



**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-4/13736-38

December 12, 2013

Engr. Mukhtar Ahmad Sheikh  
Director Projects  
Sitara Energy Limited  
4<sup>th</sup> Floor, Sitara Tower,  
Bilal Chowk, New Civil Lines,  
Faisalabad

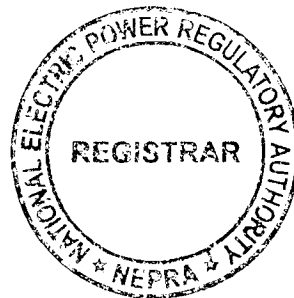
**Subject: Licensee Proposed Modification in the Generation Licence No. SGC/012/2002 - Sitara Energy Limited**


*Reference: Your letter No. SEL/DP/3599 dated October 31, 2011.*

It is intimated that the Authority has approved "Licensee Proposed Modification" in Generation Licence No. SGC/012/2002 (issued on January 02, 2002) in respect of Sitara Energy Limited pursuant to Regulation 10(11) of the NEPRA Licensing (Application and Modification Procedure) Regulations, 1999.

2. Enclosed please find herewith Modification-I in the Generation Licence No. SGC/012/2002, 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, Faisalabad Electric Supply Company Limited, Canal Road, Abdullahpur, Faisalabad
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**

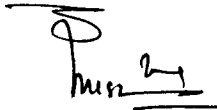
**SGC/012/2002**

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 (XL of 1997), the Authority hereby modifies the Generation Licence granted to SITARA ENERGY LIMITED (issued on January 02, 2002 and expiring on January 01, 2017), to the extent of changes mentioned as here under:-

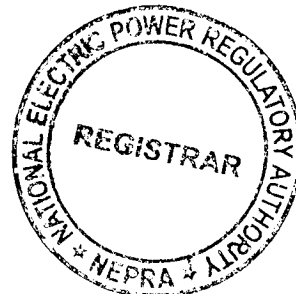
- (i). **Changes in Face Sheet and Articles of the Generation Licence** attached as **Annexure-A**;
- (ii). **Changes in Schedule-I** attached as Modified Schedule-I; and
- (iii). **Changes in Schedule-II** attached as Modified Schedule-II.

This **Modification-I** is given under my hand this 12<sup>th</sup> of

**December Two Thousand & Thirteen**



Registrar







**Details of Modification-I to**  
**Generation Licence**  
**No. SGC/012/2002, dated January 02, 2002 of**  
**Sitara Energy Limited**  
**(SEL)**

The modifications made to Face Sheet, Schedule-I and Schedule-II of the Generation Licence No. SGC/012/2002, dated January 02, 2002 are as follows:-

**(A). Changes in Face Sheet**

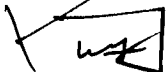
(i). The restriction regarding delivery and sale to consumers mentioned in schedule-I is revoked;

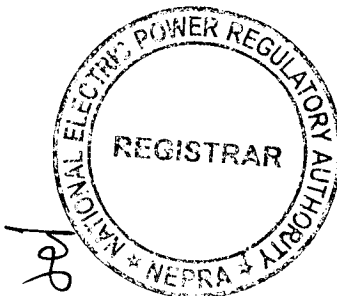
(ii). SEL is allowed to sell power to FESCO alongwith its existing Bulk Power Consumers.

**(B). Changes in Articles of the Generation Licence**

(i). Article 8 of the Generation Licence will be treated as "Not Applicable";

(ii). Article 9 of the Generation Licence will be considered as "Not Applicable".

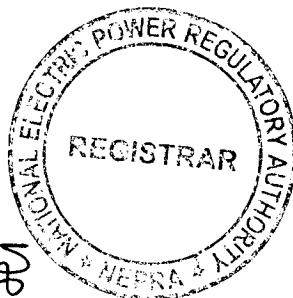


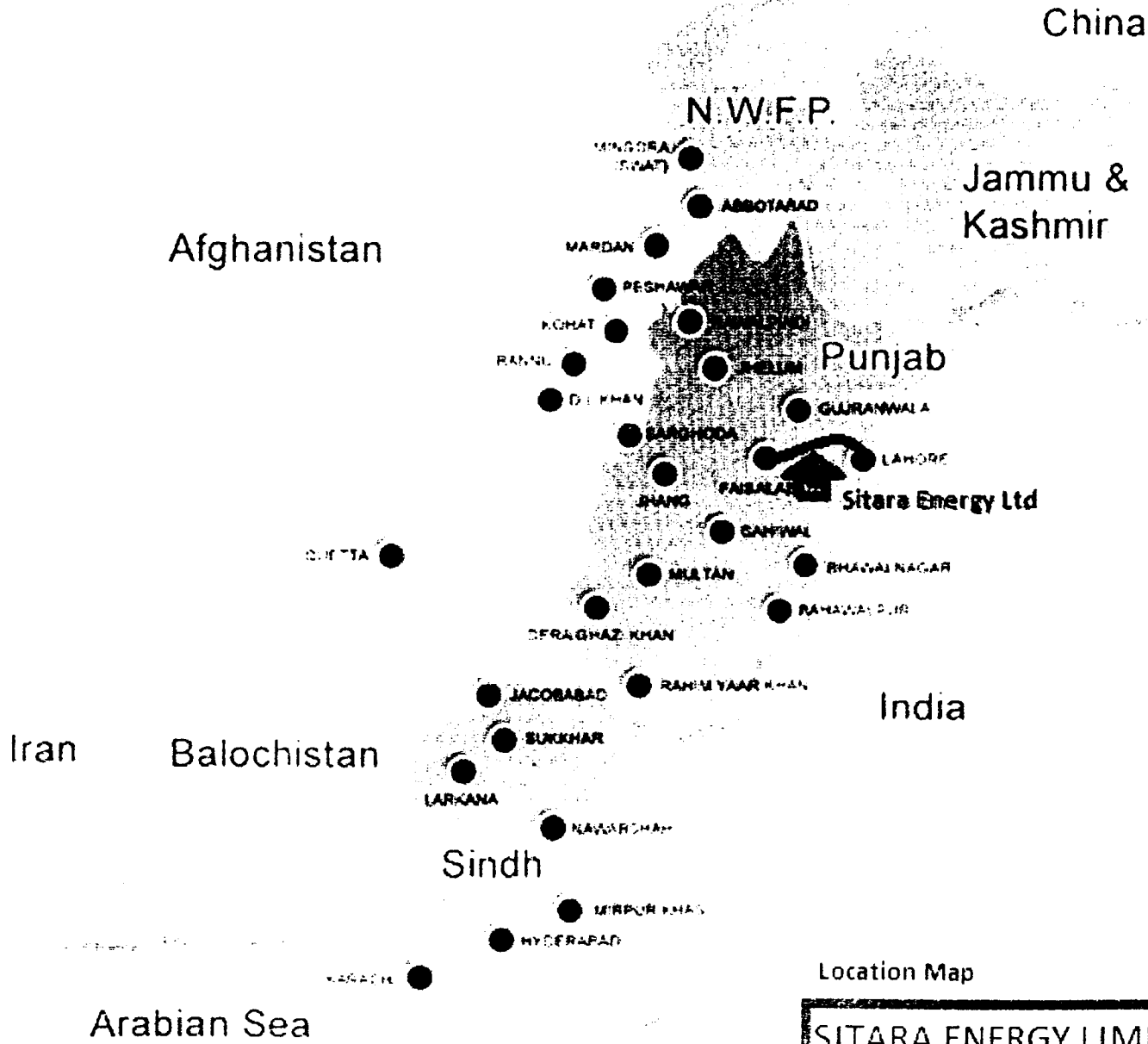




**SCHEDULE-I**  
**(Modified)**

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.





Location Map  
**SITARA ENERGY LIMITED**  
33 KM Faisalabad Sheikhupura Rd



Generation Licence  
Sitara Energy Limited  
33-KM Faisalabad-Sheikhupura Road  
Faisalabad  
Punjab

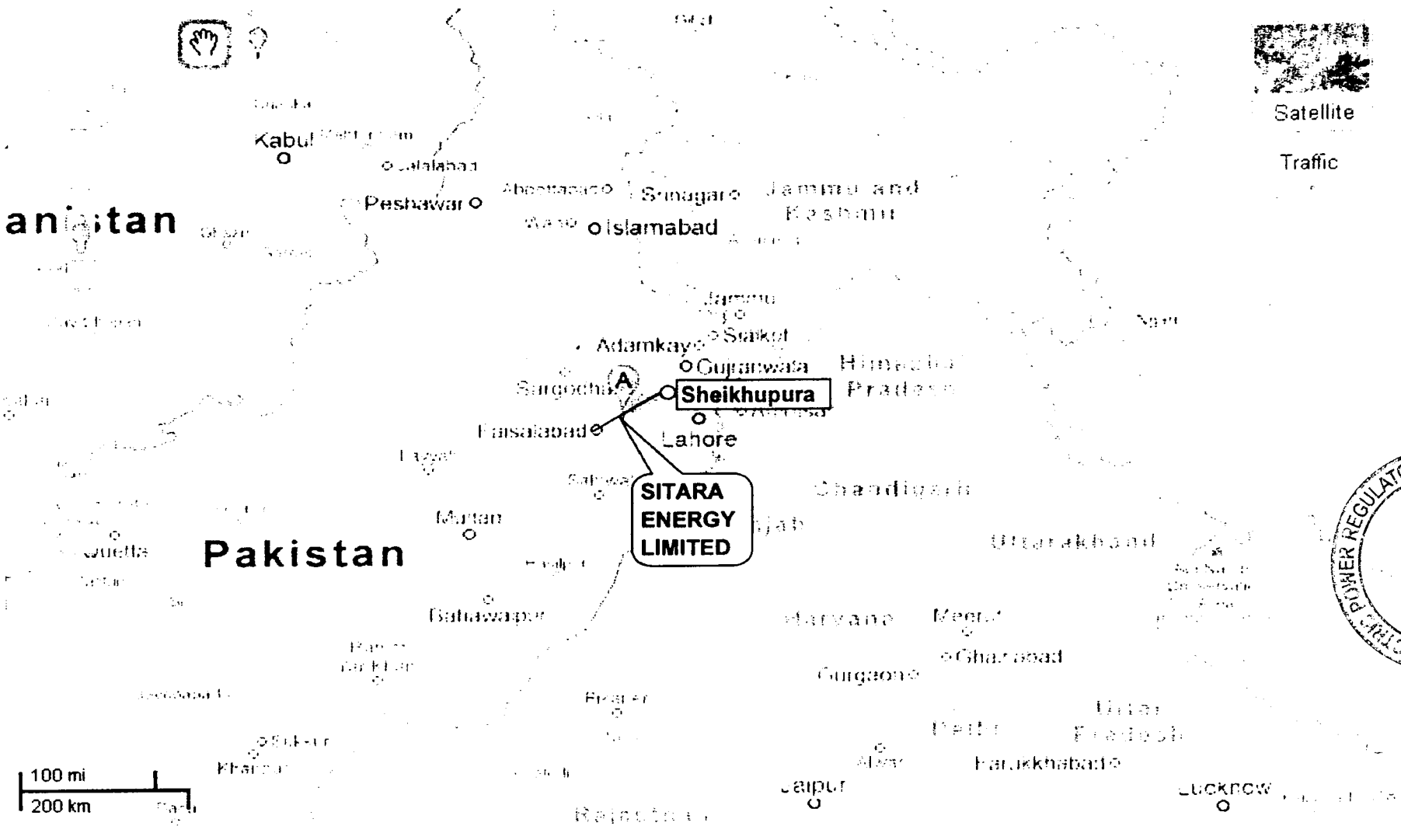
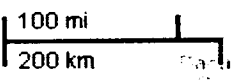
anistan

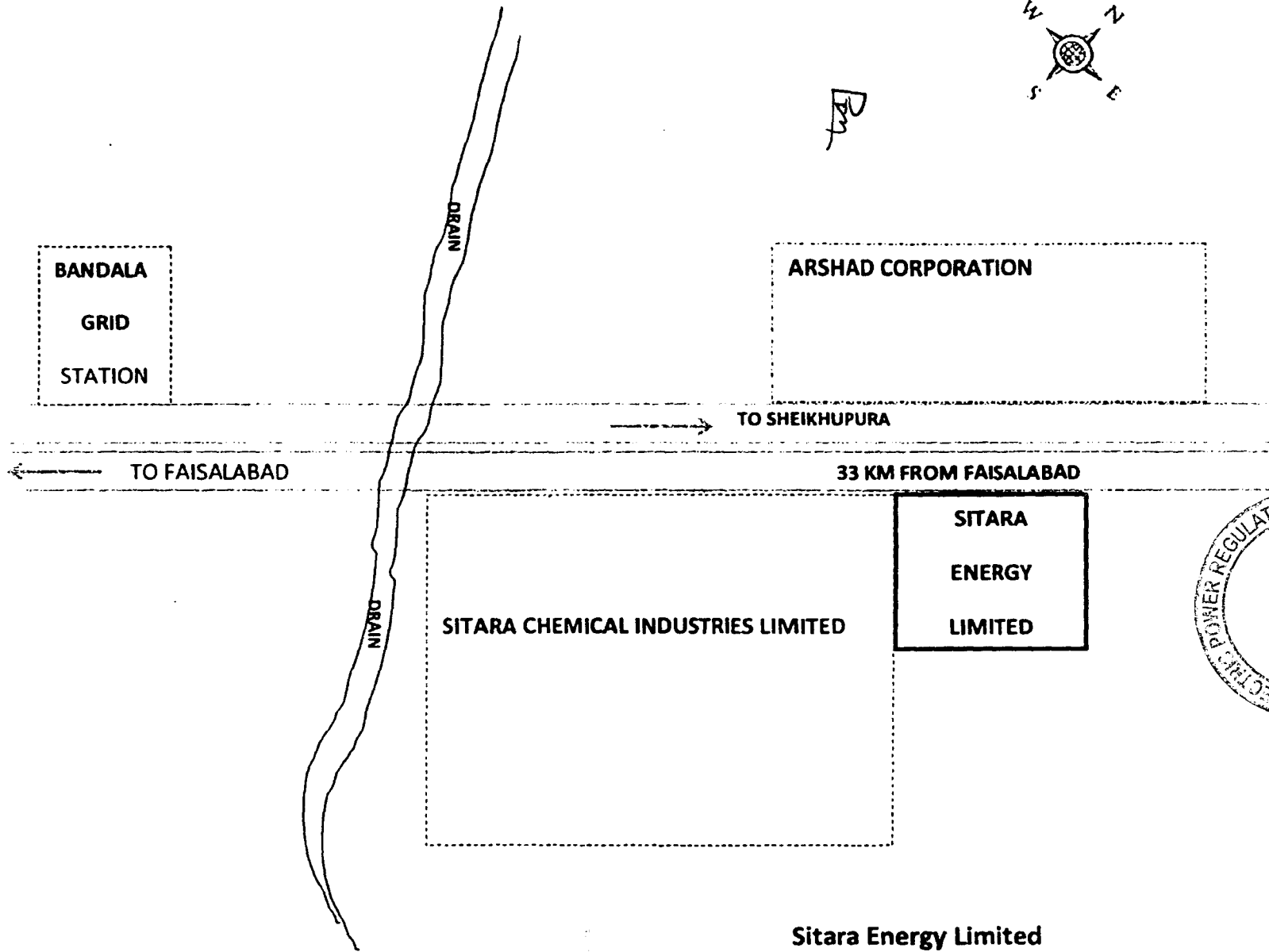
Pakistan



Satellite  
Traffic

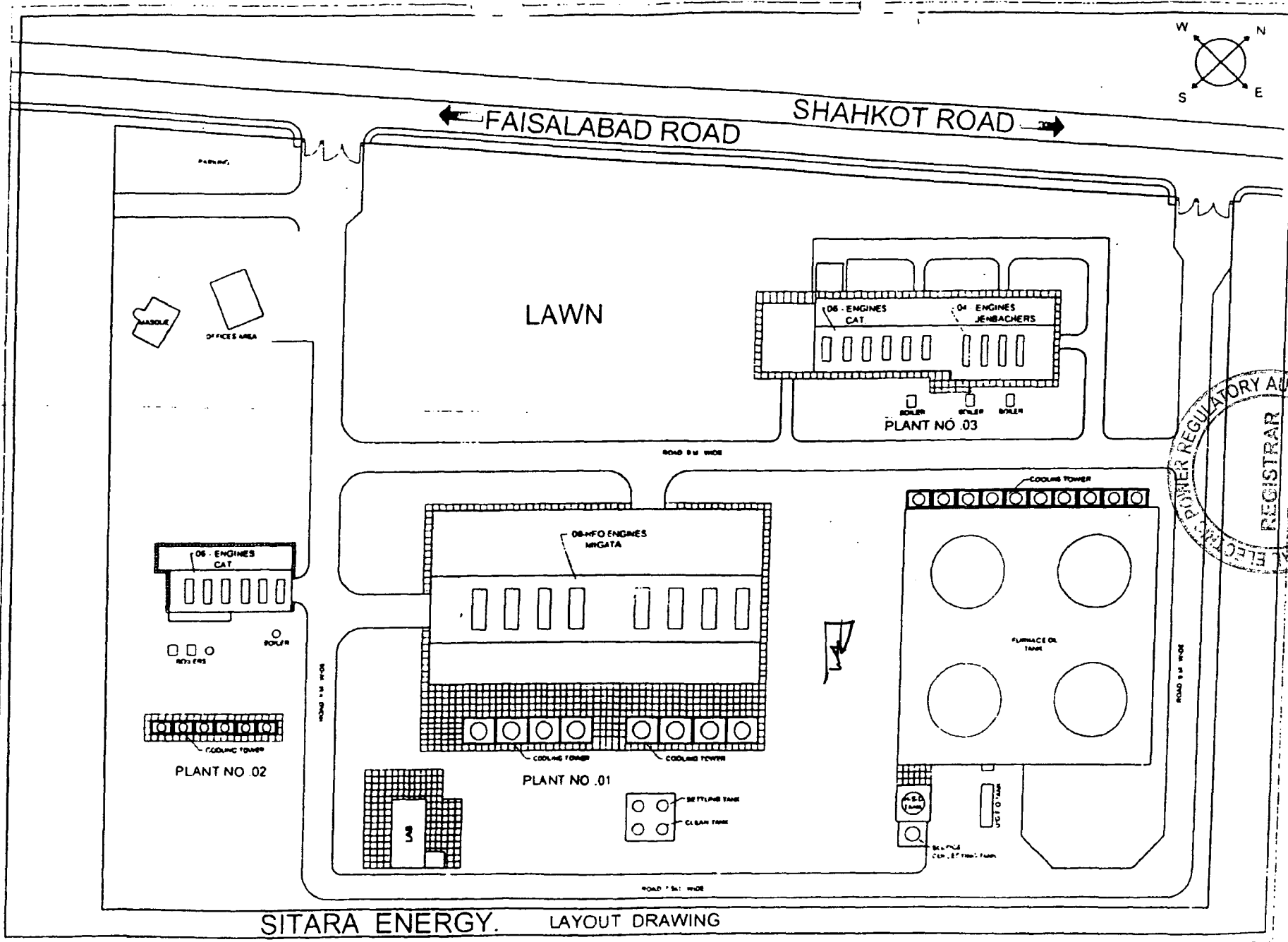
Page 3 of 19 of  
Modified  
Schedule - I



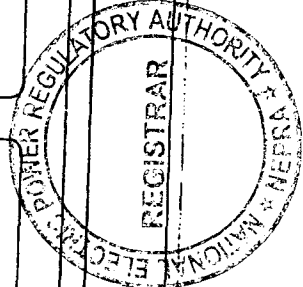


Sitara Energy Limited  
Location Map

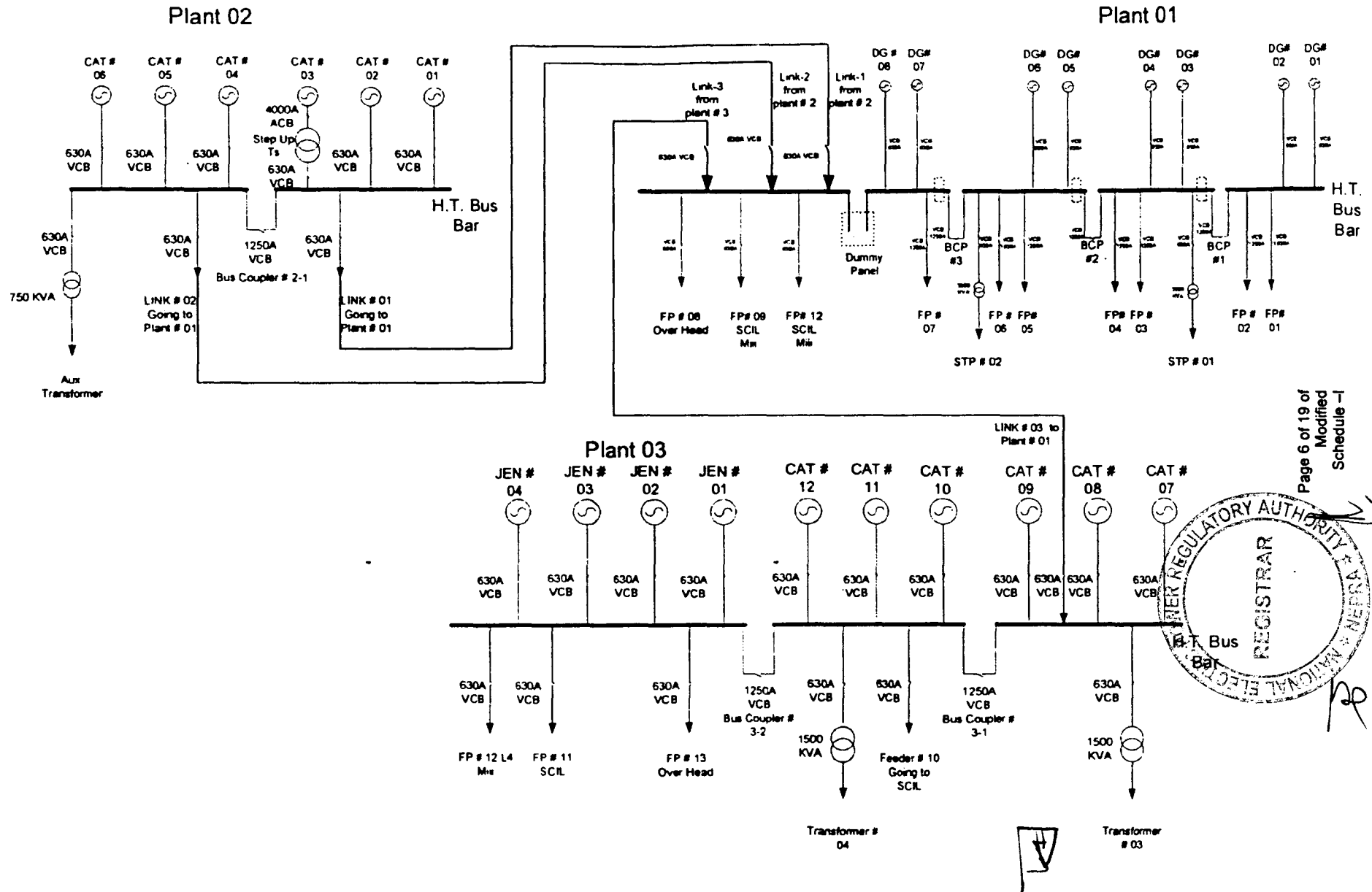




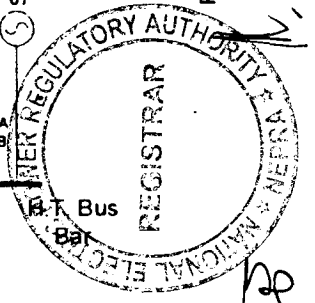
SITARA ENERGY. LAYOUT DRAWING








Page 6 of 19 of  
 Modified  
 Schedule - I



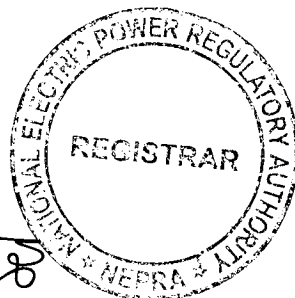
Sitara Energy Ltd, March 18 2013      Prnt Date:		Single line Diagram	This drawing is the property of Sitara Energy Ltd. It must not be reproduced utilized or communicated without express permission.	_____ _____ _____
---	---	---------------------	---	-------------------------

**INTERCONNECTION/TRANSMISSION  
ARRANGEMENT FOR THE DISPERSAL OF  
POWER FROM THE POWER PLANT**

The Power generated by the Sitara Energy Limited (SEL) from its Thermal Power Generation facility located at Faisalabad using Furnace Oil shall be dispersed to the Load Center of Faisalabad Electric Supply Company Limited (FESCO).

The Interconnection/Transmission Arrangement for the above mentioned facilities will be at 11 KV voltage as given in the Agreements for Power Purchase (PPA) of September 08, 2007 signed between SEL and FESCO.

The final Interconnection and Transmission Arrangement(s), for the dispersal of power, as agreed by SEL and FESCO shall be communicated to NEPRA in due course of time.



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

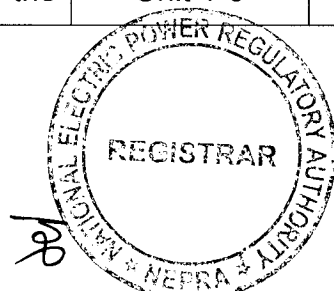
**(A). General Information**

(i).	Name of Applicant	Sitara Energy Limited
(ii).	Registered /Business Office	601-602 Business Center, Mumtaz Husan Road Karachi-74000
(iii).	Plant Location	33-Km Faisalabad-Sheikhupura road, Faisalabad.
(iv).	Type of Generation Facility	Thermal Generation

**(B). Plant Configuration**

(i).	Plant Size Installed Capacity (Gross ISO)	49.15 MW		
(ii).	Type of Technology	Unit 1-5	Unit 6-10	Unit 11-13
		Diesel Engines	Gas Engines	Gas Engines
(iii).	Number of Units/Size (MW)	Unit 1-5	Unit 6-10	Unit 11-13
		5 x 5.96 MW	5 x 1.95 MW	3 x 3.20 MW
(iv).	Unit Make & Model	Unit 1-5	Unit 6-10	Unit 11-13
		Nigata 16V32CLX 1991	Caterpillar G3520C	Janbacher JGS620GSE01
(v).	Commissioning/ Commercial Operation date	Unit 1-5	Unit 6-10	Unit 11-13
		1995	2006	2006
(vii).	Expected Life of the	Unit 1-5	Unit 6-10	Unit 11-13

✓

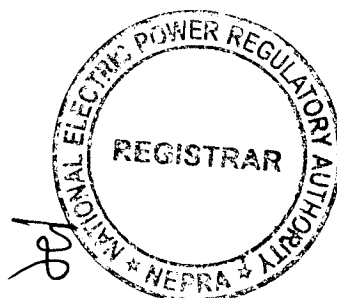


M.

	Facility from Commercial Operation/ Commissioning Date	32 Years	25-30 Years	25-30 Years
(vii).	Expected Remaining useful Life of the Facility at the time of Grant of Original Generation Licence (No. SGC/012/2002, dated January 02, 2002)	Unit 1-5	Unit 6-10	Unit 11-13
		25 Years	-	-
(ix).	Expected Remaining useful Life of the Facility at the time of this Modification-I	Unit 1-5	Unit 6-10	Unit 11-13
		14 Years	18-20 Years	18-20 Years

**(C). Fuel/Raw Material Details**

(i).	Primary Fuel	Heavy Furnace Oil (HFO) and Natural Gas (NG)	
(ii).	Fuel (imported/Indigenous)	Both, depending on availability	
(iii).	Fuel Supplier	HFO	NG
		PSO/Shell/Caltex	Sui Northern Gas Pipelines Limited (SNGPL)
(iv).	Supply Arrangement	HFO	NG
		Road/Tankers	Through Pipeline
(v).	No of Storage Tanks for HFO	Four (04)	
(vi).	Storage Capacity of each Tank of HFO	2876 Tons/Tank	
(vii).	Gross Storage for HFO	11504 Tons	



*[Handwritten Signature]*

**(D). Emission Values**

(i).	SO <sub>x</sub> (mg/Nm <sup>3</sup> )	818 ppm (14.32 tons per day)
(ii).	NO <sub>x</sub> (mg/Nm <sup>3</sup> )	1200 ppm
(iii).	CO <sub>2</sub>	Not applicable
(iv).	PM <sub>10</sub>	Not applicable

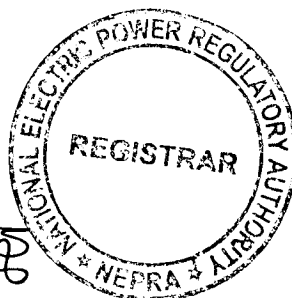
**(E). Cooling System**

(i).	Cooling Water Source/Cycle	Tube Well
------	----------------------------	-----------

**(F). Plant Characteristics**

(i).	Generation Voltage	11000 V
(ii).	Frequency	50 Hz
(iii).	Power Factor	0.80 lagging
(iv).	Automatic Generation Control (AGC)	Provided
(v).	Ramping Rate	0.1% per second
(vi).	Time required to Synchronize to Grid and loading the complex to full load.	To be provided later.

1

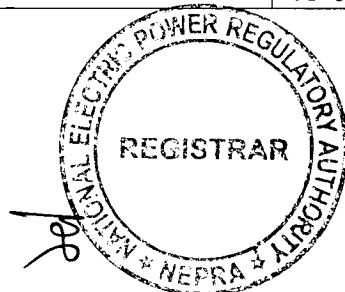


M

**Information Regarding Distribution Network for Supply of Power to  
 Bulk Power Consumer**

A.	No. of Feeder	7 Nos. (feeder No. 1,2,3,4,5,6 & 7)
B.	Length of Each Feeder	Feeder No. 1      14407 Meters Feeder No. 2      805 Meters Feeder No. 3      805 Meters Feeder No. 4      805 Meters Feeder No. 5      6165 Meters Feeder No. 6      6285 Meters Feeder No. 7      805 Meters Complete details is in Table-I*, at page13 of 19 of this Schedule.
C.	Length of Each Feeder to Each Consumer	Please see Table-III*** at page 15 of 19 and the attached map of the area of supply of SEL at page 17 of 19 of this Schedule.
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 customer premise's premises, and whether they cross-over or pass near the DISCO lines.	All the feeders are owned by SEL. The responsibility for Operation & Maintenance of all Feeders is with SEL.
E.	Whether owned by SPP, consumer or DISCO-(deal with each Feeder separately)  - If owned by DISCO, please furnish particulars of contractual arrangement - Operation and maintenance responsibility for each Feeder	All the feeders are owned by SEL. The responsibility for Operation & Maintenance of all Feeders is with SEL.
F.	Whether connection with DISCO's network exists (whether active or not)-If Yes, provide details of connection arrangement (both technical and contractual)	All the SEL feeders are completely independent. No. connection whatsoever (active or otherwise) exists with FESCO network.
G.	Any other network information deemed relevant for disclosure to or consideration by NEPRA	A detailed map showing in detail the demographic and topographic layout of the Area of Supply is at page17 of 19 of this Schedule of this Schedule.

*[Handwritten mark]*

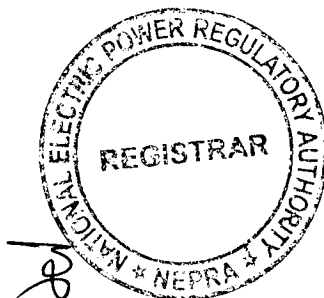


*[Handwritten signature]*

**Information Pertaining to the Bulk Power Consumer of the Licensee**

A.	No. of Consumers	16 Nos. For details see Table-II** (column C) at page 14 of 19 of this Schedule.
B.	Location of consumers (distance and/or identity of premises)	See Table-III*** at page 15 of 19 and the attached map of the area of supply of SEL at page 17 of 19 of this Schedule
C.	Contracted Capacity and Load Factor for each consumer	See Table-II at page 14 of 19 of this Schedule (column D & E)
D.	Specify Whether I. the consumer is an associated undertaking of the SPP - if yes, specify percentage ownership of equity; II. there are common directorship; III. either can exercise influence or control over the other.	See Table-IV**** at page 16 of 19 of this Schedule (column D)
E.	Specify nature of contractual relationship i) b/w each consumer and the SPP; and 2) each consumer and host DISCO	See Table-IV**** at page 16 of 19 of this Schedule (column E & F)
F.	Capacity originally sanctioned by provincial Government – If subsequently enhanced, evidence of permissions for enhancement	Original Capacity sanctioned by Government of Punjab is 48 MW.
G.	Tariff arrangement and particular with WAPDA/Provincial Government	As per WAPDA charges

17

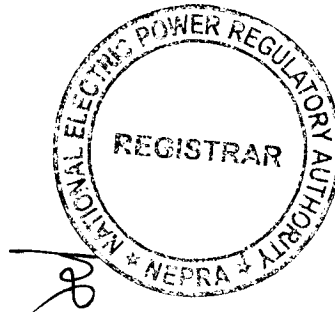


M

**Table-I\***

Sr. No.	Feeder No.	Length of Feeder	Type of Feeder	Total Length of Feeder
1	1	14257 Meters 150 Meter	O/H Line Osprey Conductor Under Ground Cable 1 C 300 mm <sup>2</sup> XPLE	14407 Meters
2	2	805 Meters	Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 6	805 Meters
3	3	805 Meters	Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 6	805 Meters
4	4	805 Meters	Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 6	805 Meters
5	5	5955 Meters 150 Meters 60 Meters	O/H Line Osprey / Panther Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 6 Under Ground Cable 1 C 400 mm <sup>2</sup> XPLE x 6	6165 Meters
6	6	6075 Meters	O.H line Osprey/Panther/Dog Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 3 Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 3	6285 Meters
7	7	805 Meters	Under Ground Cable 1 C 240 mm <sup>2</sup> XPLE x 6	805 Meters

☑



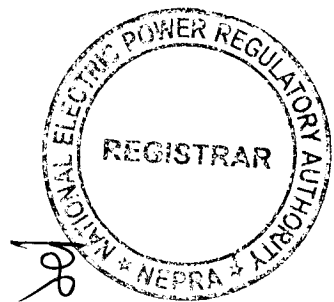
*(Handwritten signature)*



**Table-II\*\***

Sr. No.	Feeder No.	Consumer	Contracted Capacity	Load Factor
A	B	C	D	E
1	1	SCIL Textile Division No.2	2000 KW	0.96
2		Choudhry Flour Mills	225 KW	0.94
3		Aslam Chemicals	200 KW	0.66
4		Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning)	1600 KW	0.6
5		Bismillah Processing Mills	501 KW	0.74
6		Amtex	1700 KW	0.99
7	2,3,4 & 7	Sitara Chemical Industries Ltd.	28000 KW	0.96
8	5	Isphan Weaving Mills	154.5 KW	0.61
9		Fine Weaving Mills	125 KW	0.74
10		Amir Shahzad	150 KW	0.95
11		Madni Ghee Mills	400 KW	0.94
12		Amjad Aslam Weaving Mills	80 KW	0.5
13		Bismillah Weaving Mills	178 KW	0.93
14		Habib Calico Weaving Mills	150 KW	0.96
15		Mustafa Spinning Mills	1600 KW	0.96
16	6	SCIL Textile Division No.1	2000 KW	0.97

USA



Handwritten signature

**Table-III\*\*\***

Sr. No.	Feeder No.	Consumer	Length from SEL to Consumer	Length of Consumers service cable from SEL Feeder	Type of Consumers service cable
A	B	C	D	E	F
1	1	SCIL Textile Division No. 2	6816 Meters (M)	30 M Cable	3 C 120 mm <sup>2</sup> XPLE
2		Choudhry Flours Mills	3940 M	200 M O/H Line 20 M Cable	Dog Conductor 3 C 95 mm <sup>2</sup> XPLE
3		Aslam Chemicals	950 M	720 M O/H Line 40 M Cable	Dog Conductor 3 C 95 mm <sup>2</sup> XPLE
4		Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning)	7740 M	45 M Cable	3 C 120 mm <sup>2</sup> XPLE
5		Bismillah Processing Mills	14407 M	60 M Cable	3 C 70 mm <sup>2</sup> XPLE
6		Amtex	14417 M	200 M O/H Line 400+150_30 M Cable	Dog Conductor 3 C 95 mm <sup>2</sup> XPLE
7	2,3,4 & 7	Sitara Chemical Industries Ltd.	805 M Each	805 M Cable Each Feeder	1 C 240 mm <sup>2</sup> XPLE x 6 Cables
8	5	Isphan Weaving Mills	1550 M	15 M Cable	3 C 70 mm <sup>2</sup> PVC
9		Fine Weaving Mills	1450 M	18 M Cable	3 C 70 mm <sup>2</sup> XPLE
10		Amir Shahzad	682 M	50.7 M O/H Line, 10 M Cable	Dog Conductor 4 C 70 mm <sup>2</sup> XPLE
11		Madni Ghee Mills	1629 M	15 M O/H Line 75 M Cable 20 M Cable	Dog Conductor 3 C 95 mm <sup>2</sup> XPLE 3 C 70 mm <sup>2</sup> XPLE
12		Amjad Aslam Weaving Mills	1724 M	20 M Cable	4 C 50 mm <sup>2</sup> PVC
13		Bismillah Weaving Mills	3221 M	30 M Cable 30 M Cable	1 C 120 mm <sup>2</sup> x 3 PVC 1 C 70 mm <sup>2</sup> PVC
14		Habib Calico Weaving Mills	3325 M	125 M Cable 10 M Cable	3 C 35mm <sup>2</sup> XPLE 3 1/2 C 95 mm <sup>2</sup> PVC
15		Mustafa Spinning Mills	4055 M	64+97 M O/H Line 20+30 M Cable	Panther Conductor 3 C 120 mm <sup>2</sup> XPLE
16	6	SCIL Textile Division No.1	5965 M	30 M Cable	3 C 120 mm <sup>2</sup> XPLE

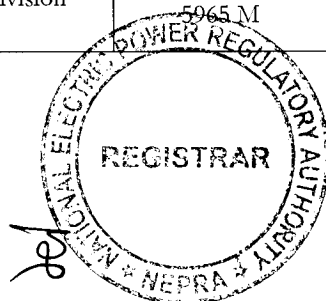
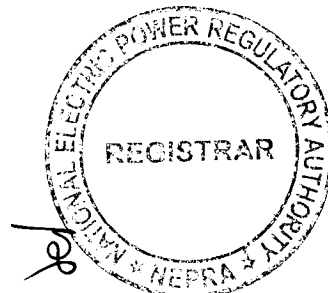
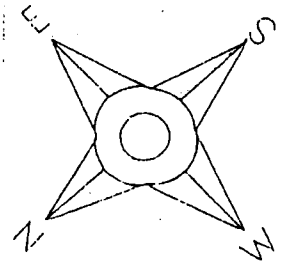


Table-IV\*\*\*\*

Sr. No.	Feeder No.	Consumer	Consumer Relationship with SEL	Contractual Relationship	
				Consumer & SPP	Consumer & FESCO
A	B	C	D	E	F
1	1	SCIL Textile Division No. 2	Associated Company, Common Director Ship	Agreement	None
2		Choudhry Flours Mills	No association with SEL	Agreement	None
3		Aslam Chemicals	No association with SEL	Agreement	None
4		Shahbaz Garments Pvt. Ltd (Formerly Yasir Spinning)	No association with SEL	Agreement	None
5		Bismillah Processing Mills	No association with SEL	Agreement	None
6		Amtex	No association with SEL	Agreement	996 KW load sanctioned from FESCO
7	2,3,4 & 7	Sitara Chemical Industries Ltd.	Associated Company, Common Director Ship	Agreement	8000 KW load sanctioned from FESCO
8	5	Isphan Weaving Mills	No association with SEL	Agreement	None
9		Fine Weaving Mills	No association with SEL	Agreement	None
10		Amir Shahzad	No association with SEL	Agreement	None
11		Madni Ghee Mills	No association with SEL	Agreement	None
12		Amjad Aslam Weaving Mills	No association with SEL	Agreement	None
13		Bismillah Weaving Mills	No association with SEL	Agreement	None
14		Habib Calico Weaving Mills	No association with SEL	Agreement	None
15		Mustafa Spinning Mills	No association with SEL	Agreement	None
16	6	SCIL Textile Division No.1	Associated Company, Common Director Ship	Agreement	None

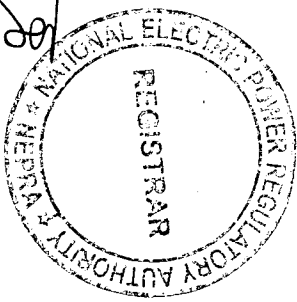
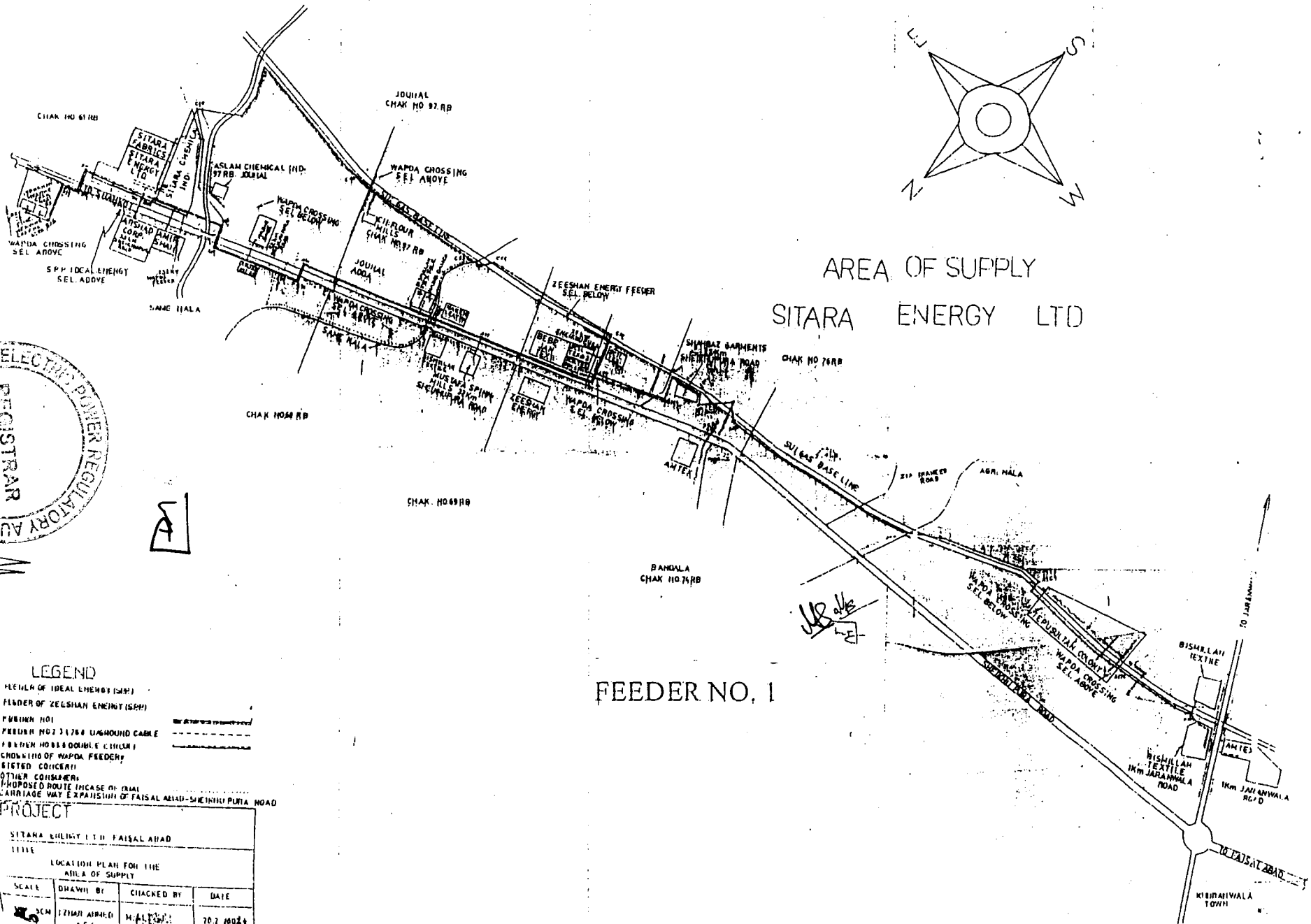






AREA OF SUPPLY  
SITARA ENERGY LTD

FEEDER NO. 1



LEGEND

- HEALTHY OF IDEAL ENERGY (SHP)
- FEEDER OF ZEEHAN ENERGY (ZEH)
- FEEDER NO 1
- FEEDER NO 2 31788 UNDERGROUND CABLE
- FEEDER NO 68 DOUBLE CIRCULAR
- CONDUIT OF WAPDA FEEDER
- STATED CONDUIT
- OTHER CONDUIT
- PROPOSED ROUTE (IN CASE OF 13M)
- CARRIAGE WAY EXPANSION OF FAISAL ABAD-SHEIKHUPURA ROAD

PROJECT

SITARA ENERGY LTD FAISAL ABAD			
TITLE			
LOCATION PLAN FOR THE AREA OF SUPPLY			
SCALE	DRAWN BY	CHECKED BY	DATE
1:1000	A.C.E.	M.A.L.	20.2.2004

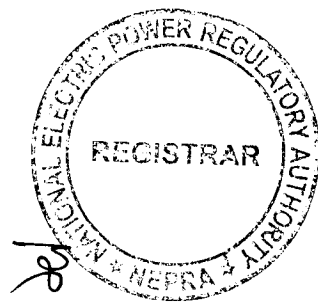
Page 18 of 19 of Modified Schedule - I

Generation Licence  
Sitara Energy Limited  
33-KM Faisalabad-Sheikhupura Road  
Faisalabad  
Punjab



**SCHEDULE-II**  
**(Modified)**

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



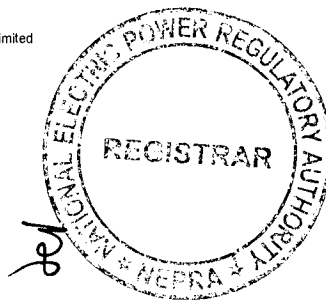
## SCHEDULE-II

1.	Installed Capacity Gross ISO	49.15 MW
2.	Derated Capacity at Mean Site Conditions	42.40 MW
3.	Auxiliary Consumption	01.40 MW
4.	Net Capacity of the Plant	41.00 MW

### Note

All the above figures are indicative as provided by the Licensee. The Net Capacity available to FESCO/CPA\* for dispatch will be determined through procedure(s) contained in the Bi-lateral Agreement(s), Grid Code or any other applicable document(s).

\* Central Power Purchasing Agency of National Transmission and Despatch Company Limited





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

**Determination of Authority**  
**in the Matter of Licensee Proposed Modification (LPM) of**  
**Sitara Energy Limited**  
**(SEL)**

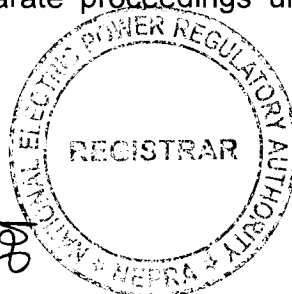
**December 03, 2013**  
**Application No. LAG-41**

**(A). Background**

(i). The Authority granted a Generation Licence (No. SGC/012/2002, dated January 02, 2002) to SEL (a Small Power Producer/SPP) for its RFO based Generation Facilities located at 33-KM Faisalabad-Sheikhupura Road, Faisalabad. Further, the Authority also allowed SEL supplying power to sixteen (16) Bulk Power Consumers/BPCs.

(ii). Later on, in the year 2004 SEL informed the Authority about its plan to replace existing RFO/HFO Engines with Gas Engines while keeping RFO/HFO engines as standby. The Authority considered the matter in its Regulatory Meeting held on August 17, 2004 and gave its no objection to the proposed modification however, decided that the modification in the Generation Licence would be issued only after exact new capacity is communicated by SEL. The Authority also decided that the standby capacity of SEL would not form part of Installed Capacity but would be mentioned separately.

(iii). SEL in February 2008 informed NEPRA that its plan of replacing RFO/HFO Gas Engines was in advance stage and as soon as the same is completed, NEPRA would be informed with complete details of the gas engines. SEL further informed that it has started supplying 20.00 ± 5.00 MW power to FESCO. The matter of supplying power by SEL to FESCO is being considered by the Authority through separate proceedings under NEPRA (Fines) Rules, 2002.



(iv). SEL in October 2009 informed NEPRA about completion of the work related to installation of Gas Engines. SEL further informed that now Installed Capacity stands increased to 85.14 MW (consisting of 47.68 MW of RFO/HFO based Engines + 37.46 MW of Gas based Engines). Due to the communicated changes, SEL was directed for providing the complete details of the new installed Gas Engines and power being supplied to FESCO. SEL through its letter of July 05, 2010 submitted the details of newly installed equipment and also provided the detail of agreement executed with FESCO for supply of RFO/HFO based electricity. The Authority considered the matter in its Regulatory Meeting (RM-11-434), dated September 08, 2011 and directed SEL for filing afresh LPM due to change in installed Capacity.

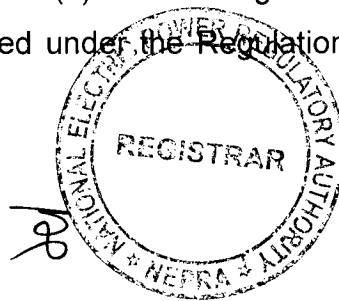
**(B). Communication of LPM**

(i). SEL submitted the LPM through its letter of October 19, 2011 however SEL withdrew the submitted LPM through its letter dated October 31, 2011. SEL resubmitted the LPM on the same day (i.e. October 31, 2011), restricting its installed capacity to 49.15 MW, in accordance with Regulation 10 (2) of the NEPRA Licensing (Application & Modification Procedure) Regulations 1999 (the Regulations). The communicated LPM not only requested for changes made in its installed capacity but also included FESCO as a Power Purchaser with whom SEL had executed an agreement for supply of power.

(ii). SEL in the "Text of the proposed Modification" submitted that according to the existing Generation Licence out of its eight (08) RFO/HFO based engines only five (0-5) would be retained. Further that additional eight (08) Gas Engines have been installed which have increased the total Installed Capacity from 47.68 MW to 49.15 MW. In addition to the capacity addition, SEL also requested that FESCO may be added as a Power Purchaser of SEL.

**(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 SEL, the Registrar accepted the LPM as required under the Regulation 10 (4) of the Regulations



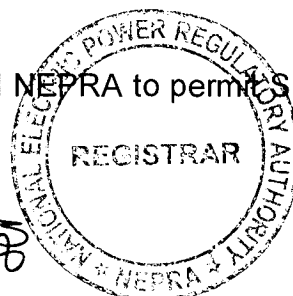
and submitted the same for the consideration of the Authority. The Authority finally admitted the LPM of September 06, 2012 for further processing.

(ii). A Notice about the Communicated LPM was published in the Newspapers of October 13, 2012, seeking comments from general public in favor or against the proposed LPM. Apart from the notice in the press, separate notices were also sent to experts, government ministries and representative organizations etc. inviting their views and comments.

**(D). Comments of Stakeholders**

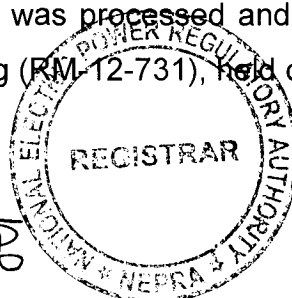
(i). In response to the above published notice of LPM in the press and subsequent correspondences made with other stakeholders, NEPRA received comments from eight (08) stakeholders. These included Shahbaz Garments (Pvt.) Limited, Spinning Unit (SGPL), The Faisalabad Chamber of Commerce & Industry (TFCoC&I), Central Power Purchasing Agency (CPPA) of National Transmission and Despatch Company Limited (NTDC), Pride Spinning Mills (Pvt.) Limited (PSMPL), Kausar Processing Industries (Pvt.) Limited (KPIPL), NAGRA Spinning Mills (Pvt.) Limited (NSML), Habib Haseeb Spinning Mills (Pvt.) Limited (HHSMPL) and FESCO. The salient points of the comments offered by the above mentioned stakeholders are summarized in the following paragraphs:-

- (a). SGPL supported the LPM by saying that they are getting uninterrupted and smooth power from SEL through FESCO and hoped that a long term arrangement between FESCO and SEL will be allowed;
- (b). TFCoC&I strongly recommended to NEPRA to allow SEL the required modification;
- (c). CPPA expressed its no reservation on the LPM;
- (d). PSMPL requested NEPRA to permit SEL for supply of power to FESCO;



- (e). KPIPL requested to allow SEL supplying to FESCO;
- (f). NSML strongly recommended to modify the Generation Licence of SEL to include FESCO as a Power Purchaser;
- (g). HHSMPPL recommended that SEL be allowed supplying to FESCO through the submitted modification for Generation Licence;
- (h). FESCO submitted that NEPRA has already turned down the 9.00 MW Power Acquisition Request (PAR) in case of Kohinoor Power Company Limited (KPCL). The PAR was rejected in light of latest Policy of Government that "no generation by upcoming projects based on oil was to be allowed". SEL is also oil (HFO) based power plant with high Tariff of Rs. 20/kWh (approx). FESCO is not in position to comment in the presence of decision of Government of Pakistan (GoP) and subsequent step taken by regulator in case of rejection of PAR of KPCL. The fate of the pending PAR in case of SEL hopefully will not be different from KPCL being policy matter. FESCO therefore is of the view that proposed modification in the license of SEL, regarding including FESCO as Power Purchaser, will not have implementation use if NEPRA, as per Government Policy, has decided to reject the PAR of oil based power plants.

(ii). The above comments of the stakeholders were examined and found to be supportive of the communicated LPM except FESCO which raised the issue that GoP had in principle decided not to purchase any power from RFO based generation facilities. Later on, GoP reviewed its earlier decision and decided to allow DISCOs to continue purchasing electrical power from such facilities. In view of this, the LPM was processed and the Authority considered the same in its Regulatory Meeting (RM-12-731), held on December 26, 2012.



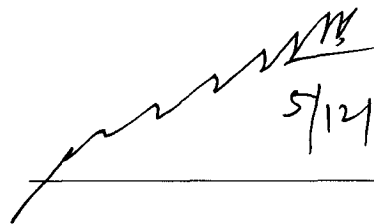
(E). Approval of LPM

(i). The Authority has observed that SEL has complied with the requirements of the Regulations for processing of any LPM. In view of this, the Authority decides to approve the communicated LPM of SEL for replacement of RFO engines with Gas Engines within an installed capacity of 49.15 MW and for addition of FESCO as its Power Purchaser.

(ii). Accordingly, the already granted Generation Licence (No. SGC/012/2002, dated January 02, 2002) in the name of SEL is hereby modified. The Face Sheet indicating the required changes alongwith Modified Schedule-I & II of the Generation Licence are attached as Annexure to this determination. The approval of LPM would be subject to the provisions contained in the NEPRA Act and relevant rules framed there under. It may also be clarified that proceeding under the Fines Rules are still pending, therefore approval of the instant LPM shall be without prejudice to the pending proceedings.

Authority

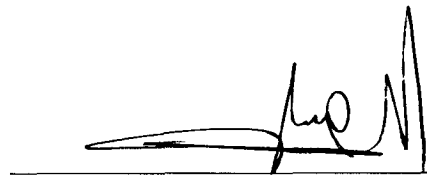
Habibullah Khilji  
Member

  
5/12/2013

Maj. (R) Haroon Rashid  
Member



Khawaja Muhammad Naeem  
Member/Vice Chairman

  
06 Dec 2013

