



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/LAG-393/78-84

January 01, 2020

Mr. Danish Iqbal,
Chief Executive Officer,
Metro Wind Power Limited,
7th Floor, Al-Tijarah Centre, 32-I-A, Block 6, P.E.C.H.S,
Main Shahra-e-Faisal Road,
Karachi 75400.

Subject: Modification-I in Generation Licence No. WPGL/48/2017
Licence Application No. LAG-393
Metro Wind Power Limited (MWPL)

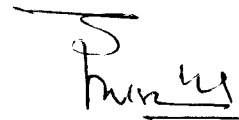
Reference: MWPL's LPM submitted vide letter dated July 11, 2019 (received on July 16, 2019)

It is intimated that the Authority has approved Modification in Generation Licence No. WPGL/48/2017 dated August 02, 2017 in respect of Metro Wind Power Limited (MWPL), pursuant to Section 26 of the NEPRA Act read with Regulation 10(11) of the NEPRA Licensing (Application and Modification Procedure) Regulations 1999.

2. Enclosed please find herewith determination of the Authority in the matter of Licensee Proposed Modification in the Generation Licence of MWPL along with Modification-I in the Generation Licence No. WPGL/48/2017 as approved by the Authority.

Encl: As above




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(Syed Safeer 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, ENERCON Building, Sector G-5/2, Islamabad.
4. Chief Executive Officer, Alternative Energy Development Board (AEDB), 2nd Floor, OPF Building, G-5/2, Islamabad.
5. Chief Executive Officer, Hyderabad Electric Supply Company Limited (HESCO), WAPDA Offices Complex, Hussainabad, Hyderabad.
6. Director General, Environment Protection Agency, Government of Sindh, Complex Plot No. ST-2/1, Korangi Industrial Area, Karachi.

National Electric Power Regulatory Authority
(NEPRA)

Determination of the Authority
in the Matter of Licensee Proposed Modification in the
Generation Licence of Metro Wind Power Limited

January ⁰¹, 2020
Case No. LAG-393

(A). Background

(i). In terms of Section-15 (now Section-14B) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act"), the Authority granted a Generation Licence (No. WPGL/48/2017 dated August 02, 2017) to Metro Wind Power Limited (MWPL).

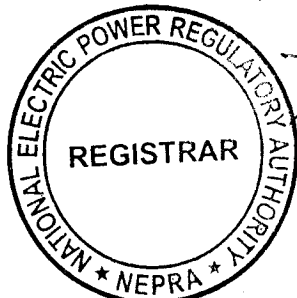
(ii). The above mentioned Generation Licence has been granted for 60.00 MW generation facility/Wind Power Plant (WPP), proposed to be located at Jhampir wind corridor, district Thatta, in the province of Sindh, based on thirty (30) Wind Turbine Generators (WTGs) of Gamesa (G114-2.0 MW).

(B). Communication of Modification

(i). MWPL in accordance with Regulation-10(2) of the NEPRA Licensing (Application & Modification Procedure) Regulations, 1999 (the "Licensing Regulations"), communicated a Licensee Proposed Modification (LPM) in its existing Generation Licence on July 16, 2019.

(ii). In the "text of the proposed modification", MWPL proposed to change (i). the anticipated Commercial Operation Date (COD) of the WPP from January 31, 2020 to February 18, 2021 and (ii). the net capacity factor of the WPP from 35% to 38%. Regarding the "statement of the reasons in support of the modification", MWPL submitted that the proposed modifications in the Generation Licence are merely to match the terms of the Tariff Determination.

h. (iii). About the "statement of the impact on the tariff, quality of service and the performance by the licensee of its obligations under the licence", MWPL informed that the tariff, quality of service, and performance and obligations of the



licensee under the Generation Licence will not be affected by the proposed modification.

(C). Processing of LPM

(i). After completion of all the required information as stipulated under the Regulation-10(2) and 10(3) of the Licensing Regulations, by MWPL, the Registrar published the communicated LPM on August 01, 2019, in one (01) Urdu (Daily Express) and one (01) English (The News) newspaper, informing the general public about the communicated LPM and inviting their comments within a period of fourteen (14) days from the date of the said publication.

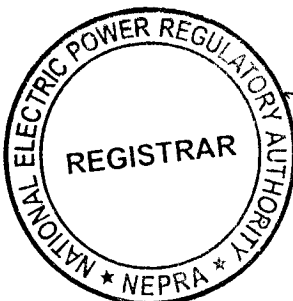
(ii). Apart from the above, separate letters were also sent to other stakeholders including Government Ministries and their attached departments, various representative organization, individual experts and others, on August 02, 2019. Through the said letters, the stakeholders were informed about the communicated LPM and publication of its notice in the press. Further, the said entities were invited to submit their views and comments in the matter, for assistance of the Authority.

(D). Comments of Stakeholders

(i). In reply to the above, the Authority received comments from two (02) stakeholders including Engineering Development Board (EDB) and Karachi Shipyard and Engineering Works Limited (KSEW). The comments offered by the said stakeholders are summarized in the following paragraphs:-

(a). EDB submitted that none of the clauses of the LPM are related to it however, it is recommended that efforts should be made to utilize indigenous potential available for the project; and

(b). KSEW commented that the modification will definitely be helpful in decreasing the shortfall of electricity in the country and KSEW has no objection to the modification. KSEW further submitted that it is fully capable of manufacturing the towers/modification of towers for wind turbines at quite competitive rates, in its fabrication facilities at the vicinity of Karachi. In view of the said, KSEW requested that MWPL may be advised to consider its



facilities for modification, erection and installation of its WPP.

(ii). The Authority examined the above comments of stakeholders and considered it appropriate to seek perspective of MWPL on the observations of the above mentioned stakeholders regarding utilization of the indigenous resources/potential in the project. In this regard, MWPL submitted that till wind technology in the country is developed equal to international standards, wind power generation projects will have to procure turbine and equipment from internationally renowned manufacturers. However, MWPL will utilize available indigenous potential wherever possible.

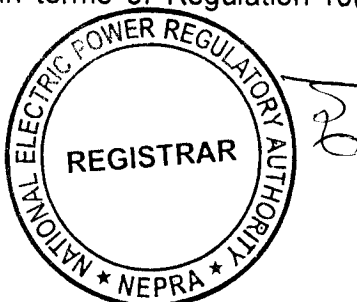
(iii). The Authority reviewed the submissions/response of MWPL and found the same plausible. Foregoing in view, the Authority considered it appropriate to proceed further with the communicated LPM as stipulated in the Licensing Regulations and the NEPRA Licensing (Generation) Rules, 2000 ("the Generation Rules").

(E). Evaluation/Findings

(i). The Authority examined the entire case in details including the already granted Generation Licence, the communicated LPM, cost plus tariff granted to MWPL, the provisions of the Policy for Development of Renewable Energy for Power Generation 2006 (the "RE Policy"), comments of the stakeholder and relevant rules & regulations.

(ii). The Authority has observed that in terms of Section-26 of the NEPRA Act read with Regulation-10 of the Licensing Regulations, it is empowered modify any licence through modification proposed by the Authority or the Licensee. In this regard, Regulation-10(2) of the Licensing Regulations stipulates that a licensee may, at any time during the term of a licence, communicate to the Authority an LPM setting out (a). the text of the proposed modification; (b). a statement of the reasons in support of the modification; and (c). a statement of the impact on the tariff, quality of service and the performance by the licensee of its obligations under the licence.

✓ (iii). Regarding criteria of modification in licence, the Authority observed that in terms of Regulation-10(5) of the Licensing Regulations, it is entitled to



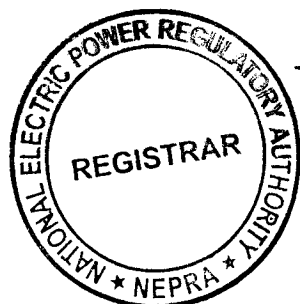
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modify a licence in accordance with an authority proposed modification or LPM, subject to and in accordance with such further changes as the Authority may deem fit if, in the opinion of the Authority such modification (a). does not adversely affect the performance by the licensee of its obligations; (b). does not cause the Authority to act or acquiesce in any act or omission of the licensee in a manner contrary to the provisions of the NEPRA Act or the rules or regulations made pursuant to it; (c). is or is likely to be beneficial to the consumers; (d). is reasonably necessary for the licensee to effectively and efficiently perform its obligations under the licence; and (e). is reasonably necessary to ensure the continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the licensee.

(iv). The main features of the application under consideration are that the Authority originally granted a Generation Licence (No. WPGL/48/2017 dated August 02, 2017) to MWPL with an installed capacity of 60.0 MW based on 30 WTGs of Gamesa (G114-2.0 MW). According to the Generation Licence the anticipated COD of the WPP is January 31, 2020 whereas the net capacity factor of the WPP is 35%.

(v). Now, through the communicated LPM, the Licensee/MWPL intends to incorporate certain changes in its Generation Licence. In this regards, MWPL has proposed to change the anticipated COD of the WPP from January 31, 2020 to February 18, 2021 and to enhance the net capacity factor of the WPP from 35% to 38%. The said modifications have been proposed to make the Generation Licence consistent with the terms and conditions of tariff granted to MWPL.

(vi). The Authority has observed that the proposed change in the net capacity factor of the WPP from 35% to 38% translates into enhancement of the net annual energy generation (over the project control period of twenty five years) from 183.96 GWh to 199.73 GWh. without making any changes in the WTG technology and installed capacity of the generation facility/WPP. Further, the proposed change in capacity factor is in-line with tariff granted to MWPL on November 19, 2018 wherein the net annual plant capacity factor of the WPP has been envisaged as 38%.

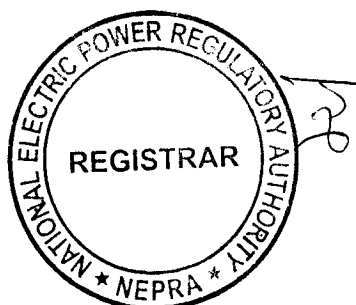


(vii). Regarding the proposed to change of anticipated COD of the WPP from January 31, 2020 to February 18, 2021, the Authority has observed that according to the tariff granted to MWPL, the targeted maximum construction period for the WPP is fifteen (15) months after date of financial close. MWPL has achieved financial close on November 19, 2019 and the fifteen (15) months from financial close translates into February 18, 2021, as proposed by MWPL.

(viii). Regarding the project of MWPL, the Authority has observed that the same falls in the Category-II of renewable energy projects. According to decision of Cabinet Committee on Energy (CCoE) dated February 27, 2019, all Category-II projects are allowed to proceed ahead towards the achievement of their requisite milestones as per RE-Policy 2006. In this regard, CPPA-G vide its letter dated October 08, 2019 has provided its consent for purchasing power from MWPL.

(ix). Regarding the impact of the communicated LPM on the tariff, the Authority has observed that through determination (No. NEPRA/TRF-428/MWPL-2017/17986-17988 dated November 19, 2018), it has already granted a cost-plus tariff to MWPL. In this regard, the Authority considers that the communicated LPM is in line with the granted tariff and will not have any adverse impact on the same.

(x). Foregoing in view, the Authority is of the considered opinion that the proposed LPM will not have any adverse effect on the performance of MWPL of its obligations, instead its performance will be improved. Further, the LPM will not cause the Authority to act or acquiesce in any act or omission of the Licensee in a manner contrary to the provisions of the NEPRA Act or the rules or regulations made pursuant to the NEPRA Act. The LPM will be beneficial to the consumers in general as more amount of clean and cheap electricity will be available to the power purchaser and that too without installing any additional wind turbine generator. The LPM is reasonably necessary for the Licensee to effectively and efficiently perform its obligations under the Licence. The LPM is necessary to ensure the continuous, safe and reliable supply of electric power to the consumers keeping in view the financial and technical viability of the Licensee.



(F). Approval of LPM

(i). In view of the above, the Authority is satisfied that the Licensee has complied with all the requirements of the Licensing Regulations pertaining to the modification. Therefore, the Authority in terms of Section-26 of the NEPRA Act read with Regulation-10(11) of the Licensing Regulations approves the communicated LPM.

(ii). Accordingly, the Generation Licence (No. WPGL/48/2017 dated August 02, 2017) granted to MWPL is hereby modified. The changes made in the Generation Licence are attached as annexure to this determination. The approval of the LPM is subject to the provisions contained in the NEPRA Act, relevant rules framed there under, terms & conditions of the generation licence and other applicable documents.

Authority

Rafique Ahmed Shaikh
(Member)

Rafique
26/12/19

Rehmatullah Baloch
(Member)

Rehmatullah
26/12/19

Saif Ullah Chattha
(Member)

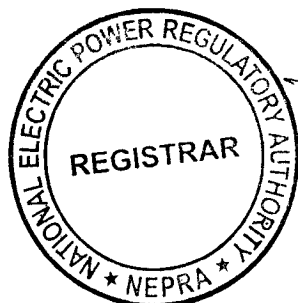
Saif Ullah
30.12.2019

Engr. Bahadur Shah
(Member/Vice Chairman)

Bahadur Shah

Tauseef H. Farooqi
(Chairman)

Tauseef H. Farooqi



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

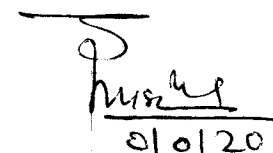
GENERATION LICENCE

No. WPGL/48/2017

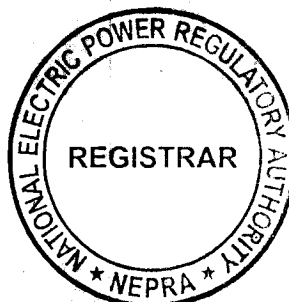
In exercise of the Powers conferred under Section-26 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, the Authority hereby modifies the Generation Licence (No. WPGL/48/2017 dated August 02, 2017 granted to Metro Wind Power Limited, to the extent of changes mentioned hereunder:

- (a). Changes made in the **Schedule-I** and **Schedule-II** of the Generation Licence are attached as **Annexure-A**.

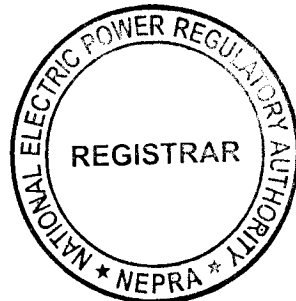
This **Modification-I** is given under my hand on this 01st day of **January Two Thousand & Twenty**


01/01/20

Registrar



Annexure-A



(i). Changes made in Schedule-I of the Generation Licence

"At Para D(i) under Detail of the Generation Facility/Wind Power Plant/Wind Farm, the anticipated COD has been changed from January 31, 2020 to February 18, 2021."

(iii). Changes made in Schedule-II of the Generation Licence

The detail appearing at Schedule-II of the generation licence is replaced with the following:-

(1).	Total Installed Gross ISO Capacity of the Generation Facility /Wind Farm (in MW)	60.00
(2).	Total Annual Full Load Hours	3066
(3).	Average Wind Turbine Generator (WTG) Availability	97.0 %
(4).	Total Gross Generation of the Generation Facility/Wind Farm (in GWh)	226.12
(5).	Array & Miscellaneous Losses (in GWh)	16.01
(6).	Availability Losses (in GWh)	6.30
(7).	Balance of Plant Losses (in GWh)	4.08
(8).	Annual Energy Generation (25 years equivalent Net AEP) (in GWh)	199.73
(9).	Net Capacity Factor	38.0 %

