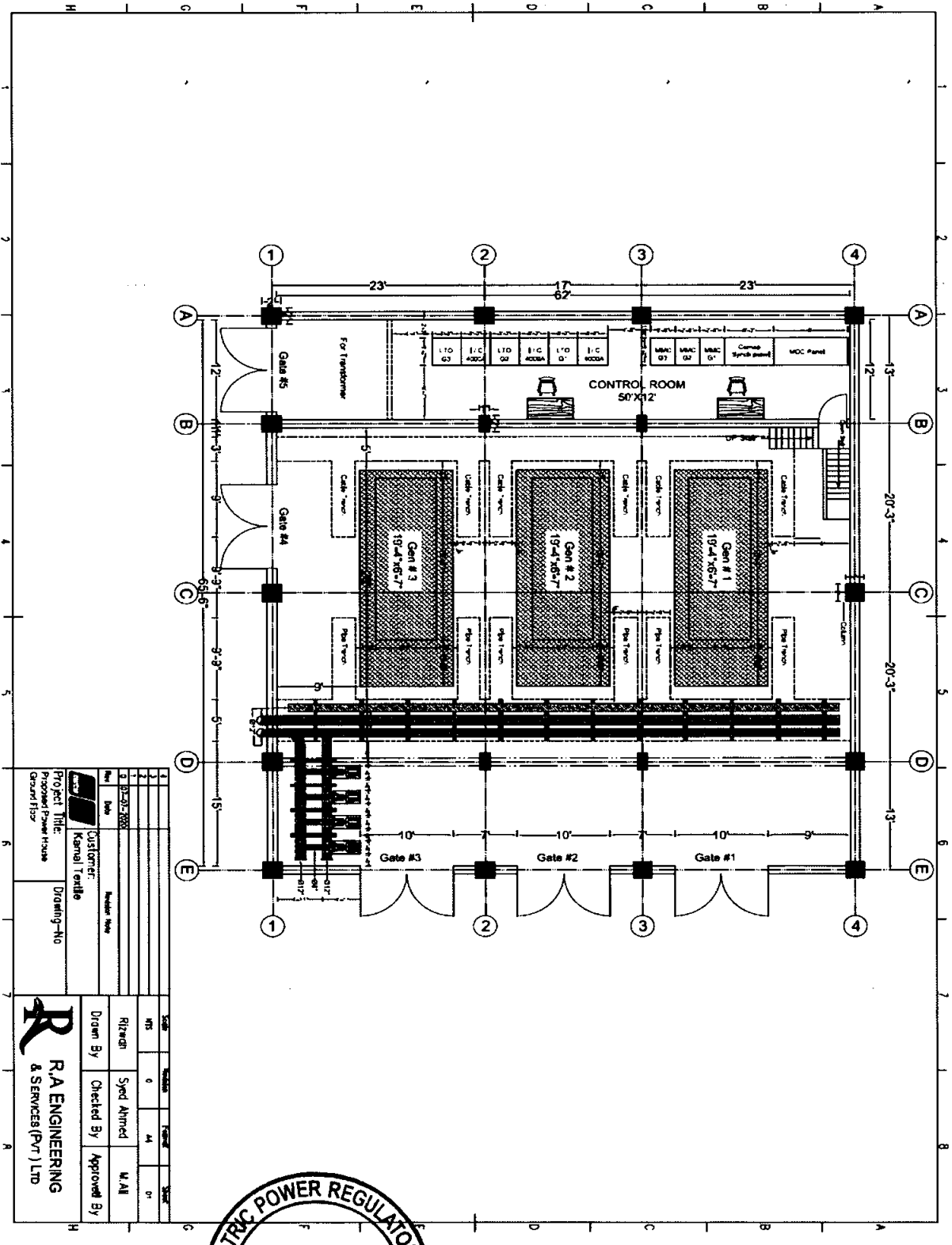
[Handwritten signature]

**Location of the
Generation Facility/Thermal Power Plant
of the Licensee**

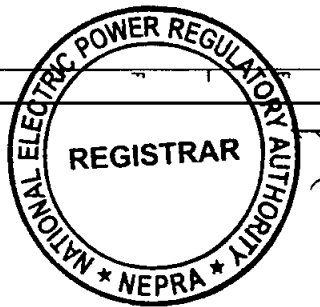


Handwritten signature/initials

**Layout of the
 Generation Facility/ Thermal Power Plant
 of the Licensee**



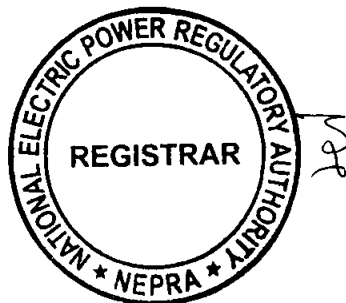
Project Title	Customer	Drawing No	 R.A. ENGINEERING & SERVICES (Pvt.) LTD
Customer Name	Karnal Textile		
Project No	01-02-2000	Scale	
Drawn By	Rizwan	Checked By	M. Ali
Checked By	Syed Ahmed	Approved By	



**Interconnection Arrangement for
Dispersal of Power from the Generation Facility/ Thermal Power
Plant of the Licensee**

The electric power generated from the Generation Facility/ Thermal Power Plant of the Licensee/ITDPL shall only be delivered/supplied to different Bulk Power Consumers [BPC(s)].

(2). The details pertaining to the BPC(s), supply arrangement and other relating information is provided in the subsequent description of this Schedule. Any change in the said, shall be communicated to the Authority in due course of time.



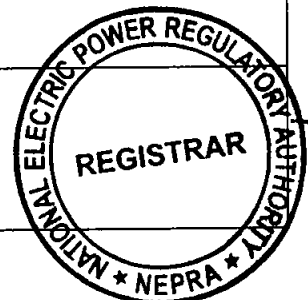
**Detail of
Information Pertaining to the Company/Licensee and Its
Generation Facility/Thermal Power Plant/**

(A). General Information

(i).	Name of the Company/ Licensee	Ittehad (Private) Limited
(ii).	Registered/Business Office of the Company	Dost Street, Samundri Road, Faisalabad
(iii).	Location of the Generation Facility/Thermal Power Plant	1-KM Jaranwala Road, Khurrianwala Tehsil and District Faisalabad
(iv).	Type of Generation Facility/Thermal Power Plant	Thermal Generation Facility

(B). Plant Configuration

(i).	Installed Capacity/ Size the Generation Facility/ Coal Power Plant	4.563 MW
(ii).	Type of Technology of the Generation Facility/ Coal Power Plant	Gas Engines based Co-generation facility
(iii).	Number of Units/Size (MW)	3 x 1.521 MW
(iv).	Unit Make/Model & Year of Manufacture	MTU12V4000 GS/Rolls Royce
(v).	Expected COD of the Generation Facility/ Coal Power Plant	July 31, 2021



(C). Fuel Details

(i).	Primary Fuel	Natural Gas/RLNG
(ii).	Start-Up Fuel	Same as Main fuel
(iii).	Alternate Fuel	Not Applicable
(iv).	Fuel Source for each of the above (i.e. Imported/Indigenous)	Indigenous Natural Gas/Imported RLNG
(v).	Fuel Supplier for each of the above	Sui Northern Gas Pipeline Limited
(vi).	Supply Arrangement for each of the above Fuels	Through dedicated Pipeline for Natural Gas

(D). Emission Values

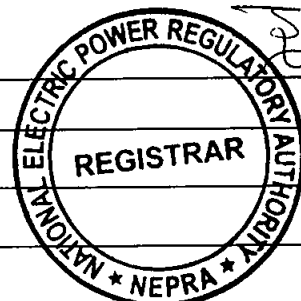
(i).	SO _x (mg/Nm ³)	As Per National Standards (NEQs)
(ii).	NO _x (mg/Nm ³)	-do-
(iii).	CO ₂ (%)	-do-
(iv).	CO (mg/Nm ³)	-do-
(v).	PM ₁₀	-do-

(E). Cooling System

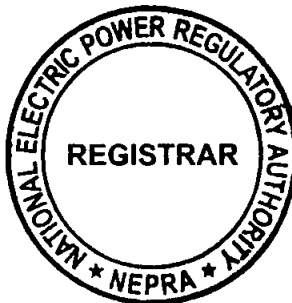
(i).	Cooling Water Source/Cycle	Wells at the site will be used as a source of the raw water for the generation facility/Thermal Power Plant/Closed Cycle
------	----------------------------	--

(F). Plant Characteristics

(i).	Generation Voltage	400 volt
(ii).	Frequency	50 Hz
(iii).	Power Factor	0.80 Lagging



(iv).	Automatic Generation Control (AGC) (MW control is the general practice)	No
(v).	Ramping Rate (MW/min)	3.16KW/Minute
(vi).	Time required to Synchronize to Grid (Hrs.)	N/A

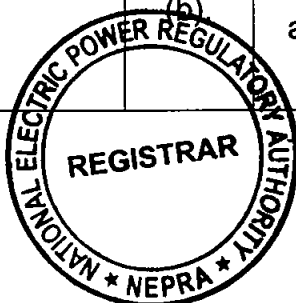


[Handwritten signature]

[Handwritten signature]

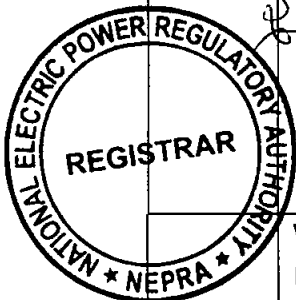
Information
Regarding Consumer(s)/ BPC(s) to be Supplied by
the Licensee i.e. ITDPL

(i).	Location of Consumers/Bulk Power Consumer(s)/BPC(S)		BPC-I	BPC-II
			Ittehad Fabrics (Pvt.) Limited-ITDFPL;	Ittehad Textile (Pvt.) Limited-ITDTPL;
(ii).	Location of consumers (distance and/or identity of premises)		1-Km Jaranwala Road, Khurrianwala Tehsil & District Faisalabad in the Province of Punjab	
(iii).	Contracted Capacity		BPC-I	BPC-II
			0.60 MW	0.90 MW
(iv).	Specify Whether:			
	(a).	The consumer is an Associate undertaking of the Licensee - If yes, specify percentage ownership of equity;	ITDPL and the BPC(S) are associated companies of the Ittehad Group.	
	(b).	There are common directorships:	Currently, there are some common directors.	
	(c).	Either can exercise influence or control over the other.	Yes	
(v).	Specify nature of contractual Relationship			
	(a).	Between the consumer and the Licensee	ITDPL will construct, own and operate the generation facility and provide electric power to BPC(s).	
	(b).	Consumer and DISCO	BPC-I	BPC-II
Consumer of FESCO			Consumer of FESCO	



Information
Regarding Distribution Network for Supply of
Electric Power to BPC(s)

Sr. No.	Description	BPC-I	BPC-II
(i).	No. of Feeders	One (01)	One (01)
(ii).	Length of Each Feeder (Meter)	50-100 m	50-100 m
(iii).	Length of Each Feeder to each unit of the Licensee and its each Bulk Power Consumer		
(iv).	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 premises of customer, whether they cross-over.	The 400 volt/11 kV feeder(s) supplying power to the BPC(s) are mainly located on private property however, all the feeders crosses a public property of road.	
(v).	Whether owned by Licensee, Consumer or DISCO-(deal with each Feeder Separately)		
	(a). If owned by DISCO, particulars of contractual arrangement	The Feeders/Underground cables will be constructed by the Licensee or BPC(S) and will be handed over to DISCO either through sale or lease as decided mutually by the parties (i.e. Licensee/ITDPL, BPC(S) and FESCO)	
	(b). Operation and maintenance responsibility for each feeder	Mutually agreed terms and conditions to be decided/agreed by the parties (i.e. Licensee/ITDPL, BPC(S) and FESCO)	
(vi).	Whether connection with network of DISCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	BPC-I	BPC-II
		Yes	Yes



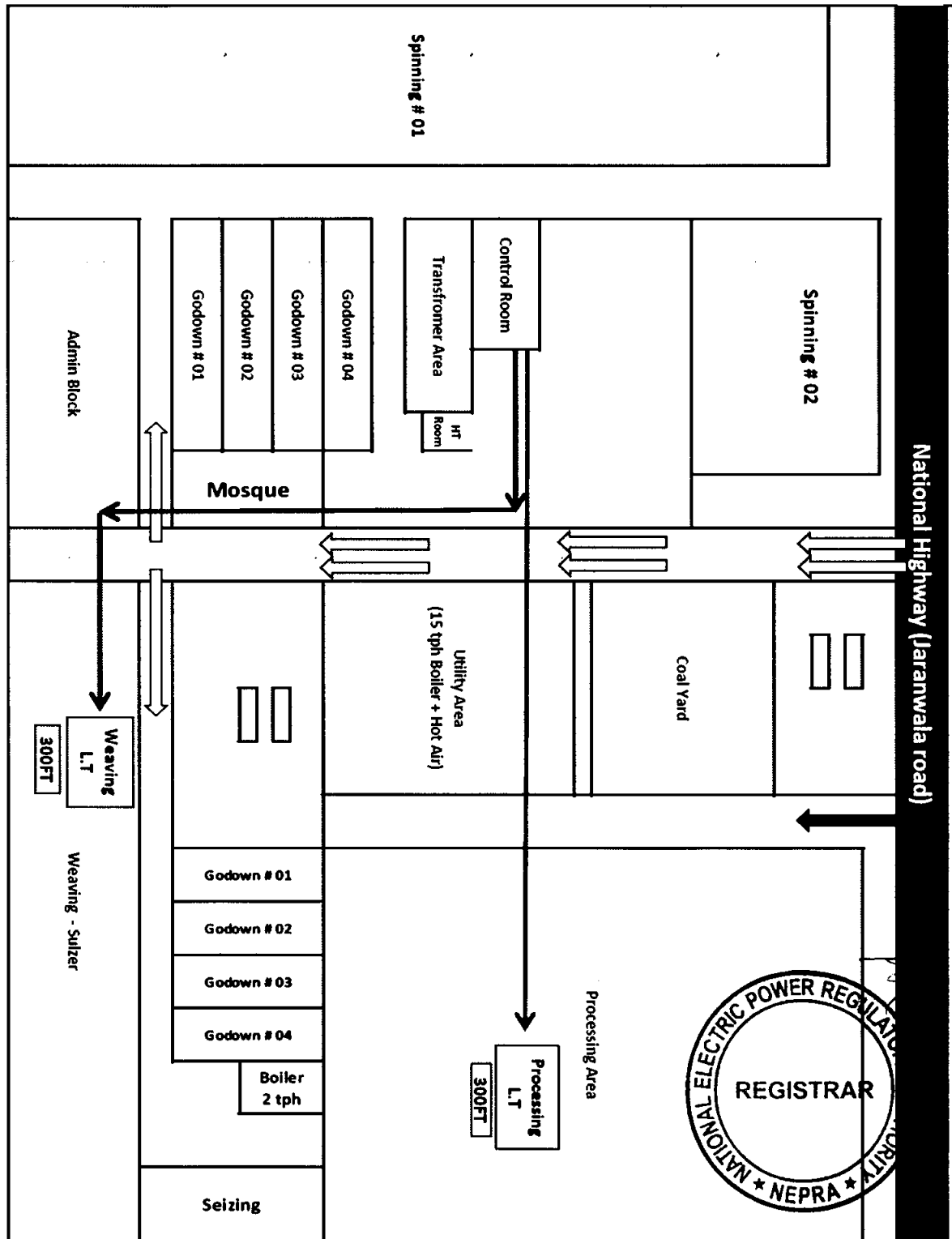
(vii).	Any other network information deemed relevant for disclosure to or consideration of the Authority.	NA	NA
--------	--	----	----



[Handwritten mark]

[Handwritten mark]

Schematic Diagram Regarding
Supply of Electric Power from the Generation Facility/Thermal
Power Plant of the Licensee i.e. ITDPL

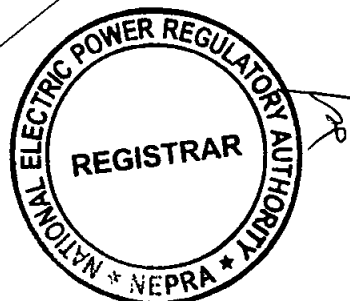


[Handwritten signature]

[Handwritten signature]

SCHEDULE-II

The Installed/ISO Capacity (MW), De-Rated Capacity At Mean Site Conditions (MW), Auxiliary Consumption (MW) and the Net Capacity At Mean Site Conditions (MW) of the Generation Facilities of Licensee is given in this Schedule



SCHEDULE-II

(1).	Total Gross Installed Capacity of the Generation Facility/Thermal Power Plant	04.563 MW
(2).	De-rated Capacity of the Generation Facility/Thermal Power Plant at Mean Site Conditions	04.33 MW
(3).	Auxiliary Consumption of the Generation Facility/Thermal Power Plant	00.12 MW
(4).	Total Net Capacity of the Generation Facility/Thermal Power Plant at Mean Site Conditions	04.21 MW

Note

All the above figures are indicative as provided by the Licensee. The Net capacity available to Power Purchaser for dispatch will be determined through procedures contained in the Power Purchase Agreement (PPA) or the Applicable Document(s).



**Authorization of
Authority Granted to Ittehad (Private) Limited (ITDPL) for
Supplying to Bulk Power Consumers**

**Incorporated Under Section-32
of the Companies Ordinance 1984 (XLVII of 1984) Having
Registration No. F-602 dated March 27, 2000**

**GENERATION LICENCE No. SGC/158/2021
For
Sale to Bulk Power Consumer(s)**

Pursuant to Section-22 of the Act and Rule-7 of the Generation Rules, the Authority hereby authorizes the ITDPL/(the Licensee) to engage in Second-Tier Supply business, limited to the consumer(s) as follows:-

- (1). Ittehad Fabrics (Pvt.) Limited-ITDFPL; and
- (2). Ittehad Taxtile (Pvt.) Limited-ITDTPL;

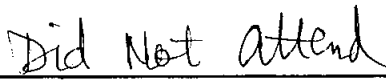
Authority



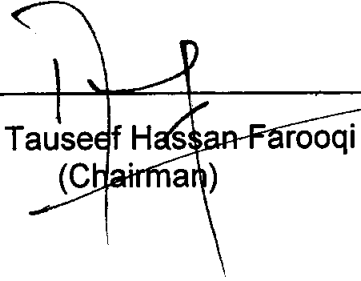
Engr. Maqsood Anwar Khan
(Member)


2/5/21

Engr. Rehmatullah Baloch
(Member)

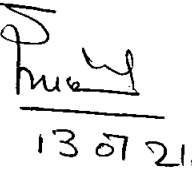

Did Not attend

Engr. Rafique Ahmad Sheikh
(Member)



Engr. Tauseef Hassan Farooqi
(Chairman)




13 07 21.