



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/LAG-53/ 233-35

January 03, 2014

Mr. Kamran Shahid
Chief Financial Officer
Kohinoor Mills Ltd (KML)
8th KM, Manga Raiwind Road
District, Kasur
Phone: 042-111-941-941

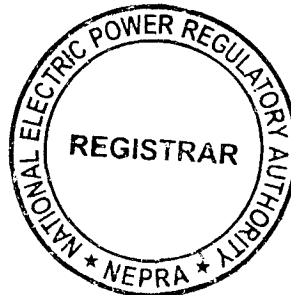
Subject: **Modification-IV in Generation Licence No. SGC/007/2001 —
Kohinoor Mills Ltd (KML)**

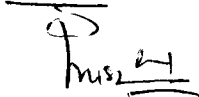
Reference: *Your letter No. nil dated June 28, 2013*

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 determination of Authority in the matter of Licensee Proposed Modification of Kohinoor Mills Limited along with Modification-IV in the Generation Licence No. SGC/007/2001, attached as Annex-II, as approved by the Authority.

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)

Determination of Authority
in the Matter of Licensee Proposed Modification (LPM) of
Kohinoor Mills Limited

January 03, 2014
Application No. LAG-53

(A). Background

(i). The Authority has granted a Generation Licence (No. SGC/007/2001, dated December 08, 2001) and a Distribution Licence (No. 15/DL/2006, dated November 14, 2006) to Kohinoor Mills Limited (KML).

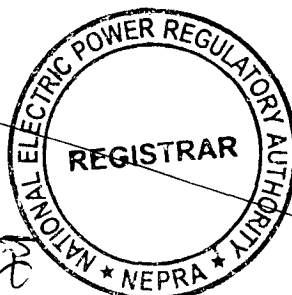
(ii). KML, a Small Power Producer (SPP) is maintaining its Thermal Generation Facilities and Distribution Facilities located at 8-KM Manga Raiwind Road, District Kasur in the Province of Punjab.

(iii). Furthermore, the Authority has also granted/allowed a Second Tier Supply Authorization (STSA) to KML for supplying to one (01) Bulk Power Consumer (BPC) in the name of Sameen Textile Limited (SMTL).

(B). Communication of LPM

(i). KML through its correspondence of June 28, 2013 communicated an LPM in its Generation Licence as stipulated in Regulation 10 of NEPRA Licensing (Application & Modification Procedure) Regulations, 1999 (the Regulations).

(ii). KML in its "Reason in Support of Modification" stated that an adjacent facility i.e. Hira Textile Mills Limited (HTML) has undergone an agreement with it for the purchase of Electric Power as its BPC. The proposed



arrangement will require a HT crossing of the Raiwind-Manga Road where Feeder/Transmission Line of LESCO and Gas Supply lines of SNGPL also exist. Regarding, the "Text of the Proposed Modification" KML submitted that proposed addition of HTML as a BPC is in accordance with Section 22 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the NEPRA Act).

(iii). 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

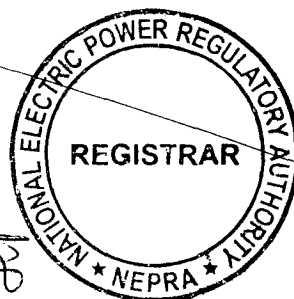
(i). After completion of all the required information as stipulated under the Regulation 10 (2) and 10 (3) of the Regulations by KML, the Registrar accepted the LPM as required under the Regulation 10 (4) of the Regulations.

(ii). The Registrar in terms of Regulation 10 (4) of the Regulations published on August 08, 2013 a notice about the LPM in one English and one Urdu daily newspapers, inviting general public, stakeholders and interested affected parties about the same, seeking their comments in favor or against the communicated LPM.

(iii). Furthermore, separate notices were also sent to Experts, Government Ministries and Representative Organizations etc. for submitting their views and comments in the matter.

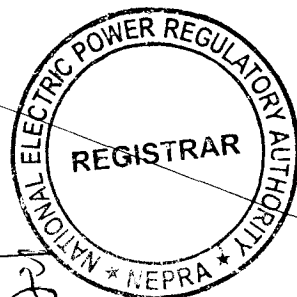
(D). Comments of Stakeholders

(i). In reply to the above, the Authority received comments from four (04) stakeholders. These included Central Power Purchasing Agency (CPPA) of National Transmission and Despatch Company Limited (NTDC), Sui



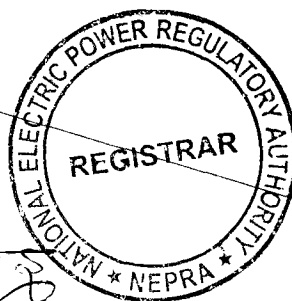
Northern Gas Pipelines Limited (SNGPL), Ministry of Water and Power (MoW&P) and Lahore Electric Supply Company Limited (LESCO). The salient points of the comments offered by the above mentioned stakeholder are summarized in the following paragraphs: -

- (a) CPPA expressed its no reservation on the LPM of KML subject to the meeting of all the conditions as stipulated in the NEPRA Licensing (Generation) Rules, 2000 (the Rules) as amended to date;
- (b) SNGPL in its observations stated that KML has gas allocation for power generation for self consumption only. As per terms of gas allocation, KML cannot sell power outside its boundary wall even to its sister concerns and such an act on its part tantamount to violation of the Gas Supply Agreement as well as the undertakings executed by it at the time of availing gas allocation and its gas supply is therefore, liable to be disconnected. SNGPL strongly objected to the LPM and urged for cancellation of Generation Licence for selling power outside its factory premises;
- (c) MoW&P in its observations stated that KML is a licensee for power generation. The stated reasons for proposed LPM in the existing Generation Licence are to extend its power supply business to adjacent factories by laying of connecting distribution lines through the distribution area of LESCO. Ministry understands that the intentions mentioned here required a Distribution Licence instead of modification of the existing Generation Licence;
- (d) LESCO submitted that HTML is its BPC (under Reference No. 24-11919-9004200-U) having sanctioned load of 4900-KW. LESCO stated that KML cannot lawfully sell power to a BPC



of LESCO by applying for LPM to include HTML, as its BPC under Section 22 of Regulation of Generation, Transmission and Distribution Act, 1997 (the NEPRA Act). Under Section 22 of the NEPRA Act the honorable Authority was empowered to allow any generation company to sell electric power to BPC in the Service Territory of a distribution company only for a period of fifteen (15) years from the date of NEPRA Act. As such this period has already expired in December 2012. In view of the said, the honorable Authority lacks lawful authority and power to now allow KML to sell electric power to HTML. Moreover, HTML being a BPC of LESCO was bound under subsection-2 of section 22 of NEPRA Act to give three (3) year prior notice to LESCO. It is neither permissible under the Utility Practices nor any law that a BPC can have two separate electric power connections from two separate, distinct and independent companies/sources at the same time therefore, HTML cannot be allowed to have two independent connections simultaneously from LESCO and KML. That it also appears that the proposed lines for provision of proposed connection by KML to HTML, will cross LESCO Service Territory therefore LESCO seriously objects to any such arrangement. LESCO reserves the right to substantiate its comments on receipt of copy of the applicant along with its annexure.

(ii). The perspective of KML on the aforesaid positions of SNGPL, MoW&P and LESCO was sought. In reply to the observations of SNGPL, it was submitted that KML was generating power from its Gas connection for Self-Consumption only and has never intended supplying electricity thus generated to any other party. KML stated that the prospective BPC (i.e. HTML) has already got gas connection for its captive power unit (SNGPL Acct ID: 62207410002 INDCAPPW-G) and electricity connection (LESCO Consumer/Reference No: 24119199004200U). HTML generates its own power



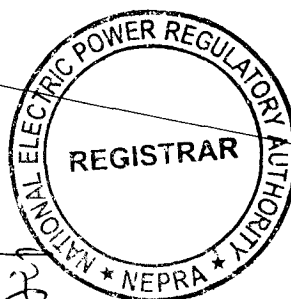
using gas. In gas load-shedding period, it switches to LESCO supply but in simultaneous load-shedding of electricity and gas, it has no alternate stand-by arrangement. Accordingly, KML intends to supply electricity to HTML from its furnace-oil based engines, when there is simultaneous load-shedding. The average cost of generation for this type of fuel is much more than gas and LESCO and there is no economic rationale for HTML to purchase electricity from KML when it has the gas or LESCO supply available. The Generation Licence of KML authorizes generation using other fuels including HFO/RFO. KML stated that these facts would satisfactorily address the concerns raised by SNGPL in this regard.

(iii). On the observations of MoW&P, the Licensee/KML submitted that it intends supplying HFO/RFO based electricity to HTML and as per its understanding there is no need for a modification in its existing Distribution Licence. The Authority is hereby requested for a suitable advice in the matter if the same is required.

(iv). Regarding the objections of LESCO, it was submitted that the proposed BPC (i.e. HTML) would be purchasing HFO/RFO based electricity during the time when there would be load-shedding on the network of LESCO. Further, KML submitted that the proposed line/feeder for supplying to HTML would be laid underground. In this regard, any legal formality as directed by the Authority would be complied with.

(E). Hearing of Stakeholders

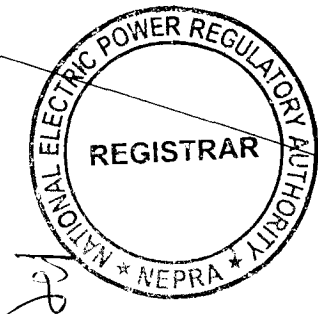
(i). The Authority in its Regulatory Meeting (RM-13-628), held on November 21, 2013 considered the comments/observations of the stakeholders and the rejoinder filed by the Licensee and decided to hold a hearing of the stakeholders. In light of the said directions of the Authority, notices were served to different stakeholders (i.e. SNGPL, LESCO and KML) for hearing to be convened on December 05, 2013. The hearing was convened wherein representatives of KML, HTML, LESCO and SNGPL participated.



(ii). In the hearing, the representative of KML confirmed that its only intention was to supply HFO/RFO based surplus power to HTML which is an export oriented unit, whenever there is no Natural Gas for its Captive Power Plant and Load-shedding on the network of LESCO. The representative of HTML submitted that it would not have been interested for purchasing HFO/RFO based surplus power from KML, had the supply of Natural Gas was not suspended or there was no load-shedding on the network of LESCO. Unfortunately, this is not the case. The winter season has started and supply of Natural Gas can be disconnected at any moment in December which will not be available uptill March 2014. Whereas, LESCO is also not supplying on a continuous basis. With the canal closure in December and non-availability of Natural Gas in winter for the Power Sector, it is very likely that level of load-shedding is likely to rise. That is why, HTML has planned to purchase HFO/RFO based surplus power from KML which though a very costly proposition as it is available at an average cost of around Rs. 23-27/kwh. However, HTML does not have any other option but to purchase this expensive surplus power available from KML. The representative of HTML also confirmed that it does not have any intention to disconnect supply from LESCO. The representatives of LESCO stressed its previous stance as explained at Para D(i)(d) above. The representatives of LESCO stated that laying of any cable/feeder for supplying to HTML will be in violation of its exclusive territory as stipulated in Section 21 of the NEPRA Act and Article 7 of its Distribution Licence. The representatives of LESCO proposed that KML may supply its surplus electric power to its Grid Station in the area and LESCO will supply the same to HTML. However, the representative of HTML did not agree to the same on the pretext that through this arrangement it would not be able to get the available electricity whenever there is load shedding at Grid Station. HTML confirmed that it was planning to purchase this costly energy as during load shedding there is no supply from LESCO. Had LESCO not carried out this load shedding, HTML would not have seeking such an arrangement.

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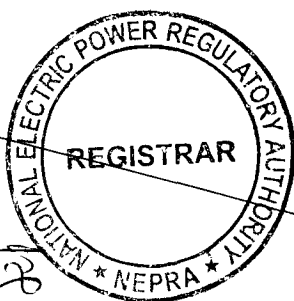
(v). The Authority considered the matter of communicated LPM of KML, the above mentioned comments of the stakeholders, rejoinders of KML and the proceedings of hearing held on December 05, 2013 and decided to proceed further in the matter as stipulated in the Regulations and the Rules.

(F). 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.

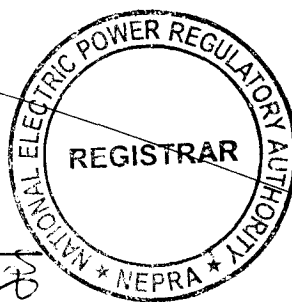
(ii). In this particular case, one of the existing consumers of LESCO in the name of HTML located opposite to KML across the Manga-Raiwind Road, intends purchasing power from KML using HFO/RFO, as it is facing load-shedding not only from LESCO but also from SNGPL for supply of Natural Gas. On account of this, HTML which is an export oriented unit is facing severe operational problem as at least one shift is not being operated. On account of this, HTML 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 HTML only HFO/RFO based surplus electricity is worth considering as this will help HTML 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 Licensee 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, HTML will purchase 4.50 MW of electric power from KML. In view of this, for the purpose of supply of electric power, HTML may be considered a BPC of



KML under the Act. It is pertinent to mention that LESCO in its comments has expressed that the fifteen (15) years period for allowing sale to BPCs has expired. In this regard, it is clarified that under Section 22 of NEPRA Act there is no bar on the Authority to allow a Generation Company/Licensee to make sales to a BPC within service territory of a Distribution Company. The stance of LESCO that fifteen (15) years period mentioned in Section 22 ibid has already expired and therefore no STSA can be granted, is not correct as it entails monopolistic approach which is against the spirit of the NEPRA Act. With regard to three (3) years notice requirement for the BPC/HTML as pointed out by LESCO, it is clarified that the same is required if a BPC intends to stop purchasing power from a Distribution Company. However, in this particular case, HTML has confirmed that it does not have any intention to disconnect supply from LESCO. In fact, HTML will be purchasing the high priced electricity from KML only, once the supply from LESCO is not available to it. Therefore, in view of the scenario of load shedding, insistence of LESCO upon such notice is not justifiable.

(iv). The Section 2(v) of the NEPRA Act, wherein 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". As explained above, the distribution facilities to be used for delivery of electric power to HTML are partially located on private property (of KML and HTML) and a portion on Public Property (i.e. crossing of Manag-Raiwind Road). In view of crossing of the proposed Feeder through the public property, which is part of the exclusive Service Territory of LESCO. Therefore, the construction of Feeder/laying of cable has implications on (a) Modification in the Existing Distribution Licence of LESCO as part of its Service Territory will be carved out to accommodate this Feeder (b) Modification in the Distribution Licence of KML to include this new Feeder for supplying to HTML. In this regard, the Authority does not consider the Modification in the Distribution Licence of LESCO desirable as this will restrict LESCO in performing its duties to provide Distribution Services. In the

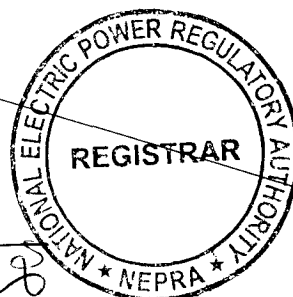


past, the Authority in the case of KESC and Gul Ahmad Textile Mills Limited (GTML) had decided that GTML shall construct distribution lines at its cost and would handover the facilities either on lease basis or through outright sale to KESC (the concerned Distribution Company). KESC was required not to connect these facilities with its main Distribution System. Further, Operation and Maintenance of the facilities may be carried out by GTML or by KESC on mutually agreed terms and conditions. Further, the Authority in the case of Mari Gas Company Limited (MGCL) and SEPCO also gave its determination on the same principle as determined in the case of GTML and KESC. The copies of the determinations of the Authority in the cases of GTML-KESC and MGCL and SEPCO are attached for ready reference. (Annexure-I)

(v). In view of the similar circumstances, the Authority considers that a similar approach can be adopted in this particular case whereby the crossing of feeder/cable be entrusted to LESCO while connecting KML and HTML. In view of the said, the Authority directs KML and LESCO to agree to a mutually beneficial arrangement for laying the feeder/cable to allow KML to supply to HTML without violating the exclusivity of LESCO. In laying the feeder/cable, KML must adhere to all relevant construction, safety and operational standards. However, in case of any dispute the matter shall be referred to this Authority for adjudication and decision.

(vi). In accordance with Rule 6 of 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. Therefore, the Authority hereby directs KML and HTML for submitting the draft 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.

(vii). In view of the above, the Authority in terms of Regulation 10(11) of the Regulations hereby approves the communicated LPM in the Generation Licence of KML for addition of a BPC in the name of HTML. The Authority in view of the objections of SNGPL directs KML to ensure that it supplies HTML

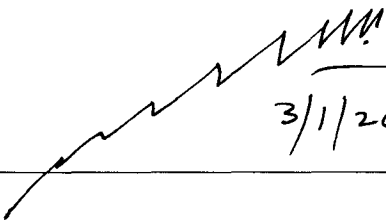


only the RFO/HFO based electric power. Further, the Authority directs KML to physically and electrically isolate its Natural Gas based Engines and the HFO/RFO Engines to avoid any possibility of supplying Natural Gas based electricity to HTML. Accordingly, the already granted Generation Licence (No. SGC/007/2001, dated August 01, 2001) in the name of KML is hereby modified.

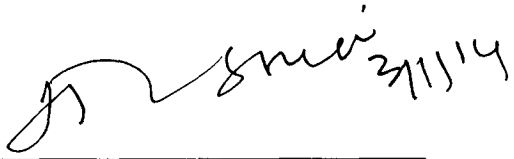
(viii). The revised Face Sheet indicating the required changes along with Revised/Modified Schedule-I, Schedule-II and STSA of the Generation Licence are attached as Annexure-II to this determination. The grant of the LPM would be subject to the provisions contained in the NEPRA Act, relevant rules framed there under and terms and conditions of the Licence.

Authority

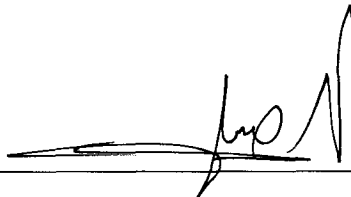
Habibullah Khilji
Member

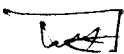

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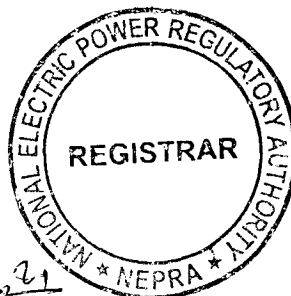
Maj. (R) Haroon Rashid
Member


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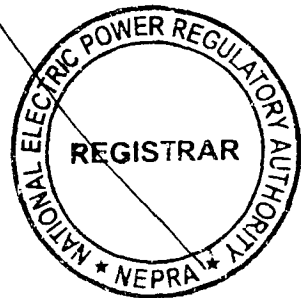
Khawaja Muhammad Naeem
Member/Vice Chairman


03.01.14





Annexure-I




Decision of the Authority in the matter of clarification sought by Gul Ahmed Textile Mills Ltd., (GATML) from NEPRA regarding the requirements of a Generation Licence if power is supplied to two of its consumption units through distribution lines crossing public property.

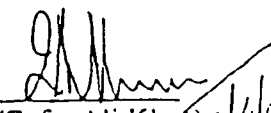
The Authority has considered all relevant aspects of the case and the Report of the Tribunal constituted vide Office Order No. NEPRA/R/LAG-30/2749 dated 20-2-2006 and decides as follows:

- (i) As agreed between GATML and KESC, GATML shall hand over to KESC ownership, operation, management and control of the Distribution facility crossing over public property required to be used for movement and delivery of electricity for consumption by GATML's newly built stitching units no.9 and 10 at mutually agreed terms and conditions.
- (ii) The Distribution facility mentioned at (i) above, hereafter called as KESC-GATML Dist. System or "KGDS", consequent to the taking over by KESC; shall become a part of the Distribution System of KESC.
- (iii) The matter of construction of KGDS as an underground system in accordance with KESC's approved standards of construction and design and the system being maintained and operated by KESC as an isolated system as requested by GATML should be decided by mutual agreement between KESC and GATML.
- (iv) Pursuant to (i) and (ii) above and subject to KESC agreeing to retain and maintain the KGDS as an isolated system (with no direct or indirect inter-connection with the remaining KESC Distribution system), KESC may allow for the purpose of consumption by GATML's newly built units no.9 and 10, inter-connection and usage of the KGDS to move and deliver power to GATML stitching units no.9 & 10 in accordance with the NEPRA Act, the applicable documents and the terms and conditions of the Licence granted to KESC for Distribution and Generation.
- (v) KESC should provide to NEPRA copies of mutual agreement made with GATML pursuant to (i), (iii) and (iv) above and inform NEPRA prior to any intended modification/alteration in the mutually agreed arrangement intimated to NEPRA.

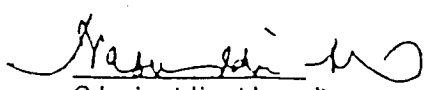
(*)




(Abdul Rahim Khan)
Member



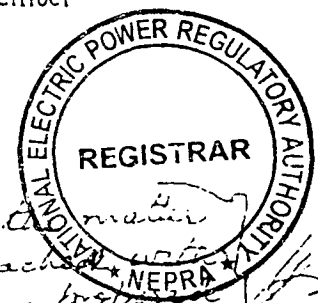
(Zafar Ali Khan) 7/4/06
Member

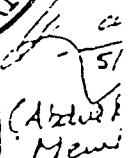


(Nasiruddin Ahmed)
Member



Lt Gen (R) Saeed uz Zafar
Chairman



(*) I have already recorded my decision in information
on 21.2.2006, made part of and attached with
the decision w.r.t R-(0643). The above proposed
decision consequent to the meeting of R-06-093 is
agreed to only to the extent of consistency with
my earlier decision of 21.2.2006 attached herewith.
021

(Abdul K. Memon)
Member

Decision of Member Abdul Rahim Khan in the matter of clarification sought by Ahmed Textile Mills Ltd., (GATML) from NEPRA regarding the requirements of a Generation Licence if power is supplied to two of its consumption units through distribution lines crossing public property.

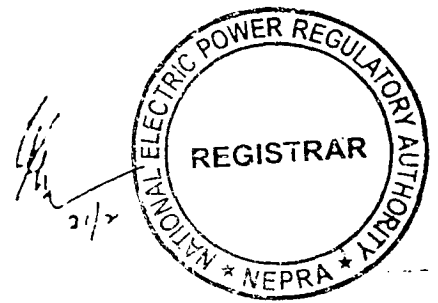
1. I have considered the request of GATML of July 13, 2005, the information provided to me in the meeting of the Authority (06-43) held on February 16, 2006, the communication of KESC dated January 5, 2006 and the view point provided in the working paper. My decision is recorded in accordance with Section-6 of the Act as under:

2. GATML is a concern engaged in textile production (textile mill) comprising of a number of units carrying out independent operation in close proximity to each other. GATML has been producing power within its premises and was providing power to a number of sub units under the condition of consumption solely by the person owning, operating, managing and controlling the generating facility called heretofore as "self consumption". GATML intends to supply electric power to two of its stitching units located at Mill No. 9 & 10 from its generation facility situated at Mill No. 6 & 4 respectively. However in each of the two cases electric power has to be moved and delivered through Distribution Lines traversing roads which are not private property i.e. roads used by public.

3. GATML has solicited clarification from NEPRA whether provision of power generated at its Mills No. 6&4 to new units at Mills No. 9&10 respectively by movement and delivery through Distribution System traversing 34 meters over public roads can qualify for exemption from Generation as defined under the Act.

4. The two new stitching units situated at Mills No. 9&10 and the remaining premises of GATML fall within the KESC Distribution territory. Karachi Electric Supply Company (KESC) has been granted a Distribution Licence which provides an exclusive right to carry out Distribution business in a specific territory (KESC Area). Since Distribution includes sales to consumer in the exclusive territory, only KESC can sell to consumers in the KESC Area, save to the extent that consumers who qualify as Bulk Power Consumers (BPCs) can purchase electricity from generation Licensees pursuant to Section 21, 22 of the Act. KESC when asked to comment in the matter has expressed its view point vide its communication dated January 5, 2006, requesting that the matter may be decided by NEPRA keeping in view the exclusivity of the distribution area of KESC.

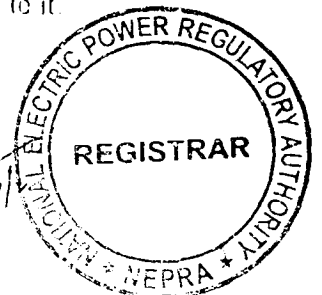
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The request of GATML has to be responded in the context of the application of the act and the terms and conditions of the licenses granted to KESC and whether the proposed activity of GATML would require a generation license.

6. The proposal of GATML to supply power to two of its consuming units through Distribution System of KESC (whether KESC own system or through assets handed over by GATML) would involve distribution activity by a person other than the owner /operator of the generation plant or the consumer. Therefore, the proposed activity would fall under Section 22 of the Act if a BPC is involved. As such, if movement or delivery for the purpose of sale to a consumer within KESC Area is involved where the consumer does not qualify as a BPC; then only KESC, on account of its exclusive right acquired through the Distribution Licence granted to it, can sell to such consumers. Units No. 9&10 would also become consumers served in the KESC area if they are provided power through a Distribution system passing over public property and which falls in the exclusive territory of KESC.
7. The exception granted in the definition of Generation under the Act to qualify for being absolved from the requirement of a generation licence and fall under self consumption, can not be stretched to cases where a person consuming supply at two locations (separated by property not owned by that person and over which movement and delivery is carried out by a Distribution Company having exclusive rights) carries out production at one of the premises and consumption of a part thereof at the other premises.
8. A necessary condition for the exclusion of electricity production from the definition of generation activity and consequent absolvment from the requirement of a generation license is the absence of any direct or indirect interconnection with the Distribution System or Transmission system of any other licensee. Interconnection of GATML generation with KESC distribution system would require matters of synchronization with KESC system, protection, security and safety to be addressed which will not be possible if GATML generation is not regulated. This condition of absence of interconnection is not satisfied in the case of GATML supplying power to some of its production units through inter connection with KESC Distribution System.
9. In the case under consideration, if units No. 9&10 qualify as BPCs and GATML after obtaining a generation license is granted second tier supply authorization then, GATML using the KESC distribution system involved may supply power to units at Mills 9&10 and pay to KESC distribution charge (as determined by the Authority) in accordance with the second tier supply authorization allowed to GATML under a generation license granted to it.

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10. In any case GATML would require a Generation License if an intermediate link of distribution is required to move and deliver power to any of its units. The exception of being absolved from the requirement of a generation license and the status of self generation can only be maintained till power is produced by a person and delivered for its own consumption within its premises without the requirement of use of a distribution facility as a link between production and consumption.

11. The matter whether GATML constructs a distribution link and hands it over to KESC or makes use of KESC distribution to provide power to its consumers as second tier supplier has no bearing on the case. GATML can not own or operate, manage or control any distribution facility passing over public property (irrespective of the size of the facility) in the exclusive territory of KESC.

12. GATML and KESC may be informed accordingly. KESC and GATML can be called to a meeting at NEPRA main office if any further clarification is required regarding GATML providing power to units 9&10 after obtaining a generation license.

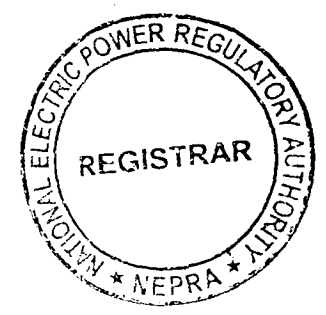
Abdul Rahim Khan
21, 02-2006
Abdul Rahim Khan
Member

Chairman → *[Signature]*

Registrar *[Signature]*

Director Co-ordination. *[Signature]* 21/2/06

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B

1 of 3

**TRIBUNAL REPORT
ON**

power Supply by Gul Ahmed Textile Mills Limited Karachi to its new Units

1 The Authority, vide Office Order No. NEPRA/R/LAG-30/2749 dated 20-2-2006, constituted a Tribunal under Section 11 of the NEPRA Act (Annex 1) to hold joint hearings with KESC and Gul Ahmed Textile Mills Limited, Karachi and collect necessary information and forward its decision for Authority's determination for the supply of power by Gul Ahmed Textile Mills Limited to its new units.

Background

2 M/s. Gul Ahmed Textile Mills Ltd. (GTML) vide letter no. nil, dated July 13, 2005 (Annex 2) submitted that they have been maintaining a number of units in their Textile Mills named as Gul Ahmed Unit no. 1,2,3 thru Unit no. 11. GTML in their letter stated that they are having captive power generation plants for self-consumption by their units 1-11. No sale or commercial operation is involved in the entire power generation process and they are supplying power to their own units, which are located adjacent to each other. According to GTML it intends to supply power to their newly built stitching units 9 & 10 which are located across the road from their existing power houses located in unit no. 6 and unit no. 4 respectively.

3 A report on the site visit carried out by Director Licensing and the Registrar on July 23, 2005 is placed at Annex 3. The Report confirms that GTML are not supplying power to any other person. The two newly built units no. 9 & 10 are located across the road approximately at a distance of 33-34 meters from their respective source of power, as detailed hereunder:

<u>Source of Power</u>	<u>Power to be supplied to Newly Built Units</u>
Power Plant within Unit No. 6 (6.4 MW gas operated)	Unit No. 9
Power plant within Unit No. 4 (8 MW gas operated)	Unit No. 10

Requirement of Generation or a Distribution Licence under Nepra Regime

4 Pursuant to NEPRA Act, a generation licence will be required by a person who owns, operates, manages or controls the generation facility for delivery or sale of electric power, however a generation licence will not be required, if generated power is solely for self-consumption by the person owning, operating, managing and controlling those facilities.

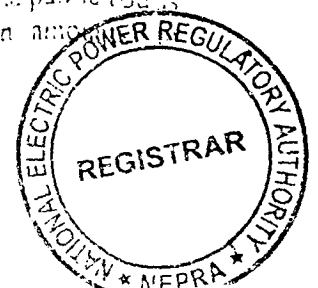
5 In the instant case GTML is not selling power to any other person; it will be supplying power to itself with the qualification that its loads are located across the public roads. Since the generated power will be used solely by the person owning generation facilities, therefore according to definition 2(xi) of the Act, it will be a case of self-consumption; a generation licence will not be required.

6 The premises of GTML Units 1-11 are located within the service territory of the KESC. GTML proposes to supply power to its newly built units 9 & 10 located across the public roads through laying underground cables. According to the Act such an action amounts to

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'distribution' which can not be carried out without a distribution licence. Since KESC already holds a distribution licence, therefore, GTML cannot be allowed to construct a distribution facility beyond the boundary wall of its premises on the public property, which falls in the service territory of KESC. Theoretically GTML can apply for a distribution licence; however that would, not only require KESC's permission but exclusion of territory from KESC and modification in its distribution licence would also be needed. Therefore this approach might not represent an efficient solution.

NEPRA Proposal

7. The following proposal was made to KESC and GTML for their consideration;

- (i) GTML to construct distribution lines at its cost while following KESC's construction standards;
- (ii) GTML would handover such facilities either on lease basis or through outright sale and those facilities would be included in KESC's rate- base who would get return on these 'assets' through its tariff;
- (iii) KESC would not connect these facilities with its distribution network and these facilities would operate as dedicated distribution lines;
- (iv) Operation and maintenance of these lines may be carried out by GTML (on KESC behalf) or by KESC on mutually agreed terms and conditions.

The above proposal essentially makes KESC responsible for distribution activity as it will own distribution facilities located on a public property while providing GTML with reliable power generated through its own generation facilities. As KESC would not be required to relinquish the control of its service territory, therefore the proposal not only recognizes the exclusivity of KESC to carry out distribution function within its Service territory, it also provides an opportunity to GTML for the continuity of reliable power supply while remaining within the ambit of the Act.

8. The Tribunal held a joint hearing at Karachi on March 1, 2006 with both the Parties represented by their respective chief executives (list of participants attached as Annex 4) and obtained their views about NEPRA's proposal sent earlier to KESC. KESC and GTML both agreed with the principles of the proposal. They also agreed to further discuss it and report to NEPRA about their position. The Tribunal also visited the 'site' to verify finding of the Report at Annex 3 submitted by Director Licensing and Registrar. The Tribunal confirms the findings of the report.

9. Vide Letter, Ref. No. Legal/NEPRA/06/87 dated 9 March 2006, KESC's deputy Chief Law Officer has informed as follows:

"Both the parties have come up with a bilateral agreement which is forwarded to the Authority for its approval before the said is executed between both the parties."

A bilateral agreement (initialed) between Karachi Electric Supply Corporation and Gul Ahmad Textile Mills Limited supplied by KESC is attached as Annex 5 to the Tribunal Report.

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Observations of TRIBUNAL

10 The Tribunal feels that the question posed by GTML for the Authority's consideration is of great importance. Expansion in any business operation is quite natural. This is especially true for large industrial concerns which grow as the overall economy of the country expands. The Tribunal also recognizes that reliable electricity is one of the critical inputs for those industries which are required to compete in the international markets. Given the quality of power supply through Discos, in general, it is felt that most of the industrial consumers would prefer to have their own set up for a reliable power supply, rather than to go for supply through Discos' network.

11 Large industrial consumers, cognizant of their needs have made huge investments in setting up their own generation facilities for self consumption and if such investments are not utilized to their full potential it is a waste of economic resource of the country. Therefore if an industrial consumer expands itself, has sufficient power to support its new units and decides to do that, NEPRA may look favourably to such proposals and facilitate them in the larger national interest. It becomes all the more important when such facilitation can be done without violating NEPRA Act and its rules.

Decision

12 Pursuant to the requirement stipulated in the Office Order the Tribunal decides for the Authority's determination as follows;

- (i) that the power supply arrangement by Gul Ahmed Textile Mills Limited Karachi to its new units from its own generation facilities can be handled through NEPRA's proposal without any violation of the provisions of NEPRA Act.
- (ii) that both KESC and Gul Ahmed Textile Mills Limited have agreed to the proposal as is evident from their letter at Annex 5.
- (iii) that in view of (i) and (ii) the Authority may approve the arrangements and the bilateral agreement attached at Annex 5 as requested by KESC through its letter No. Legal/NEPRA/06/87 also at Annex 5.
- (iv) that the Authority may decide every case on its own merits, however the principles may be established here.

Waseem Anwar Bhinder
 Waseem Anwar Bhinder
 (Member of the Tribunal)

Amir Zia
 Amir Zia
 (Member of the Tribunal)

Hussain Zaigham 16 March 2006
 Hussain Zaigham
 (Convener of the Tribunal)

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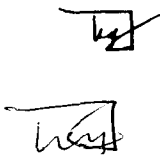
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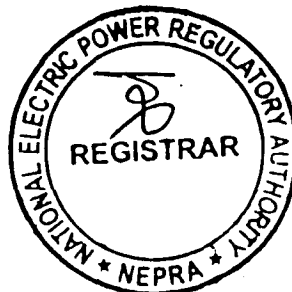
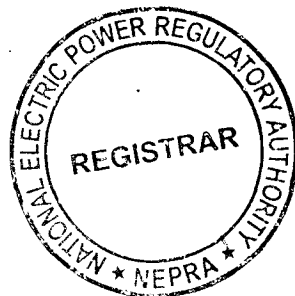
Decision of the Authority
Regarding Request of Mari Gas Company Limited for Laying of
Transmission Line

The background of the matter is that Mari Gas Company Limited (MGCL) filed a petition with the Authority stating that in order to meet the drinking water requirements of its offices/residential colony at Daharaki, a Water Pumping Station has been installed near the bank of the Nara Canal. MGCL further stated that presently the electricity to the Pumping Station is being supplied through Sukkur Electric Power Company Limited (SEPCO), which is not stable and reliable. Additionally, MGCL explained that it plans to supply the said Pumping Station a stable supply of electricity by constructing an 11 KV Feeder, connecting the Pumping Station with its generation facility and for this, necessary NoC may be granted.

(2). In order to ascertain the factual position and considering the fact that the Authority has granted an Exclusive Distribution Licence to SEPCO, a site visit of the existing Generation and Distribution Facilities was carried out by Dy. Director (Licensing) which revealed the following:-

- (a). MGCL owns, operates and maintains a Captive Power Plant (CPP) with a total Installed Capacity of 5.00 MW (consisting of 2 x 0.60 MW + 1 x 3.8 MW Gas Turbines);
- (b). Apart from the above CPP, MGCL is also a Consumer of SEPCO and is getting one point supply at C-1 (b) tariff through a 750 KVA Transformer. MGCL is currently using this connection as a backup facility, in case its CPP is out of Service due to some reason then supply of SEPCO is used for feeding its residential colony and offices;



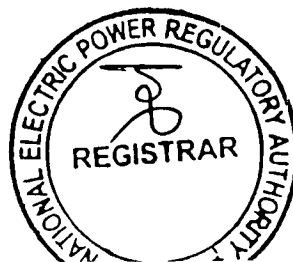


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- (c). The Water Pumping Station of MGCL is located about 3.6 KM from its offices/residential colony/CPP, near Nara Canal and is used for meeting with all the water requirements of the residential colony and offices. The Water Pumping Station is currently fed through an 11 KV Feeder passing nearby and using a 200 KVA Transformer installed there, on B-2 tariff;
- (d). MGCL plans to supply the Water Pumping Station from its above mentioned CPP, by constructing an 11 KV feeder, measuring about 3.6 KM in length;
- (e). The route of the proposed 11 KV Feeder is partially fenced and more than 2/3rd of the route is still unfenced. Although, MGCL confirmed that the remaining portion of the route would soon be fenced. All the Right of Way (ROW) except the crossing as explained below is the property of MGCL and is in its possession;
- (f). The proposed 11 KV Feeder would cross two 11 KV Feeders of SEPCO. One crossing would be at about 1.5 KM from CPP near the metaled road (public property). Whereas the other one would be at the termination of the proposed 11 KV Feeder. MGCL confirmed that both crossing would be made through underground cable. Apart from the one metaled Road crossing, there would be another two crossing of Katcha Road (public property);

(3). The Authority in its Regulatory Meeting (RM-12-408), held on July 03, 2012 considered the Site Visit Report relating to the above request of MGCL and decided to seek Comments of SEPCO. In the light of the above directions of the Authority, SEPCO was directed to file its comments in the above mentioned matter.

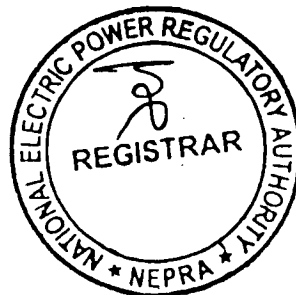
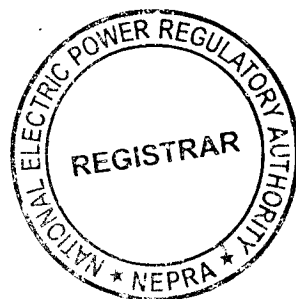
(4). SEPCO submitted that the proposed 11 KV line from Power House of MGCL to Water Pumping Station would cross the existing Distribution Network



of SEPCO. It cannot surrender the required corridor to MGCL (or any other party) as it will not only result in revenue loss to SEPCO but it will increase safety threats to field staff of SEPCO. 167

(5). The above observations of SEPCO were considered by the Authority in its Regulatory Meeting (RM-12-531), held on September 19, 2012. The Authority decided to hold a Hearing of the stakeholders (i.e. MGCL and SEPCO) and the same was convened on October 10, 2012. The hearing/Meeting was attended by the representatives of the said stakeholders. MGCL was represented by Mr. Sarfraz Nawaz Bugti Assistant Chief Engineer and Mr. Munir Ahmed Memon Manager Public Affairs whereas Mr. Noor Ahmed Dayo Chief Engineer/Technical Director and Mr. Sattar Bux Soomro Additional Manager (Legal) appeared on behalf of SEPCO.

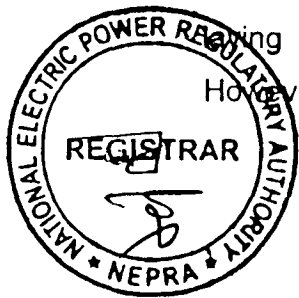
(6). The representatives of MGCL and SEPCO were given opportunity to present their position in the matter. The representatives of MGCL expressed that water being the basic necessity for the residential colony is required round the clock. The water is brought through a pipeline from a pumping station located about 3.6 KM away from the colony. The existing supply to pumping station is from an 11 KV Feeder of SEPCO which is also supplying to other villages also. Being rural feeder, the Power supply from this feeder is not stable and extensive loadshedding of 12-16 hours is being carried out. Due to this the supply of power to pumping station is intermittent stopping the operation of the pumping station and resulting in interruption of the water supply to housing colony. In order to supply stable power to the pumping station for its continuous operation MGCL plans to lay an 11 KV Feeder on H.T. Steel Structures connecting the pumping station with the CPP. It was further stated that the whole corridor/Right of Way in which these poles would be installed, is owned by MGCL therefore, permission may be granted for laying the feeder so that power supply to pumping station is stabilized allowing it to operate on a continuous basis thus not affecting the supply of water to the colony and offices. 1



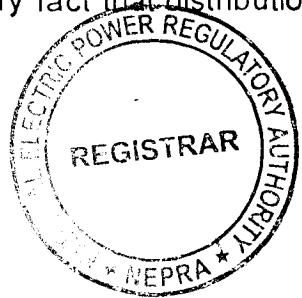
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(7). The representatives of SEPCO were also given a chance to present their views/point of view in the matter. It was explained that the Authority has granted an exclusive Distribution Licence to SEPCO under Section 20 & 21 of the NEPRA Act. According to the said provisions of the NEPRA Act read with Article 7 of its Distribution Licence, SEPCO has exclusivity in providing distribution Services in its exclusive Territory. The proposal of MGCL is in violation of the NEPRA Act and provisions of the its Distribution Licence. SEPCO is capable of laying of such a feeder as is being desired by MGCL on cost deposit basis. The representatives of SEPCO further explained that there do exist a number of 11 KV H.T. and L.T. in the area. The proposed 11 KV Feeder of MGCL will cross these existing H.T. and L.T. feeders of SEPCO which will not only cause operational problem for the safety line staff but will also hinder any future expansion of their system in the area. In view of the said, SEPCO stressed that request of MGCL may be rejected.

(8). After hearing the arguments of the parties the Authority decided that the current request of MGCL for the grant of NoC was not in accordance with the Section 2 (v) of the NEPRA Act. Therefore the same was not tenable. The Authority also deliberated the consequences if MGCL is allowed such a feeder which is constructed, owned and operated by it. The Authority observed that the in such a case, MGCL will require a Distribution Licence under Section 20 & 21 of the NEPRA Act. However, considering the fact that the proposed Feeder will be in the Service Territory of SEPCO, a modification in it will also be required. However, considering the fact the SEPCO is not willing to surrender part of its Service Territory in favor of MGCL, the same can only be done in ensuring Public interest through an Authority Proposed Modification as stipulated in Regulation 10 of the NEPRA Licensing (Application and Modification Procedure) Regulations 1999. However, the modification if done, will require MGCL to have a Distribution Licence which according to the Section 20 & 21 of the NEPRA Act will give exclusive right to MGCL within its defined Service Territory. In view of this, it will restrict SEPCO from any expansion in the distribution services and laying of lines in the area for which MGCL will have a Distribution Licence. However, considering the very fact that distribution facilities of SEPCO already



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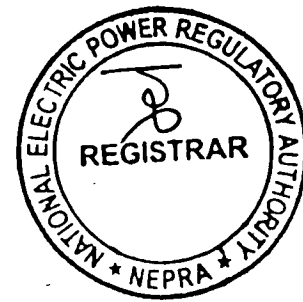
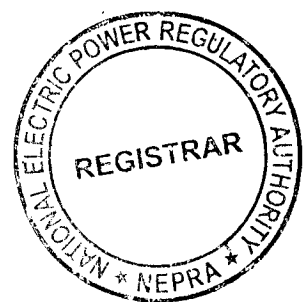
exist and considering the load growth in the area, it is very likely that SEPCO will require to lay feeders in the area for which MGCL is interested. The Authority considers that the only concern of MGCL is that it requires a stable power supply for its water pumping station from its own Power House. The Authority considers that the objectives can be easily achieved through the following arrangement:-

- (a). MGCL to construct an 11 KV Feeder/Distribution Line at its cost while following construction standards of SEPCO;
- (b). MGCL will handover such facilities either on lease or thorough outright sale and these facilities will be included in rate-base of SEPCO and it will get return on these "Assets" through its tariff in accordance with law;
- (c). SEPCO will not connect the above facilities with its distribution network and these facilities would be operated as dedicated distribution lines;
- (d). Operation and Management of the above Feeder/Line(s) may be carried out by MGCL (on behalf of SEPCO) or by SEPCO on mutually agreed terms and conditions.

or

- (a). SEPCO itself construct a dedicated 11 KV Feeder/Distribution Line at the cost of the MGCL as a deposit work;
- (b). The above constructed feeder will be included in rate-base of SEPCO and it will get return on these "Assets" through its tariff in accordance with law;

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(c). SEPCO will not connect the above facilities with its distribution network and these facilities would be operated as dedicated distribution lines;

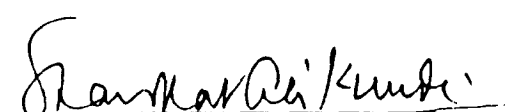
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(d). Operation and Management of the above Feeder/Line(s) may be carried out by MGCL (on behalf of SEPCO) or by SEPCO on mutually agreed terms and conditions.

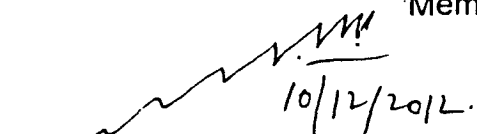
(9). The above proposal essentially will make SEPCO responsible for the distribution activity as it will own distribution facilities located on public property while providing MGCL with reliable power generated through its own generation facility. SEPCO will not be required to relinquish the control of its service territory, therefore the proposal not only recognizes the exclusivity of SEPCO to carry out distribution function within its Service Territory, it also provides an opportunity to MGCL for continuity of reliable power supply while remaining within the ambit of the NEPRA Act.

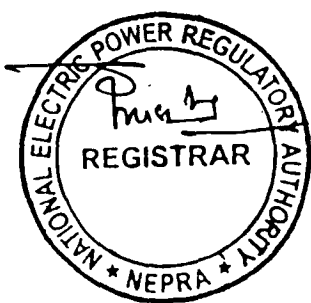
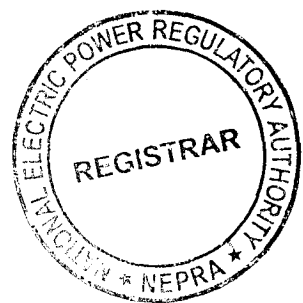
(10). Any of the above arrangement agreed between the parties (i.e. SEPCO and MGCL), the same shall only be used for transporting power from the CPP of MGCL. Further, under the arrangement in no case MGCL shall supply power from its CPP to any other entity without obtaining approval of NEPRA.

AUTHORITY

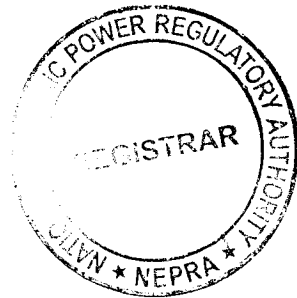
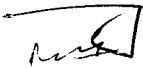

(Shaukat Ali Kundi) 07.12.12
Member


(Khawaja Muhammad Naeem)
Member


10/12/2012.
(Habibullah Khilji)
Chairman



Annexure-II



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

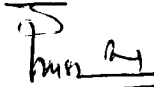
GENERATION LICENCE

No. SGC/007/2001

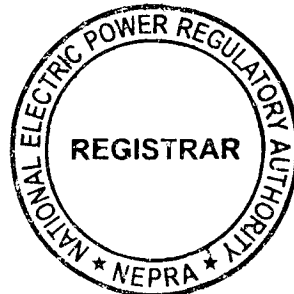
In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section-26 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, the Authority hereby modifies the Generation Licence granted to Kohinoor Mills Limited (issued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

- (a). Changes in Schedule-I attached as Revised/Modified Schedule-I;
- (b). Changes in Schedule-II attached as Revised/Modified Schedule-II; and
- (c). Changes in Second Tier Supply Authorization attached as Revised Second Tier Supply Authorization.

This **Modification-IV** is given under my hand this 03rd of **January**
Two Thousand & Fourteen



Registrar

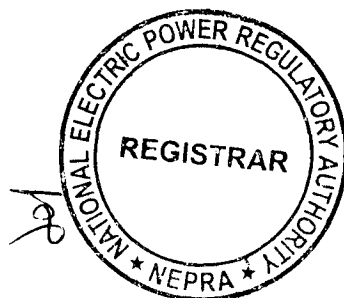


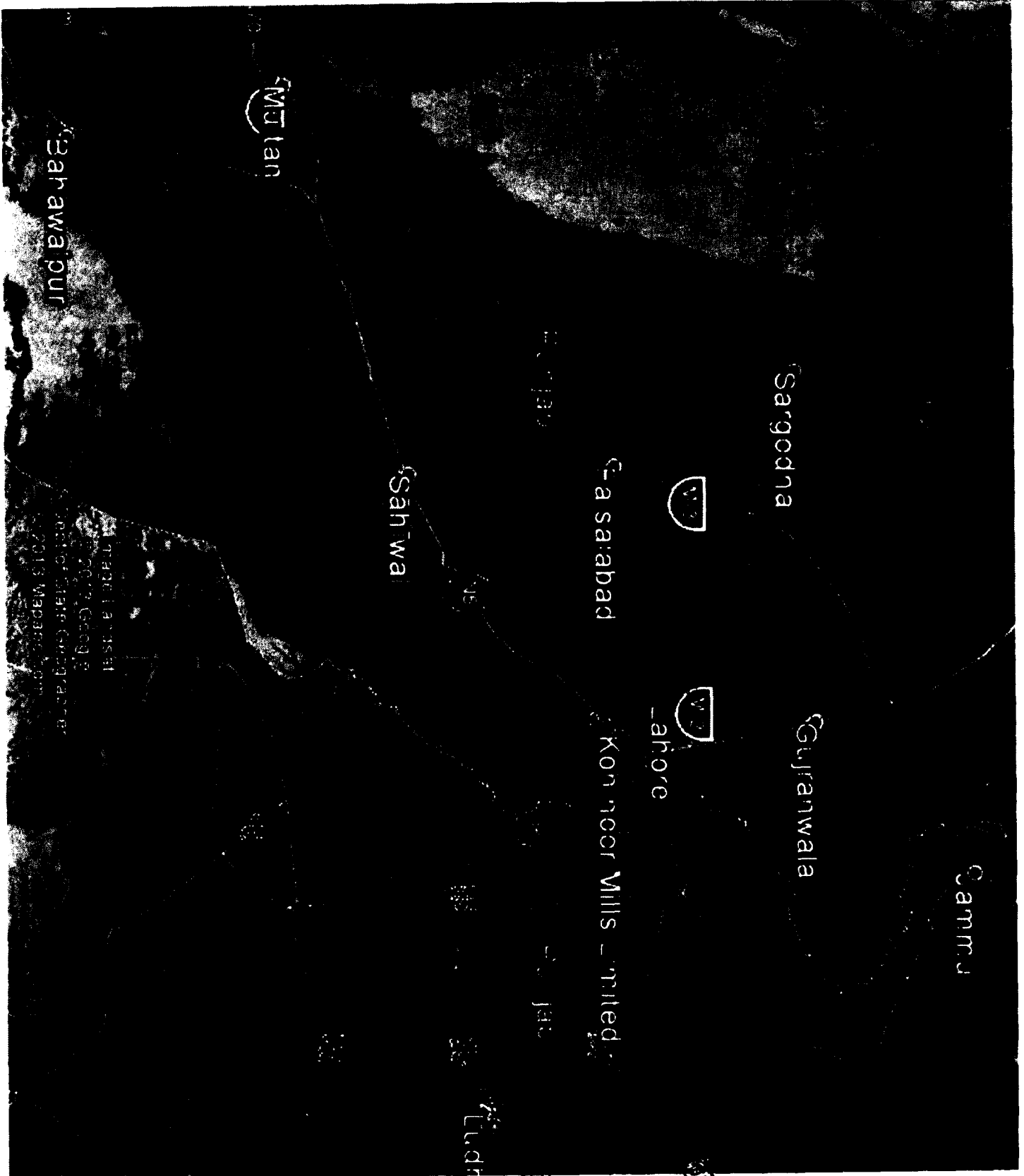




SCHEDULE-I
Revised/Modified
Modification-IV

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.





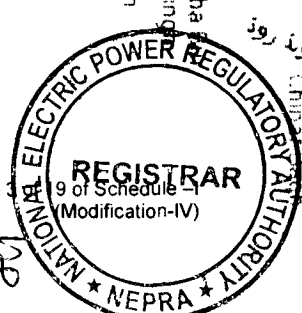
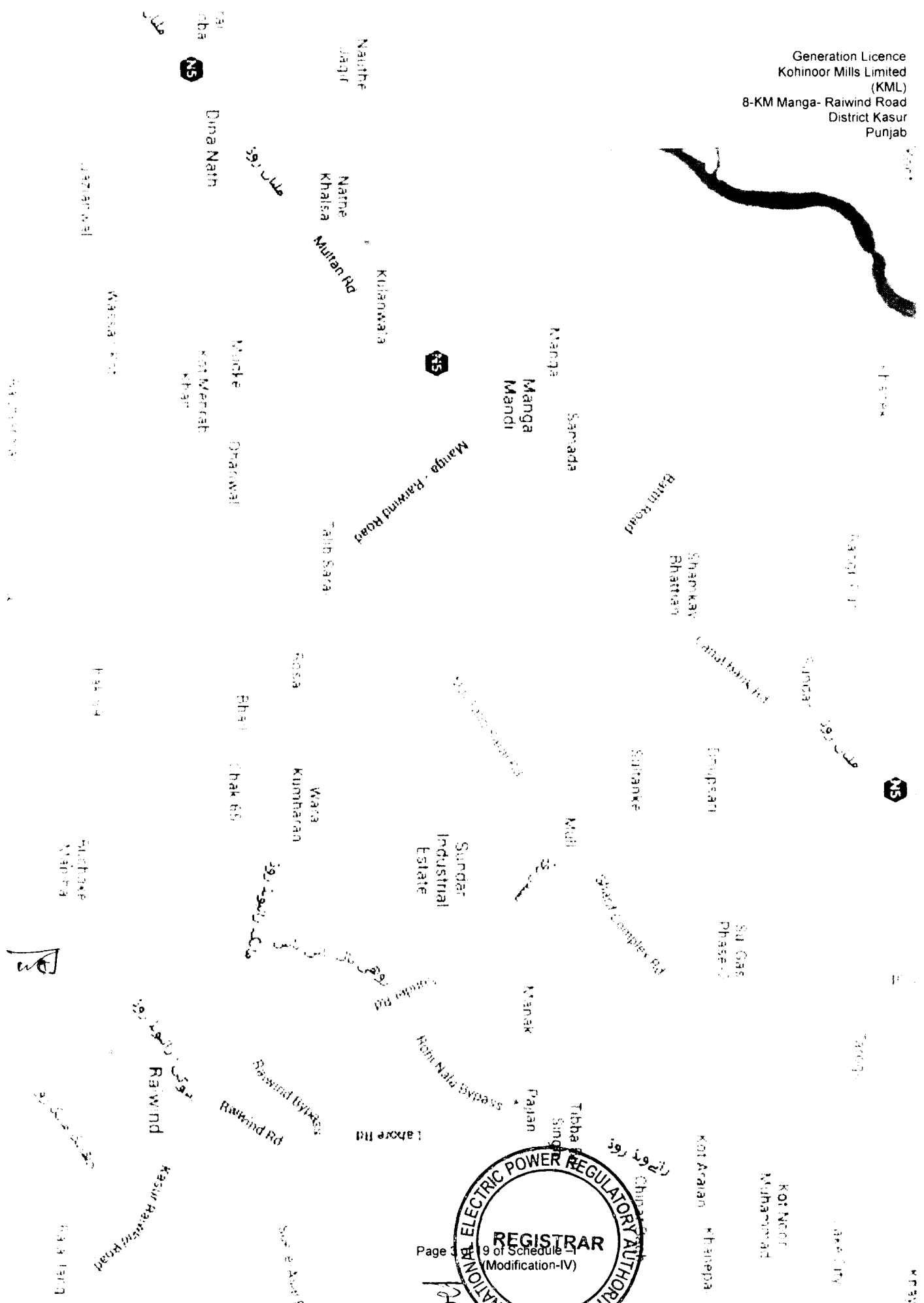
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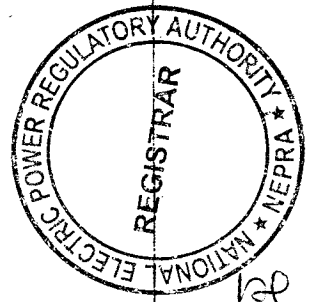
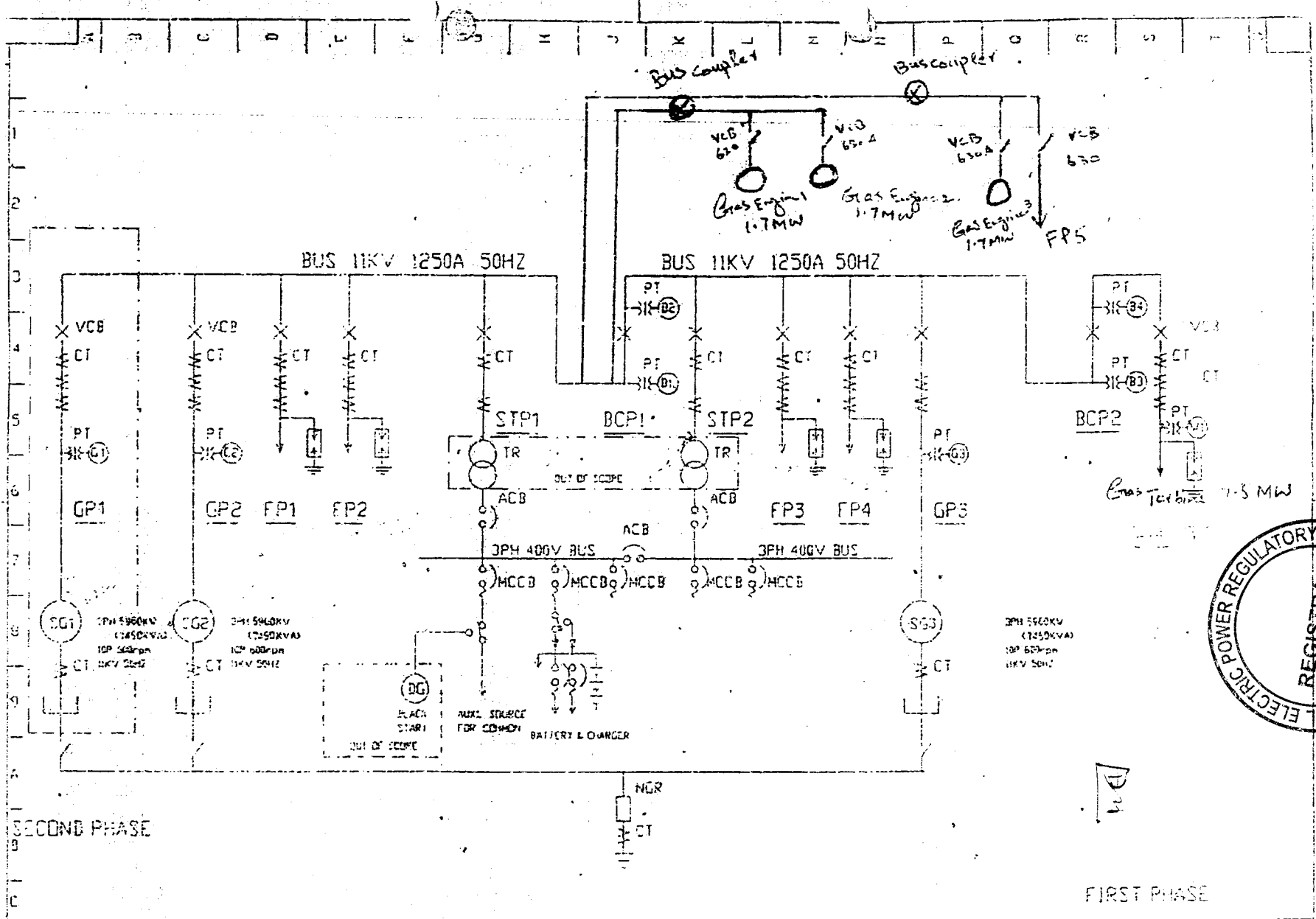
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Generation Licence
 Kohinoor Mills Limited
 (KML)
 8-KM Manga- Raiwind Road
 District Kasur
 Punjab



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APPROVED BY		DESIGNED BY		CHECKED BY		DATE		PROJECT NAME	
A.F.		M. Pushiani		M. Shantanu		15/10/25		KOHINOOR GENERATION SINGLE LINE DIAGRAM	
CV398702/1		CV398702/1		CV398702/1		CV398702/1		CV398702/1	

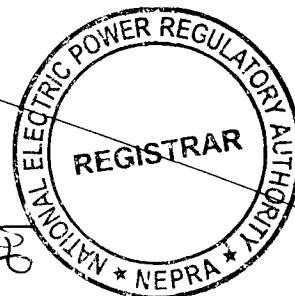
Details
of the Generation Facilities/
Power Plant

(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.

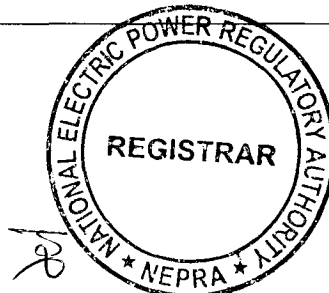
(B). Plant Configuration

(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



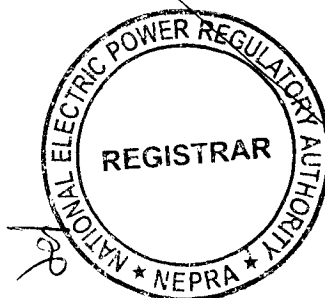
(iv).	Unit Make & Model	HFO/HSD based Diesel Engines	Niigata 18 v 32 CLX 1996
			Niigata 18 v 32 CLX 1995
			Niigata 18 v 32 CLX 1995
		Gas Engines	G3520C G2N00347
			G3520C G2N00349
			G3520C G2N00479
		Gas Turbine	TURBOMACH TBM-T 70 2005 Generator LEROY SOMER LSA 56 BMBL 13-4P
(v).	Commissioning /Commercial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

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(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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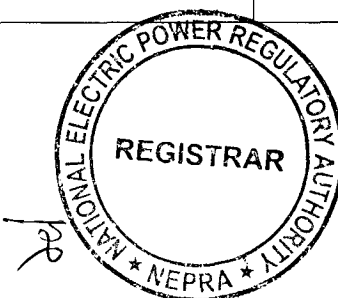
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(v).	Expected Remaining useful Life of the Generation Facility (based on the maximum remaining useful life of the most recent installed/ commissioned unit) at the time of this Modification	Niigata 18 v 32 CLX	07 Years
		Niigata 18 v 32 CLX	07 Years
		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

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(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 _x	920 p.p.m
(ii).	NO _x	1095 p.p.m.
(iii).	CO ₂	6.5 %
(iv).	Particulate Matter	-

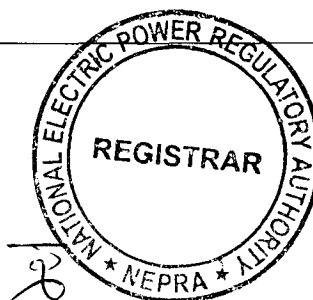
(E). Cooling System

(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

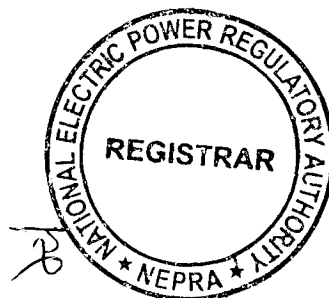
(i).	Generation Voltage (KV)	11 KV
(ii).	Frequency	50 Hz
(iii).	Power Factor	0.8

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(iv).	Automatic Generation Control	Yes
(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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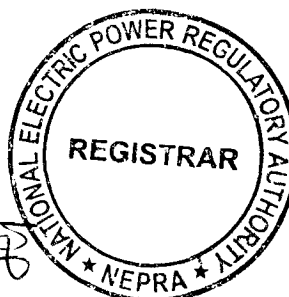


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**Information Regarding Distribution Network of the Licensee for
Supply of Power to Different Bulk Power Consumers**

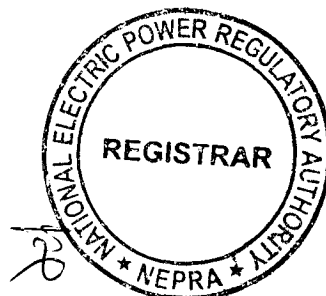
(A).	No. of Feeders	Six (06)					
(B).	Length of Each Feeder (Meter)	F-1	F-2	F-3	F-4	F-5	F-6
		315	200	225	545	380	700
(C).	Length of Each Feeder to each Unit of the Licensee and its each Bulk Power Consumer	-Do-					
(D).	In respect of all the Feeders, describe the property (streets, farms, Agri land, 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	F-6*
		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 private/third party 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)	11 KV Cable passes through the property of KML, public Road & Bulk Power Consumer in the name of Hira Textile Mills Limited (HTML)

* Feeder F-6 has a total length of 700 meter which passes on the property of KML (measuring around 500 meters), public Road (measuring around 30 meters) and on the property of HTML (measuring around 170 meters).



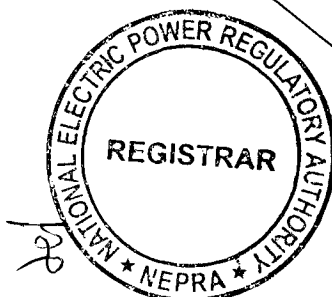
		F-1	F-2	F-3	F-4	F-5	F-6
(E).	Whether owned by KML/SPP, Consumer or LESCO-(deal with each Feeder Separately)	Owned by KML	Owned by KML	Owned by KML	Owned by KML	Owned by SMTL	The Feeder will be constructed by HTML and will be handed over to LESCO either through sale or lease as decided mutually by the parties (i.e. KML, HTML and LESCO)
	(a) If owned by LESCO, please furnish particulars of contractual arrangement	N/A	N/A	N/A	N/A	N/A	On mutually agreed terms and conditions to be decided/ agreed by the parties

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	(b). Operation and Maintenance responsibility for each Feeder	KML	KML	KML	KML	SMTL	KML, HTML or LESCO to be agreed mutually
(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	F-6
		Yes/B-3 Connection					
(G).	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A					

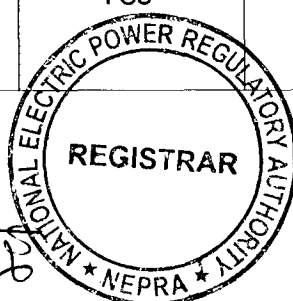
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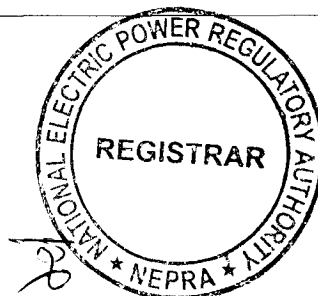
**Information Pertaining to the
Bulk Power Consumer of the Licensee
[i.e. Kohinoor Mills Limited (KML)]**

(A).	No. of Bulk Power Consumers	Two (02)					
(B).	Location of consumers distance and/or identity of premises)	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL	HTML	
		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	8-KM Manga-Raiwind Road District Kasur Punjab	
(C).	Contracted Capacity and Load Factor for each Unit of the Licensee and its each Bulk Power Consumer	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL	HTML	
		4.506 MW	1.542 MW	2.970 MW	3.00 MW	4.50 MW	
(D).	Specify Whether						
	(a).	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	HTML
			Same Entity	Same Entity	Same Entity	Different Legal Entity/ N/A	Different Legal Entity/ N/A
(b).	Are there common directorships?	Yes	Yes	Yes	No	No	



	(c).	Either can exercise influence or control over the other.	Yes	Yes	Yes	No	No
(E).	Specify nature of contractual Relationship						
	(a).	Between each consumer and KML/SPP	KML (Weaving Division)	KML (Dying Division)	KML (Hosiery Division)	SMTL	HTML
			Same Entity as KML/SPP	Same Entity as KML/SPP	Same Entity as KML/SPP	Firm Supply of Electricity on Continuous basis when required	Firm Supply of Electricity on Continuous basis when required
(b).	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				

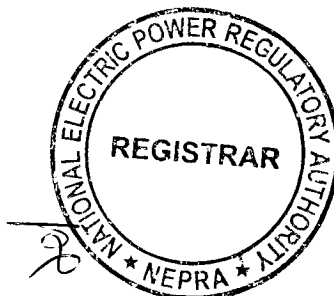
PKK



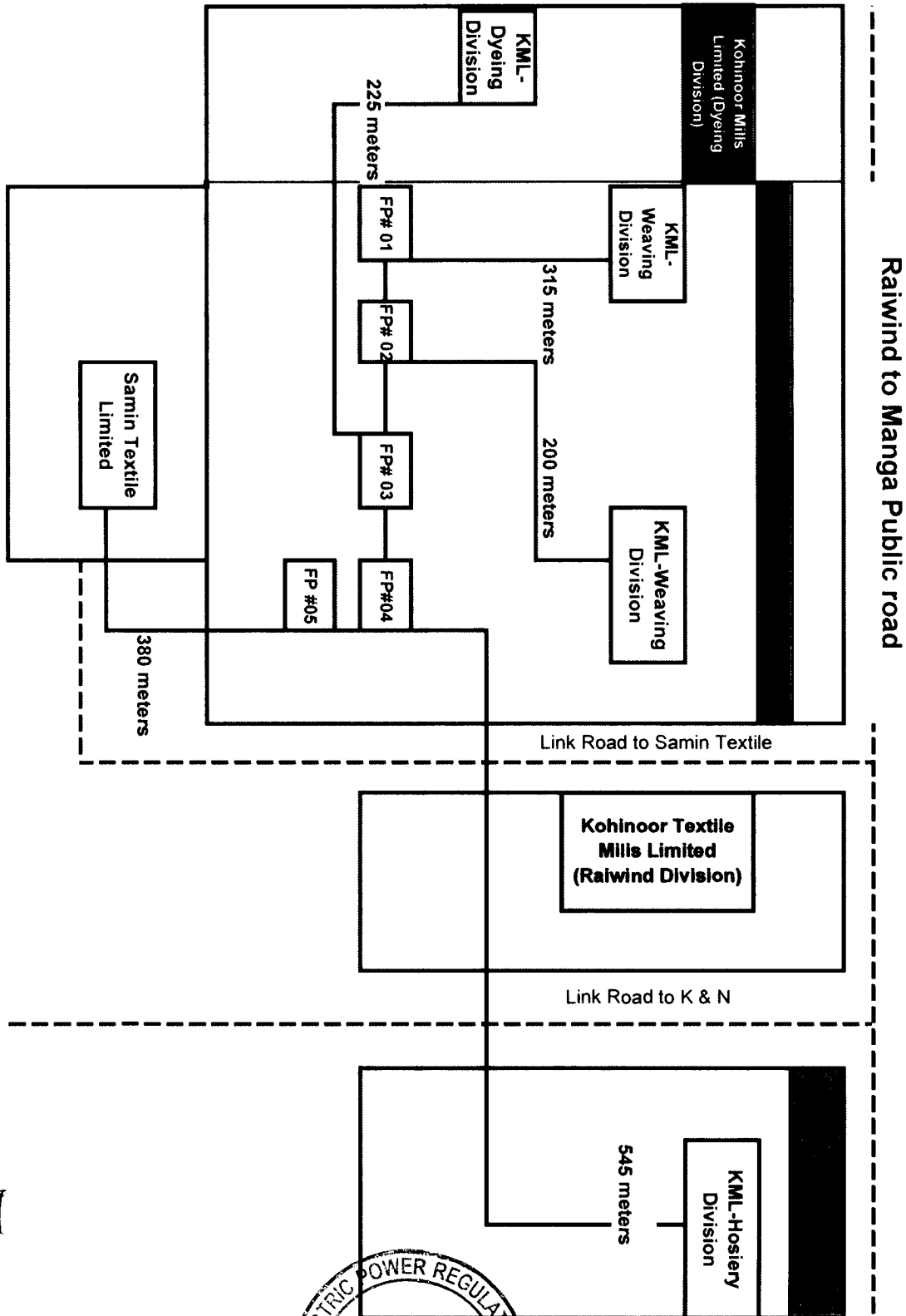
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(H).	Any other network information deemed relevant for disclosure to or consideration by NEPRA.	N/A
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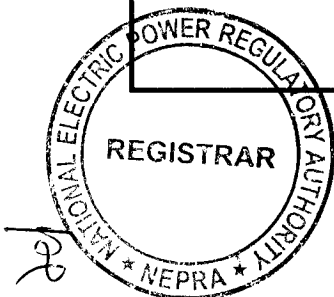
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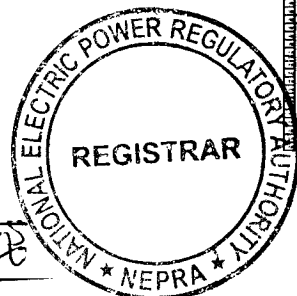
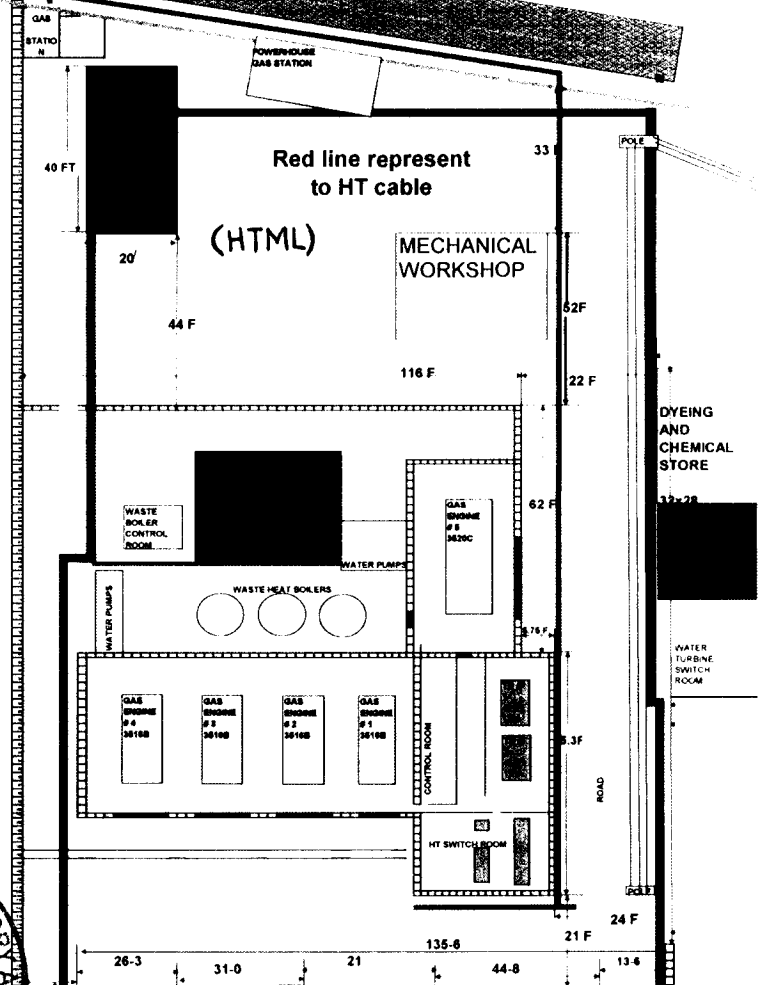
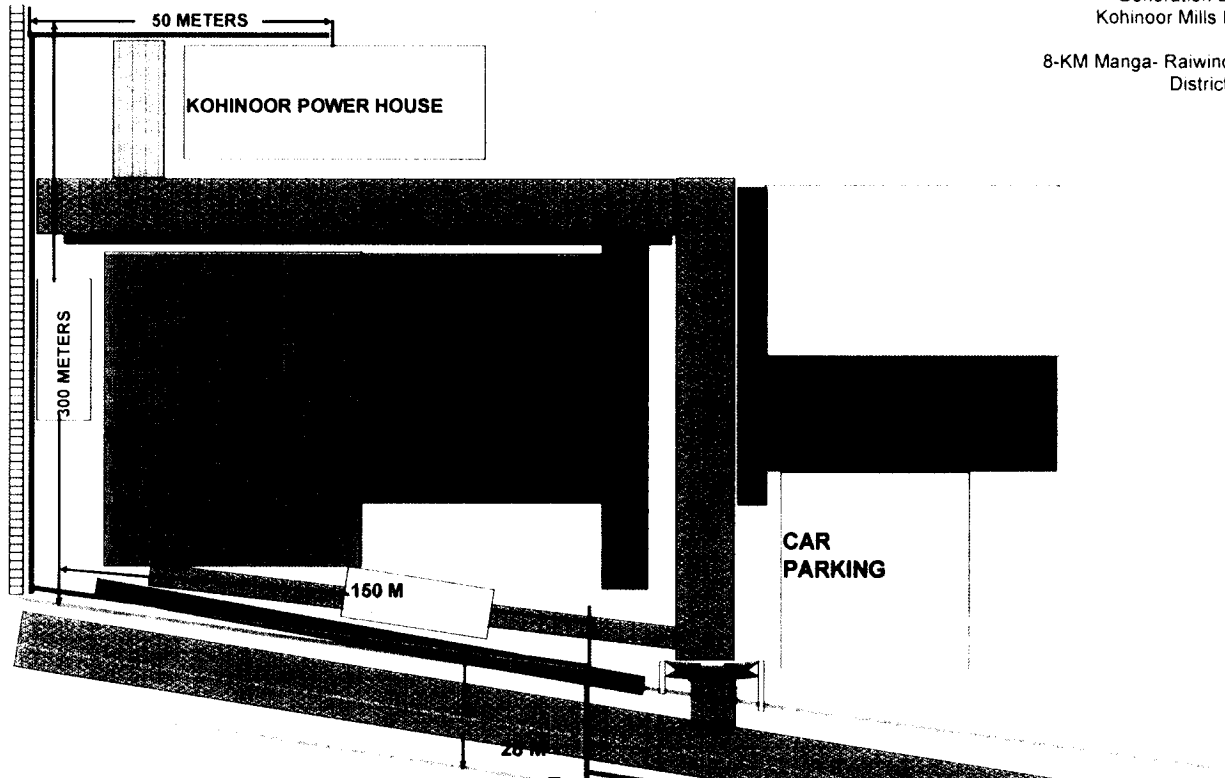


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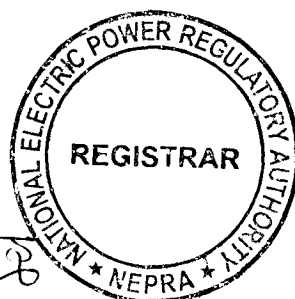
Generation Licence
 Kohinoor Mills Limited
 (KML)
 8-KM Manga- Raiwind Road
 District Kasur
 Punjab



SCHEDULE-II
Revised/Modified
Modification-IV

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

0.1



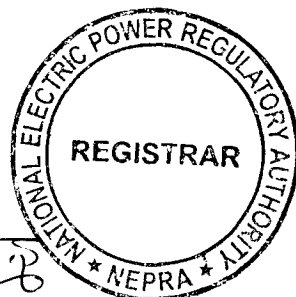
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SCHEDULE-II

(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.



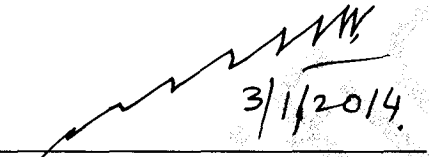
Revised Authorization
by National Electric Power Regulatory Authority (NEPRA) to
Kohinoor Mills Limited

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

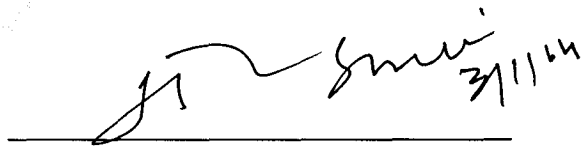
NEPRA GENERATION LICNCE No. SGC/007/2001
for
Sale to Bulk Power Consumer(s)

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

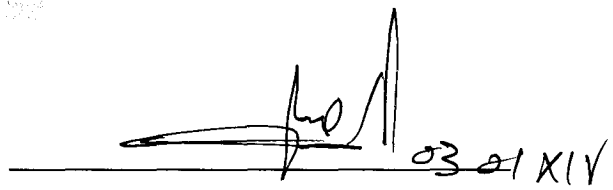
- (1). Samin Textiles Limited; and
- (2). Hira Textile Mills Limited.


3/1/2014

(Habibullah Khilji)
Member


3/1/14

Maj (R) Haroon Rashid
Member


03.01.14

(Khawaja Muhammad Naeem)
Member/Vice Chairman

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