



**Registrar**

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

NEPRA Tower, Ataturk Avenue (East) G-5/1, Islamabad  
Ph: +92-51-9206500, Fax: +92-51-2600021  
Web: www.nepra.org.pk, E-mail: info@nepra.org.pk

No. NEPRA/R/LAG-53/13396-98

December 04, 2013

Mr. Kamran Shahid  
General Manager (Finance)  
Kohinoor Mills Ltd (KML)  
8<sup>th</sup> KM, Manga Raiwind Road  
District, Kasur

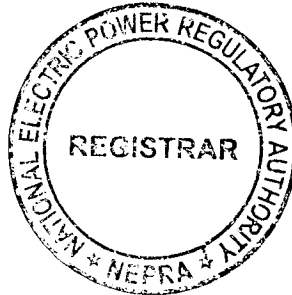
Subject: **Modification-III in Generation Licence No. SGC/007/2001 —  
Kohinoor Mills Ltd (KML)**

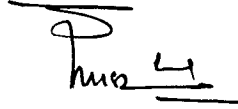
Reference: *Your letter No. nil dated January 07, 2013*

It is intimated that the Authority has approved "Licensee Proposed Modification" in Generation Licence No. SGC/007/2001 (issued on August 01, 2001) in respect of Kohinoor Mills Limited pursuant to Regulation 10(11) of the NEPRA Licensing (Application & Modification Procedure) Regulations, 1999.

2. Enclosed please find herewith Modification-III in the Generation Licence No. SGC/007/2001, as approved by the Authority. Further, the determination of the Authority in the matter is also attached.

**Encl:/As above**



  
(Syed Safer Hussain)

Copy to:

1. Chief Executive Officer, Lahore Electric Supply Company (LESCO), 22-A, Queens Road, Lahore
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**

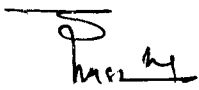
**GENERATION LICENCE**

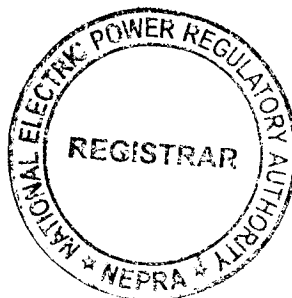
**No. SGC/007/2001**

In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section-26 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, the Authority hereby modifies the Generation Licence granted to Kohinoor Mills Limited (issued on August 01, 2001 and expiring on December 07, 2016), to the extent of changes mentioned as here under: -

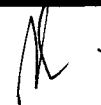
- (a). The Installed Capacity mentioned in the Face Sheet may be read as **31. 23 MW** instead of **25.38 MW**;
- (b). Changes in Schedule-I attached as Revised/Modified Schedule-I;
- (c). Changes in Schedule-II attached as Revised/Modified Schedule-II; and
- (d). Changes in Second Tier Supply Authorization attached as Revised Second Tier Supply Authorization.

This **Modification-III** is given under my hand this 04<sup>th</sup> of **December**  
**Two Thousand & Thirteen**

  
\_\_\_\_\_  
Registrar

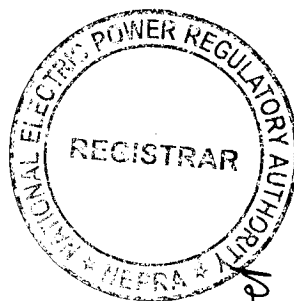


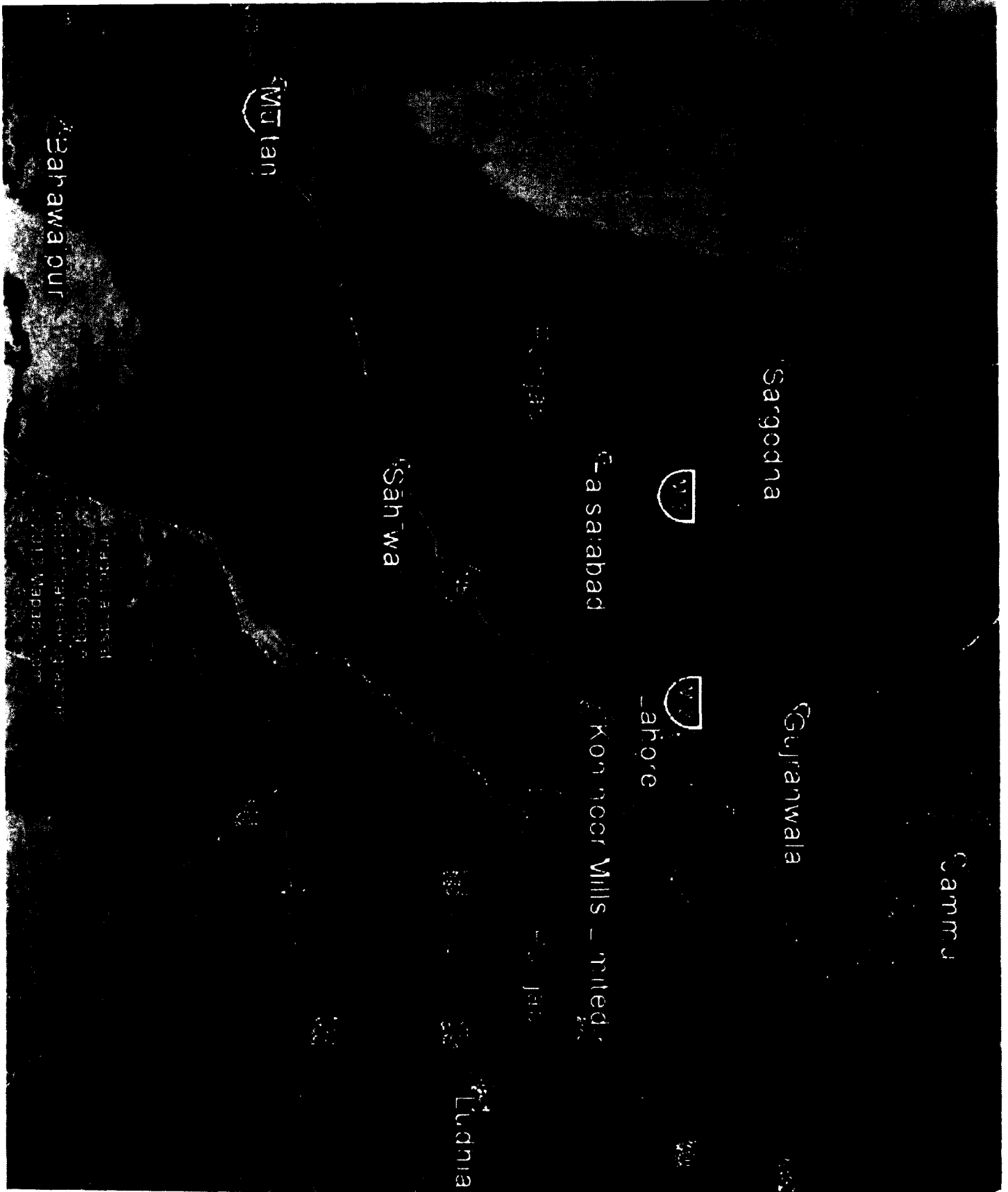


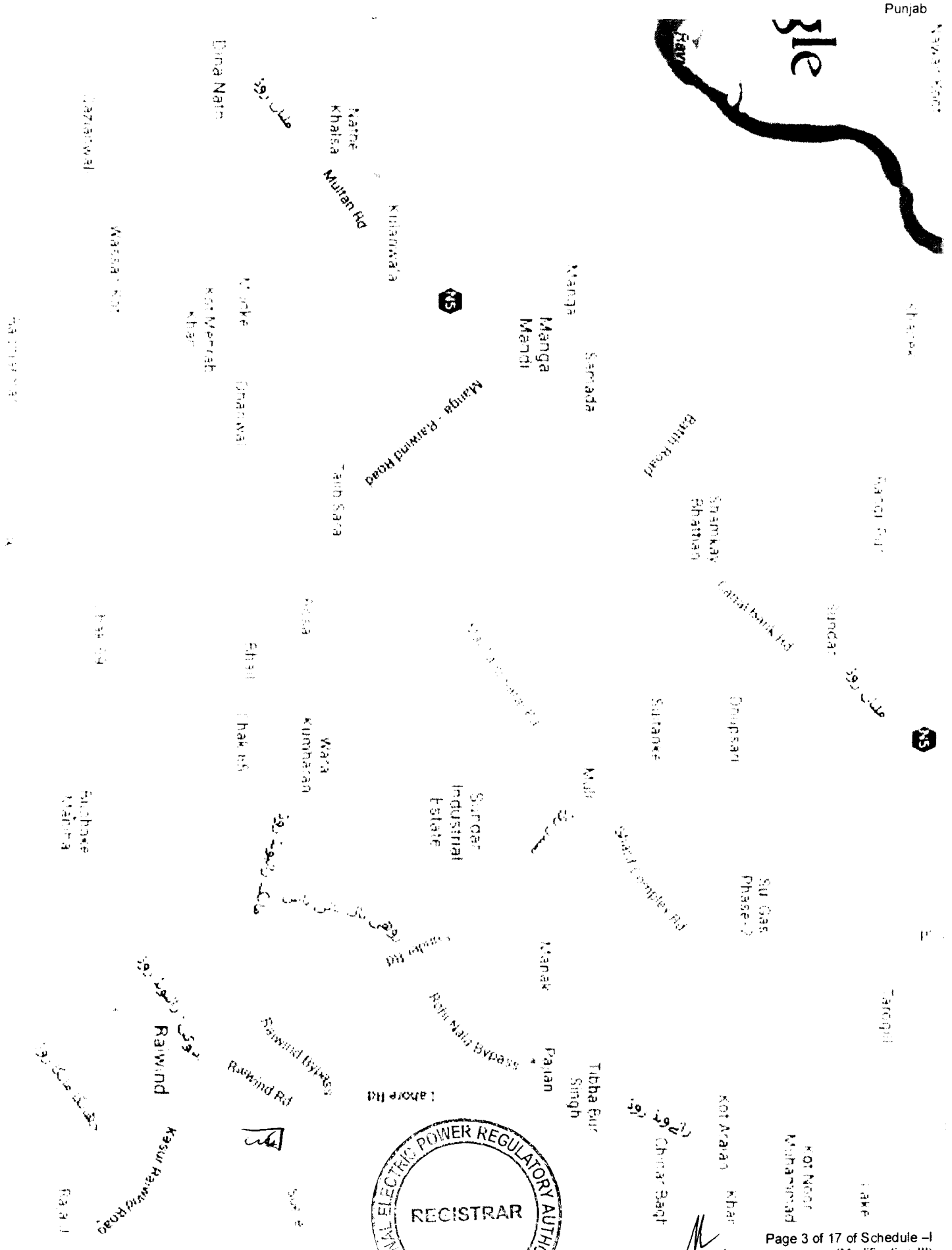


**SCHEDULE-I**  
**Revised/Modified**  
**Modification-III**

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.

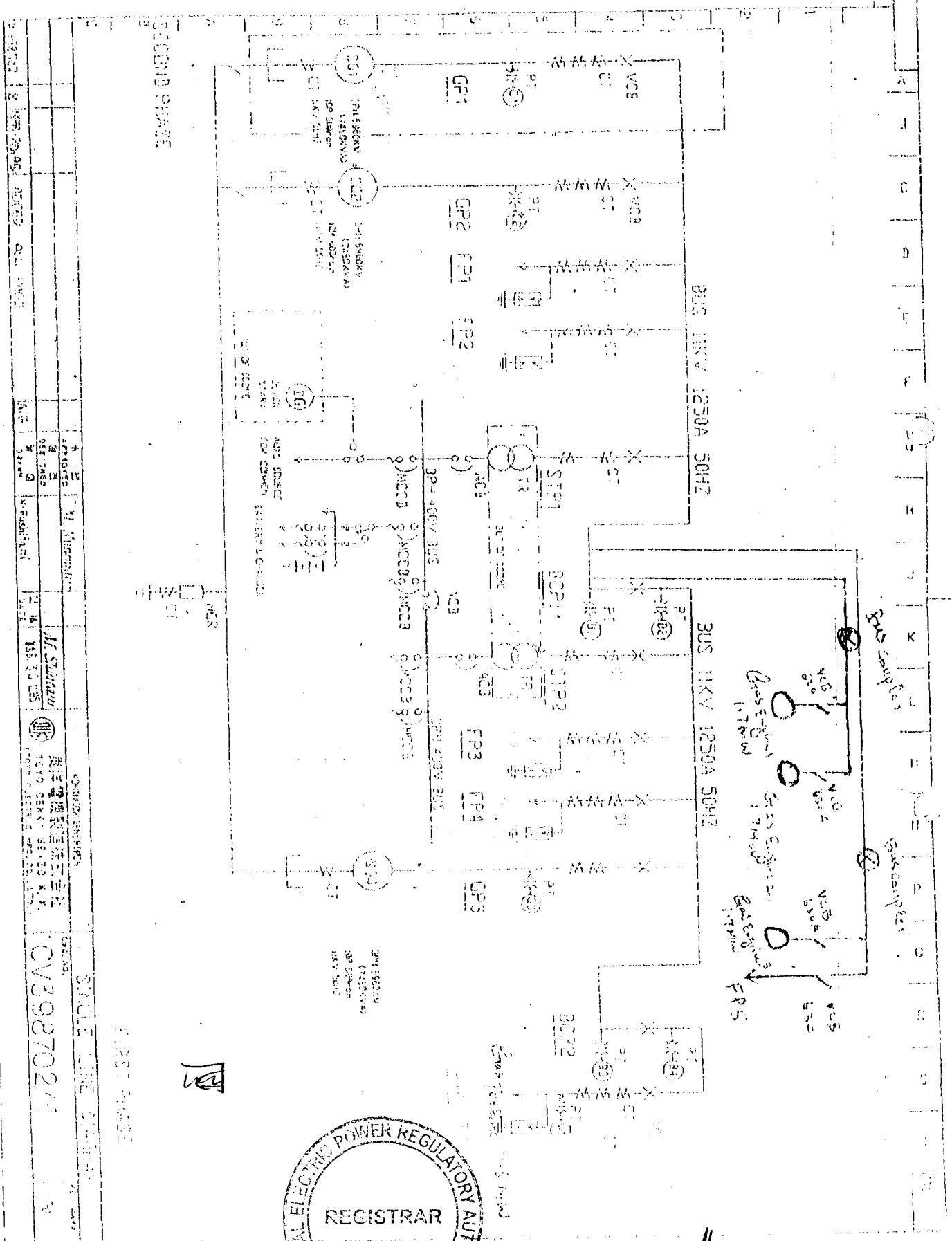






NATIONAL ELECTRIC POWER REGULATORY AUTHORITY  
 REGISTRAR  
 ISLAMABAD





**Details**  
**of the Generation Facilities/**  
**Power Plant**

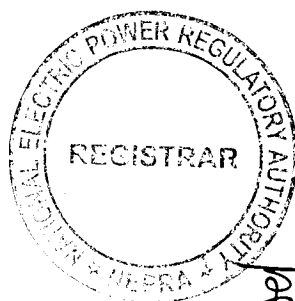
**(A). General Information**

(i).	Name of Applicant	Kohinoor Mills limited.
(ii).	Registered /Business Office	8-KM, Raiwind Manga Road District Kasur.
(iii).	Plant Location	8-KM, Raiwind Manga Road District Kasur.
(iv).	Type of Generation Facility	Thermal Generation.

**(B). Plant Configuration**

(i).	Plant Size/Installed Capacity (Gross ISO)	31.23 MW	
(ii).	Type of Technology	Diesel Engines, Gas Engines, and Gas Turbine	
(iii).	Number of Units/Size (MW)	HFO/HSD Based Diesel Engines	3 x 5.96 MW
		Gas Engine	3 x 1.95 MW
		Gas Turbine	1 x 7.5 MW

*WA*

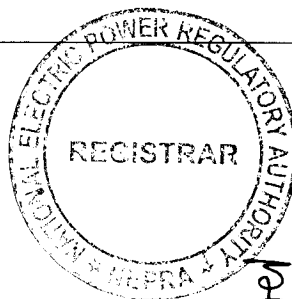


*M*



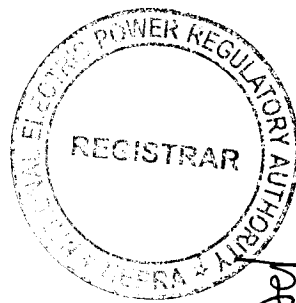
(iv).	Unit Make & Model	HFO/HSD based Diesel Engines	Niigata 18 v 32 CLX 1996
			Niigata 18 v 32 CLX 1995
			Niigata 18 v 32 CLX 1995
		Gas Engines	G3520C G2N00347
			G3520C G2N00349
			G3520C G2N00479
		Gas Turbine	TURBOMACH TBM-T 70 2005 Generator LEROY SOMER LSA 56 BMBL 13-4P
(v).	Commissioning /Commercial Operation Date (CoD)	Niigata 18 v 32 CLX	1995
		Niigata 18 v 32 CLX	1995
		Niigata 18 v 32 CLX	1996
		TURBOMACH TBM-T 70 2005	2005
		Caterpillar G3520C G2N00347	2006
		Caterpillar G3520C G2N00349	2006
		Caterpillar G3520C G2N00479 2007	2007

WAT



(v).	Minimum Expected Life of the Generation Facility from Commissioning/ CoD	Niigata 18 v 32 CLX	25 Years
		Niigata 18 v 32 CLX	25 Years
		Niigata 18 v 32 CLX	25 Years
		TURBOMACH TBM-T 70 2005	25 Years
		Caterpillar G3520C G2N00347	25 Years
		Caterpillar G3520C G2N00349	25 Years
		Caterpillar G3520C G2N00479 2007	25 Years

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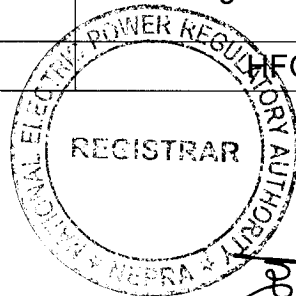


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(v).	Expected Remaining useful Life of the Generation Facility (based on the maximum remaining useful life of the most recent installed/ commissioned unit) at the time of this Modification	Niigata 18 v 32 CLX	07 Years
		Niigata 18 v 32 CLX	07 Years
		Niigata 18 v 32 CLX	08 Years
		TURBOMACH TBM-T 70 2005	17 Years
		Caterpillar G3520C G2N00347	18 Years
		Caterpillar G3520C G2N00349	18 Years
		Caterpillar G3520C G2N00479 2007	19 Years

**(C). Fuel Detail**

(i).	Primary Fuel	Heavy Furnace Oil (HFO)	
(ii).	Alternative Fuel	Natural Gas (NG)/Diesel Oil (DO)	
(iii).	Fuel (imported/ Indigenous)	Imported as well as Indigenous	
(iv).	Fuel Supplier	Primary Fuel	Alternative Fuel
		PSO/Shell/Caltex	SNGPL/PSO/Shell/ Clatex
(v).	Supply Arrangement	Primary Fuel	Alternative Fuel
		Through Oil Tankers	Through Pipeline for Natural Gas/Through Oil Tankers
(vi).	No of Tanks	HFO	DO



		2	1
(vii).	Storage Capacity of each Tank	HFO	DO
		2000 TON	275,000 LTRS
(viii).	Gross Storage	HFO	DO
		4000 TON	275,000 LTRS

**(D). Emission Values**

(i).	SO <sub>x</sub>	920 p.p.m
(ii).	NO <sub>x</sub>	1095 p.p.m.
(iii).	CO <sub>2</sub>	6.5 %
(iv).	Particulate Matter	-

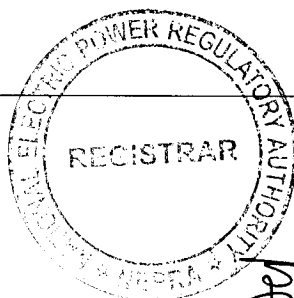
**(E). Cooling System**

(i).	Cooling Water Source/Cycle	Underground water obtained from tube well is treated in the Reverse Osmosis plant for supplying cooling water to the plant/Closed Loop Cycle.
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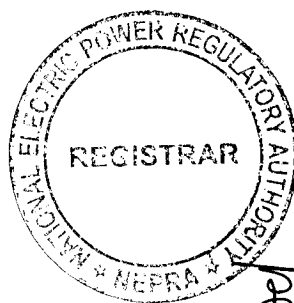
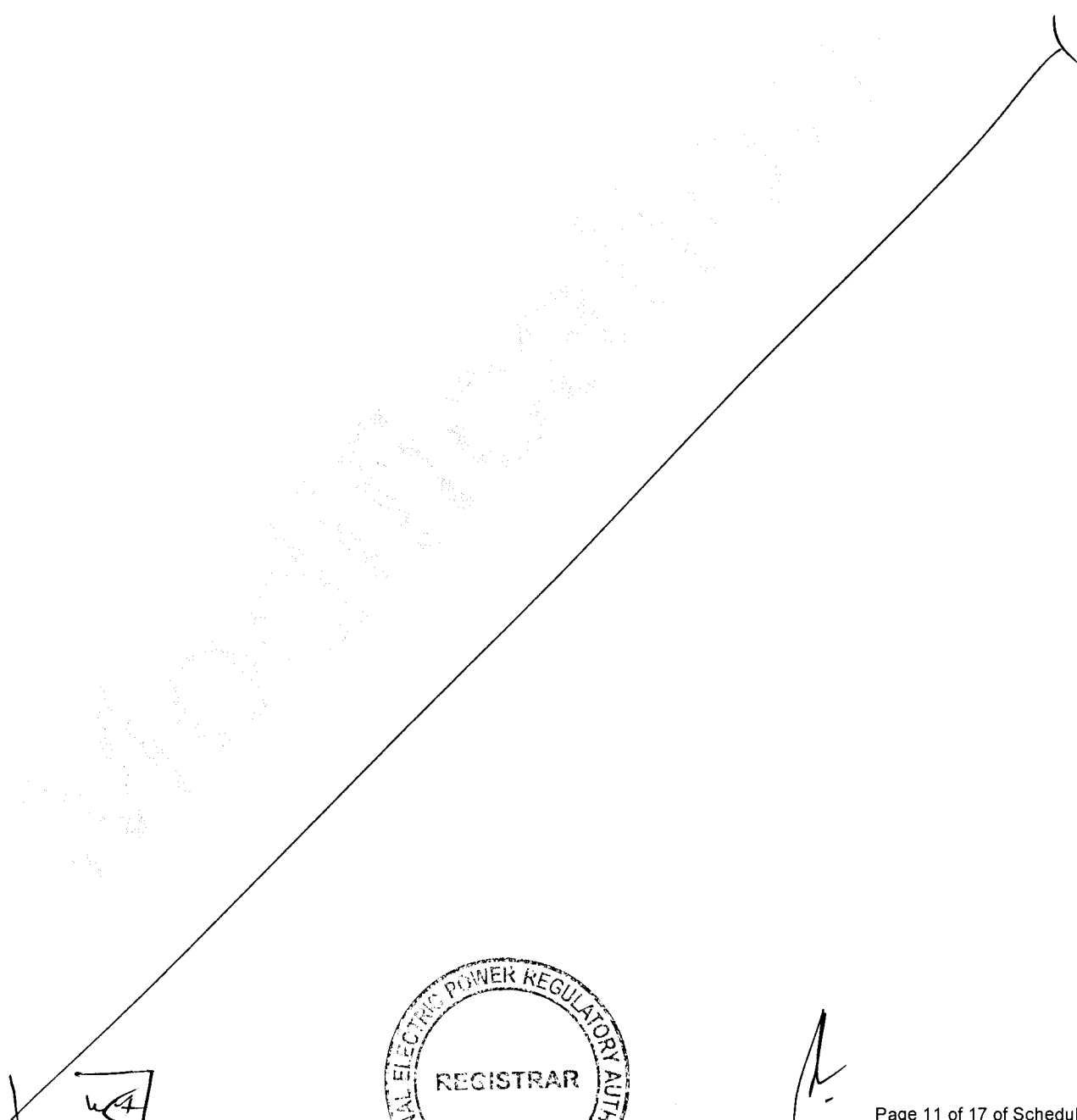
**(F). Plant Characteristics**

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

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(v).	Ramping Rate	9.8 KW/Sec
(vi).	Time required to Synchronize to Grid and loading the complex to full load.	300 Sec

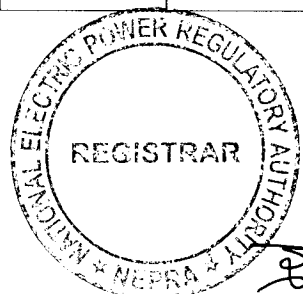


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**Information Regarding Distribution Network of the Licensee for  
Supply of Power to Different Bulk Power Consumers**

(A).	No. of Feeders	Five (05)				
(B).	Length of Each Feeder (Meter)	F-1	F-2	F-3	F-4	F-5
		315	200	225	545	380
(C).	Length of Each Feeder to each Consumer	-Do-				
(D).	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 or pass near the DISCO lines.	F-1	F-2	F-3	F-4	F-5
		11 KV Cable passes through the own property of KML	11 KV Cable passes through the own property of KML	11 KV Cable passes through the own property of KML	11 KV Cable passes through own property of KML as well as that of third part in the name of Kohinoor Raiwind Mills Limited and Public Road	11 KV Cable passes through the own property of the Bulk Power Consumer in the name of Samin Textiles Limited (SMTL)
(E).	Whether owned by KML/SPP, Consumer or LESCO-(deal with each Feeder Separately)	F-1	F-2	F-3	F-4	F-5
		Owned by KML	Owned by KML	Owned by KML	Owned by KML	Owned by SMTL

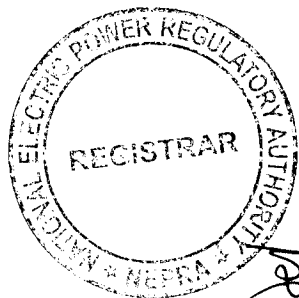
WA



A.

	- If owned by LESCO, please furnish particulars of contractual arrangement	N/A	N/A	N/A	N/A	N/A
	- Operation and maintenance responsibility for each feeder	KML	KML	KML	KML	SMTL
(F).	Whether connection with network of LESCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	F-1	F-2	F-3	F-4	F-5
		Yes/B-3 Connection				
(G).	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A				

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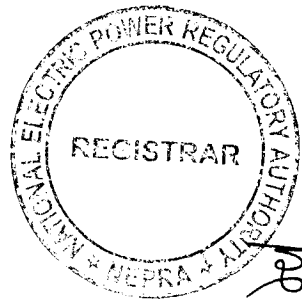


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**Information Pertaining to the  
Bulk Power Consumer of the Licensee  
i.e. Kohinoor Mills Limited (KML)**

(A).	No. of Consumers	Four (04)				
(B).	Location of consumers distance and/or identity of premises)	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL	
		8-KM Manga-Raiwind Road District Kasur Punjab	8-KM Manga-Raiwind Road District Kasur Punjab	8-KM Manga-Raiwind Road District Kasur Punjab	8-KM Manga-Raiwind Road District Kasur Punjab	
(C).	Contracted Capacity and Load Factor for Each consumer	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL	
		4.506 MW	1.542 MW	2.970 MW	3.00 MW	
(D).	Specify Whether					
	(i).	The consumer is an Associate undertaking of the SPP- If yes, specify percentage ownership of equity;	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL
			Same Entity	Same Entity	Same Entity	Different Legal Entity/ N/A

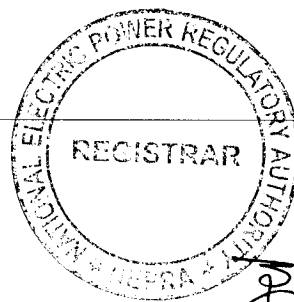
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	(ii).	There are common directorships:-	Yes	Yes	Yes	No
	(iii)	Either can exercise influence or control over	Yes	Yes	Yes	No
(E).	Specify nature of contractual Relationship					
	(i).	Between each consumer and KML/SPP	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL
			Same Entity as KML/SPP	Same Entity as KML/SPP	Same Entity as KML/SPP	Firm Supply of Electricity on Continuous basis
(ii).	Consumer and DISCO.	B-3 Connection/Consumer				
(F).	Capacity originally sanctioned by Provincial Government-If Subsequently enhanced, evidence of permission for enhancement.		N/A			
(G).	Tariff Arrangement and particulars with WAPDA & Provincial Government		N/A			

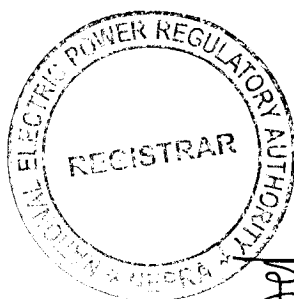


(H).	Any other network information deemed relevant for disclosure to or consideration by	N/A
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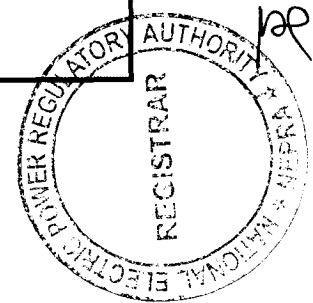
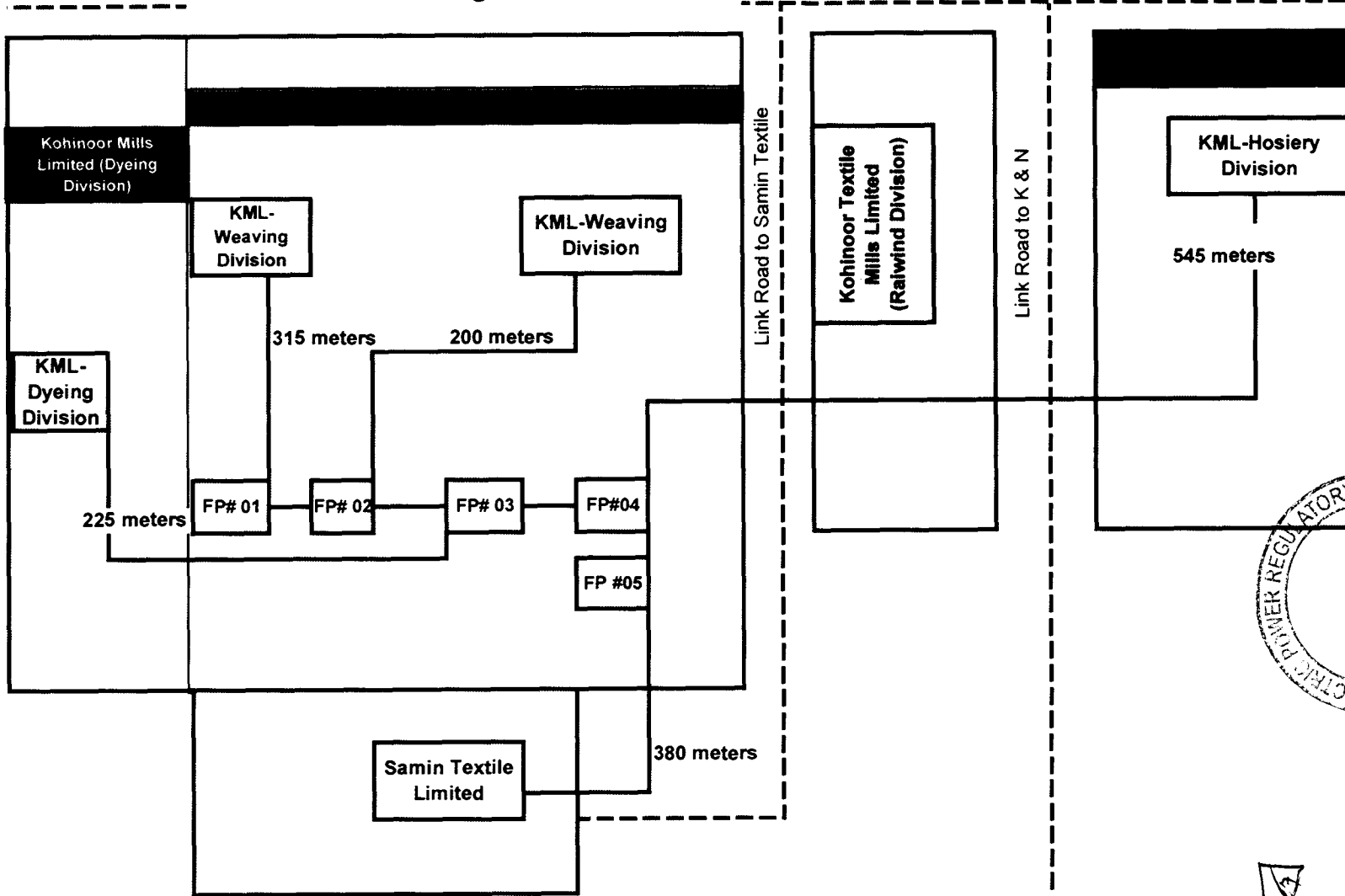
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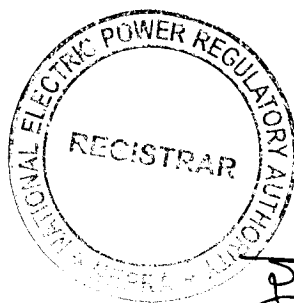
### Raiwind to Manga Public road



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**SCHEDULE-II**  
**Revised/Modified**  
**Modification-III**

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

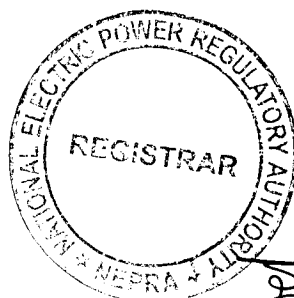


## SCHEDULE-II

(1).	Total Installed Capacity of the Generation Facility (Gross ISO)	31.23 MW
(2).	De-rated Capacity of the Generation Facility at Mean Site Conditions	31.23 MW
(3).	Auxiliary Consumption of the Generation Facility	0.48 MW
(4).	Net Capacity of the Generation Facility at Mean Site Conditions	30.75 MW

**NOTE:-**

All the above figures are indicative as provided by the Licensee. The Net energy available to Bulk Power Consumers (BPCs) for dispatch will be determined through procedures contained in the Bi-lateral Power Purchase Agreements.



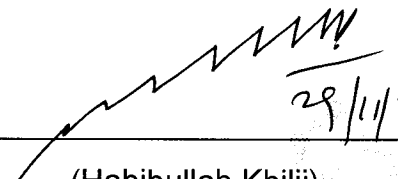
Authorization  
by National Electric Power Regulatory Authority (NEPRA) to  
Kohinoor Mills Limited

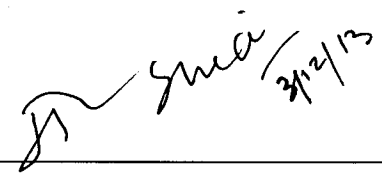
Incorporated under the Companies Ordinance, 1984  
Certificate of Incorporation No. L-06036, dated February 28, 1993

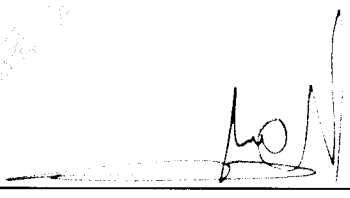
NEPRA GENERATION LICNCE No. SGC/007/2001  
for  
Sale to Bulk Power Consumer(s)

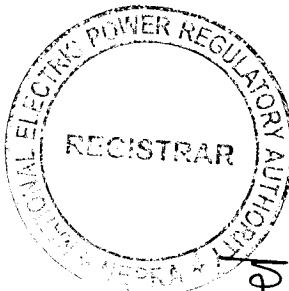
Pursuant to Section 22 of the Act and Rule 7 of the NEPRA Licensing (Generation) Rules-2000, the Authority hereby authorize Kohinoor Mills Limited (the Licensee) to engage in second-tier supply business, limited to the following consumer:-

1. Samin Textiles Limited.

  
29/11/2013  
\_\_\_\_\_  
(Habibullah Khilji)  
Member

  
31/2/13  
\_\_\_\_\_  
Maj (R) Haroon Rashid  
Member

  
\_\_\_\_\_  
(Khawaja Muhammad Naeem)  
Member/Vice Chairman



**National Electric Power Regulatory Authority**  
**(NEPRA)**

**Determination of Authority**  
**in the Matter of Licensee Proposed Modification (LPM) of**  
**Kohinoor Mills Limited for its Generation Licence**

**November 29, 2013**  
**Application No. LAG-53**

**(A). Background**

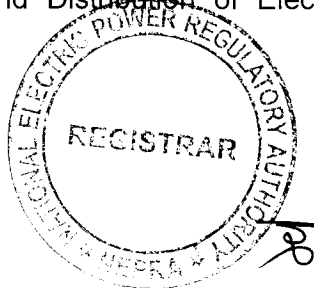
(i). Kohinoor Mills Limited (KML) is a Small Power Producer (SPP) which is operating and maintaining a Generation Facility as well as a Distribution Facility at 8-KM-Manga-Raiwind Road, in District Kasur in the Province of Punjab.

(ii). The Authority had granted a Generation Licence (No. SGC/007/2001, dated December 08, 2001) and a Distribution Licence (No.15/DL/2006, dated August 01, 2007) to KML for the above facilities.

**(B). Communication of LPM**

(i). KML through its correspondence of November 29, 2012 informed that one of the existing Bulk Power Consumer (BPC) of LESCO (in the name of Samin Textiles Limited-SMTL) located adjacent to it, was experiencing severe load-shedding. Due to this load-shedding SMTL has to go undergo operational issues. In order to cope with the said issues, STML was interested to obtain power from Heavy Furnace Oil (HFO) fired Diesel Engines. KML sought necessary permission of the Authority for supplying electricity to SMTL.

(ii). In view of the fact that addition of a new BPC in the Generation Licence of KML required a Modification. Therefore, KML was directed for communicating an LPM in its Generation Licence as stipulated in Regulation 10 of NEPRA Licensing (Application & Modification Procedure) Regulations, 1999 (the Regulations). Accordingly, KML communicated the required LPM on January 08, 2013. KML in the "Text of the Proposed Modification" submitted that it intended to add SMTL as its BPC in accordance with Section 22 of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the



NEPRA Act). Regarding "Reason in Support of Modification" statements, KML informed that SMTL which is located adjacent to our generation facility (with no crossing of public/third party property), has executed an agreement for purchasing Electric Power as its BPC. About the Statement of Licensee Regarding Impact of the Proposed Modification on Tariff and Quality of Service (QoS), KML submitted that the addition of a BPC will not have any adverse impact on its tariff, QoS and Performance of its obligations under its existing Generation Licence.

**(C). Processing of LPM**

(i). After completion of all the required information as stipulated under the Regulation 10 (2) and 10 (3) of the Regulations by KML, the Authority considered the matter in its Regulatory Meeting (RM-13-108) held on April 18, 2013 and admitted the communicated LPM for further processing as stipulated in the Regulations.

(ii). The Registrar published the communicated LPM on April 20, 2013 in one English and one Urdu daily newspapers, seeking comments of general public and other stakeholders. Further, separate notices were also sent to experts, government ministries and representative organization etc. on April 22, 2013 inviting their views and comments for the assistance of the Authority.

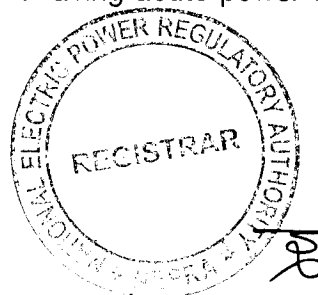
**(D). Comments of Stakeholders**

(i). In response to the above, the Authority received comments from five (05) stakeholders. These included Lahore Chamber of Commerce and Industry (LCCI), Sui Northern Gas pipelines Limited (SNGPL), Lahore Electric Supply Company Limited (LESCO), Central Power Purchasing Agency (CPPA) of National Transmission and Dispatch Company Limited (NTDC) and Ministry of Water and Power (MoW&P).

(ii). The salient points of the comments offered by the above mentioned stakeholder are summarized in the following paragraphs: -

(a). LCCI submitted that SMTL is an export oriented weaving Mill and is facing acute power shortage resulting in delay in their

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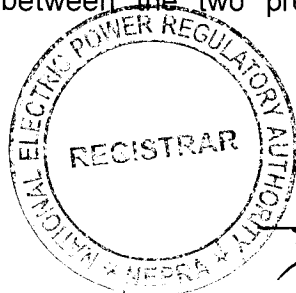


✓  
Page 2 of 6



export commitments. The loss of export business amounts to loss of foreign exchange which is against our national interest. We support the proposed modification of Licensee in the national interest;

- (b). SNGPL stated that it is understood that generation license issued to KML is not based on Natural Gas as primary or Alternate Fuel in the light of your earlier confirmation. Notwithstanding, SNGPL wishes to inform that gas supply to KML is committed for its own use within its boundary walls and is not supposed to feed any of the industrial units including its sister concerns. SNGPL therefore, do not validate any such request for allowing sale of power, if generated from natural gas, to any other industrial, commercial or domestic units. In view of the above, we request you to intimate us whether Generation Licence granted to KML is based on Natural Gas as fuel or otherwise. Meantime, we are also arranging physical visit of KML to ensure that Natural Gas usage is restricted for the purpose for which gas was allocated;
- (c). LESCO expressed that the NEPRA Act does not prohibit BPC to have two separate Electricity Connections i.e. one from Distribution Company and another from Generation Company. Further, request of KML is not hit by the provisions of Section 22(1) of the NEPRA Act. The supply to SMTL would not trespass Service Territory of LESCO;
- (d). CPPA in its comments expressed its no objection for acceptance of the communicated LPM of KML, subject to fulfillment of requirements as laid down in the NEPRA Licensing (Generation) Rules-2000 (the Rules);
- (e). MoW&P stated that there should be no impact on tariff, QoS and performance by the Licensee as stipulated in the relevant Regulations. Further, there should be no hindrance between the two premises i.e. the BPC and seller and



crossover/pass near the DISCO Distribution/Transmission Lines.

(iii). The perspective of KML on the aforesaid position of SNGPL was sought. KML confirmed that it intended supplying electricity to SMTL only from its Furnace Oil fired Niigata Engines during the period when there is simultaneous load shedding of gas by SNGPL and electricity by LESCO.

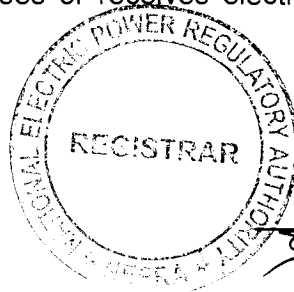
(iv). The Authority considered the comments of the stakeholders and the rejoinder submitted by KML and decided to proceed further in the matter in terms of the relevant Regulations and the Rules for processing of the LPM of KML.

### **(E). Approval of LPM**

(i). The Authority is well aware that presently there is severe shortage of electricity in the country and there is huge Supply-Demand gap. In view of this, the Distribution Companies are facing difficulties in serving their consumers on a continuous basis. Due to this prevailing situation, the Industrial Units are forced to make their alternate arrangements to meet their electricity requirements including Self-Generation as well as purchasing from other Generating Companies.

(ii). In this particular case, one of the existing consumers of LESCO in the name of STML located adjacent to KML, intends purchasing power from KML using HFO, as it is facing load-shedding not only from LESCO but also from SNGPL for supply of Natural Gas. On account of this, STML which is an export oriented unit is facing severe operational problem as at least one shift is not being operated. On account of this, STML is losing its export orders resulting in eroding of precious foreign exchange. In consideration of the said, the Authority considers that the proposal of KML for supplying STML only HFO based surplus electricity is worth considering as this will help STML to operate at its full capacity which will enable it to meet its foreign export orders.

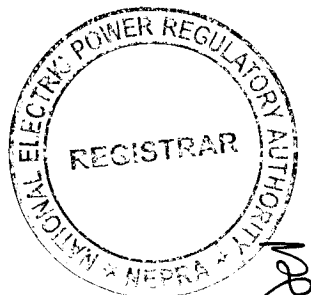
(iii). It is clarified that pursuant to Section 22 of the Act, the Authority is competent allowing a Generation Company to sell to a BPC whereas, BPC is a consumer which purchases or receives electric power, at one premises, in an



amount of one megawatt or above. According to the information submitted, STML will purchase 3.00 MW of electric power from KML. In view of this, it is clear that for the purpose of supply of electric power, SMTL may be considered a BPC of KML under the Act. The Section 2(v) of the NEPRA Act, provides that the ownership, operation, management and control of distribution facilities located on private property and used solely to move or deliver electric power to the person owning, operating, managing and controlling those facilities or to tenants thereof is not included in the definition of "distribution". It is clarified that the proposed distribution facilities (consisting of an 11 KV underground cable measuring about 350 ± 50 meters) to be used for delivery of electric power to SMTL are located on private property (without involving any public property or any other third party) will be owned, operated, managed and controlled by SMTL. Therefore, the supply of electric power to SMTL by KML does not constitute a distribution activity under the Act, and no change in the existing Distribution Licence of KML will be required.

(iv). In accordance with Rule 6 of the NEPRA Licensing (Generation) Rules 2000 (the Rules), the licensee is allowed to charge only such tariff for the provision of electric power as may be determined approved or specified by the Authority. In view of the said, the Authority hereby directs KML and SMTL for submitting the draft/initialed Power Purchase Agreement (PPA) for its approval for charging the agreed tariff subsequent to the approval of the PPA, in accordance with Rule 6(1)(b) of the Rules.

(v). The existing Installed capacity of KML is 31.23 MW. Out of this, 13.35 MW is generated through Natural Gas (Using 3 x 1.95 MW Gas Engines and 1 x 7.5 MW Gas Turbines) and 17.88 MW using HFO NIIGATA Engines. It is pertinent to mention that earlier KML in the year 2007 communicated an LPM for enhancement in capacity from 25.38 MW to 31.23 MW. The Authority in its Regulatory Meeting (RM-08-057), held on February 27, 2008 approved the same in principle. However, the said LPM could not be issued due to fact that KML decided to re-route the 11 KV Cable used for supplying to its BPC. However, now KML has decided to keep the original arrangement. Therefore, paving the way for issuance of previous modification as well. However, as now KML has communicated this LPM for addition of another BPC, therefore, the Authority

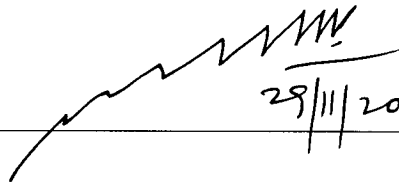


combines the previous Modification with the instant Modification of addition of a BPC.

(vi). In view of the above, the Authority therefore in terms of Regulation 10(11) of the Regulations hereby approves the communicated LPM in the Generation Licence of KML Accordingly, the already granted Generation Licence (No. SGC/007/2001, dated August 01, 2001) in the name of KML is hereby modified. The revised Face Sheet indicating the required changes along with Revised/Modified Schedule-I Schedule-II and Second Tier Supply Authorization of the Generation Licence are attached as Annexure to this determination. The grant of the LPM would be subject to the provisions contained in the NEPRA Act, relevant rules framed there under and terms and conditions of the Licence.

**Authority**

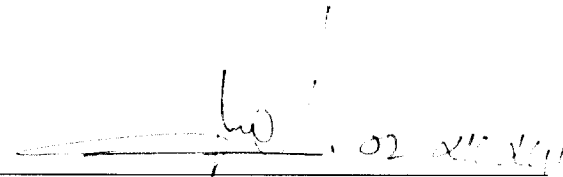
Habibullah Khilji  
Member

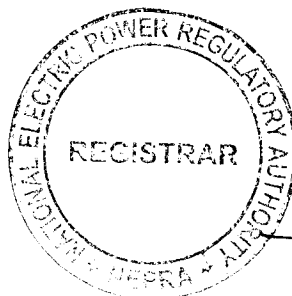
  
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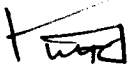
Maj (R) Haroon Rashid  
Member


  
21/11/13

Khawaja Muhammad Naeem  
Member/ Vice Chairman

  
02/12/13





  
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