



Gulf Powergen

Gulf Powergen (Pvt) Limited
15-Peshawar Block, Fortress Stadium
Lahore 54810, Pakistan
Tel : 92 (42) 36675595, 36660085
Fax: 92 (42) 36673960, 36664349

Our Ref: GPPL/G-License (Renewal)/NEPRA/04-2280
Dated: April 15, 2020

The Registrar
National Electric Power Regulatory Authority
NEPRA Tower, Ataturk Avenue (East), Sector G-5/1
Islamabad, Pakistan.

APPLICATION FOR RENEWAL OF GENERATION LICENSE NO; IGSP/57/2015

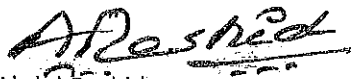
I, Mr. Abdul Rashid, Chief Executive Officer (CEO) of the Gulf Powergen (Pvt) Limited (the "Company" or "GPPL") being the duly authorized representative of Gulf Powergen (Pvt) Limited by virtue of a Board Resolution dated February 28, 2020, appended herewith, hereby apply to the National Electric Power Regulatory Authority ("NEPRA or Authority") for the renewal of Generation License for the Company bearing No. IGSP/57/2015 in respect of the Company's 83.835 MW power plant located at Eminabad, District Gujranwala in the Province of Punjab, Pakistan (the "Project") pursuant to Regulation 10(2) of National Electric Power Regulatory Authority (NEPRA) Licensing (Application and Modification Procedure) Regulations 1999, read with Rule 5 of the Licensing (Generation) Rules 2000;

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provision of National Electric Power Regulatory Authority (NEPRA) Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and corrected to the best of my knowledge and belief.

A pay order in the sum of Rupees 382,580/- (Rupees: Three hundred eighty two thousand five hundred and eighty only) being the non-refundable license application fee calculated in accordance with Schedule-II to National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, is also attached herewith.

Regards,

Yours Sincerely
For Gulf Powergen (Pvt) Limited


Abdul Rashid
Chief Executive Officer (CEO)



Gulf Powergen

Gulf Powergen (Pvt) Limited

15-Peshawar Block, Fortress Stadium

Lahore 54810, Pakistan

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EXTRACTS FROM RESOLUTION

**PASSED BY THE BOARD OF DIRECTORS OF
GULF POWERGEN-(PVT)-LIMITED**

DATED March 16, 2020

RESOLVED that Gulf Powergen (Pvt) Limited (the "Company") shall apply for modification of its Generation License No. IGSP/L/57/2015 (the "Generation License") in respect of the Company's 83.835 MW power plant located at Eminabad, District Gujranwala in the Province of Punjab, Pakistan (the "Project"), and in relation thereto, sign all requisite documentation, pay all applicable fees and undertake all other necessary and ancillary acts and deeds.

RESOLVED FURTHER that an application for Renewal of its Generation License be made to NEPRA with regards to the Project;

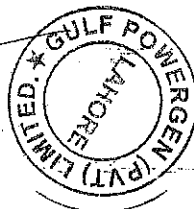
RESOLVED FURTHER that Mr. Abdul Rashid S/O Tufail Muhammad, bearing CNIC No; 35201-1654090-9, the Chief Executive Officer of the Company, be and is hereby authorized to sign any Document(s) ancillary thereto, represent before and provide any information required by the National Electric Power Regulatory Authority in relation to the Renewal Of Generation License, do all lawful acts and deeds necessary and ancillary for the processing, completion and finalization of the Renewal Of Generation License;

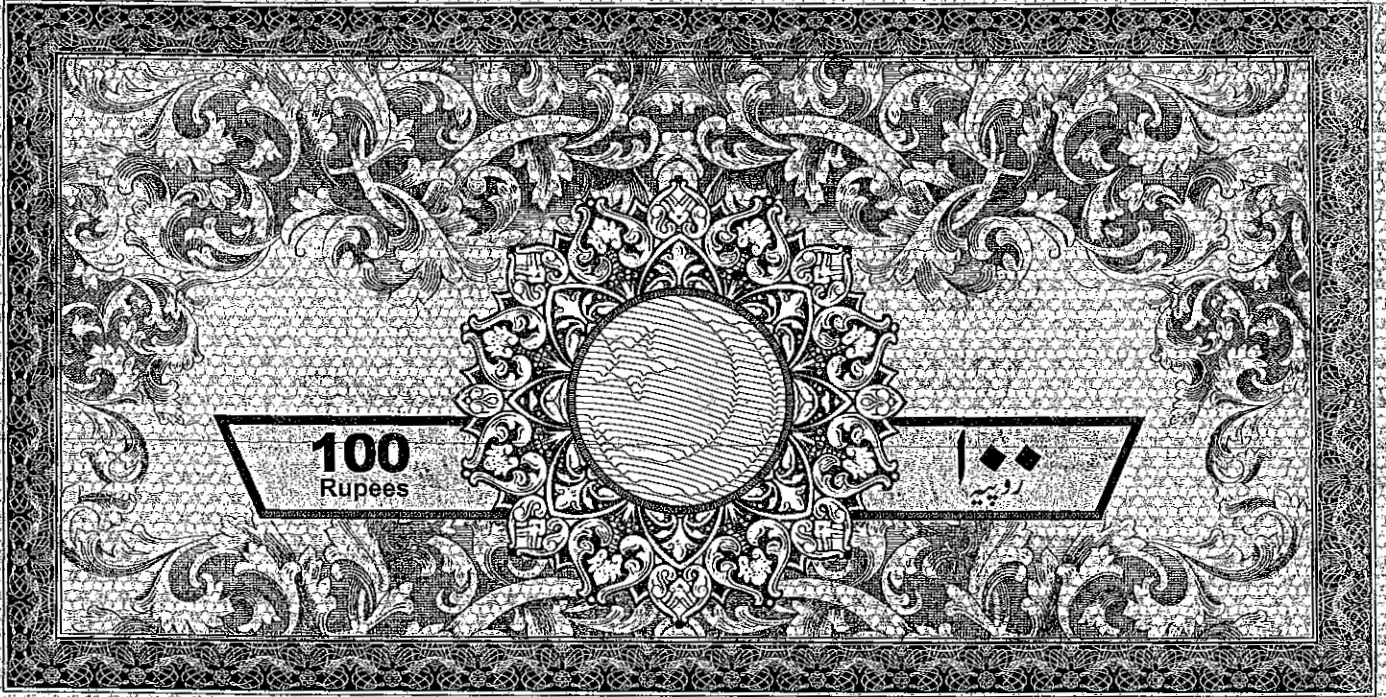
CERTIFIED TO BE TRUE COPY

CERTIFICATION

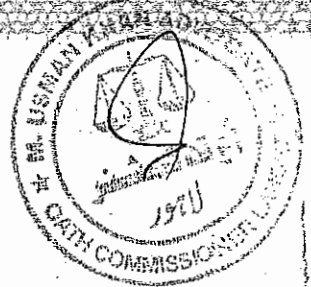
CERTIFIED that, the above resolution was duly passed by the Board of Directors of Gulf Powergen (Pvt) Limited in their meeting held on March 16, 2020, for which the quorum of directors was present.

Rabat
Company Secretary





BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY



AFFIDAVIT

I, Abdul Rashid S/O Tufail Muhammad, bearing CNIC No. 35201-1654090-9, the Chief Executive Officer of the Company, being duly authorized by Gulf Powergen (Pvt) Limited, hereby solemnly affirm and declare on oath that the contents of the accompanying application of Gulf Powergen (Pvt) Limited for the Renewal of its Generation License No. IG SPL/57/2015, including all attached documents-in-support, are true and correct to the best of my knowledge and belief and that nothing has been concealed.

DEPONENT

Signature: Arashid
Name: Abdul Rashid
Dated: 15-04-2020

**BEFORE
THE NATIONAL ELECTRIC
POWER REGULATORY AUTHORITY**

APPLICATION FOR MODIFICATION OF
GENERATION LICENSE NO.IGSPL/57/2015

IN RESPECT OF

83.835 MW Gulf Powergen (Pvt) Limited Power Plant located at Eminabad, District
Gujranwala in the Province of Punjab,
Pakistan

Dated: 15.04.2020

File for and behalf of:

Gulf Powergen (Pvt) Limited

PETITION FOR LICENSEE RENEWAL OF GENERATION LICENSE No;

IGSPL/57/2015

On Behalf Of

Gulf Powergen (Pvt) Limited

1. Legal Basis:

(a) Gulf Powergen (Pvt) limited in pursuance of, inter alia, Regulation 10(2) of NEPRA (Application and Modification Procedure) Regulations, 1999 read with Rule 5 of the Licensing (Generation) Rules 2000 and other applicable provisions of the Regulation of Generation Transmission and Distribution of Electric Power Act, 1997 (the "Act"), Rules, Regulations and applicable documents (collectively "NEPRA Laws") submits this Application for Licensee Renewal of its Generation License in respect of its Generation License No. IGSPL/57/2015 (the "License").

(b) Regulation 10(2) of Application and Modification Procedure Regulations, 1999 states as under:

A licensee may, at any time during the term of the license, communicate to the Authority a licensee proposed modification setting out:

- i) The text of the proposed modification;*
- ii) A statement of the reasons in support of the modification; and*
- iii) A statement of the impact on tariff, quality of service and the performance by the licensee of its obligations under the license.*

(c) The Rule 5 of the License (Generation) Rules 2000 state as under:

Terms and renewal:

- (1) Except where an applicant for a generation license consents to a shorter term, the term of a generation license shall be commensurate with the maximum expected useful life of the units comprised in a generation facility demonstrated to the satisfaction of the Authority.
- (2) Upon the expiry of the term of the generation license, unless revoked earlier in accordance with these rules or the terms of the generation license, the generation license may be renewed by the Authority for such further term as it may deem appropriate in the manner provided for in the generation license keeping in view the remaining maximum expected useful life of the units comprised in the generation facility, the performance of the licensee during the then expiring term and the interests of the consumers and the electric power industry as a whole.

2. Gulf Powergen (Pvt) Limited (the "Company" or "GPPL") request for Renewal of its Generation License:

- (a) The Company holds a Generation License No. IG SPL/57/2015 for its 83.835 MW power plant located at Eminabad, District Gujranwala in the Province of Punjab, Pakistan.
- (b) Article -4 "Term of Licence" of the Generation License provides that
"Unless suspended or revoked earlier, the licensee may apply for renewal of this Licence under the national Electric Power regulatory Authority Licencing (Application & Modification Procedure) regulations, 1999 (as amended or replaced from time to time), within ninety (90) days prior to the expiry of the term of this license"
- (c) Gulf Powergen (Pvt) Limited Generation License No: IG SPL/57/2015 shall expire on May 24, 2020.
- (d) Gulf Powergen (Pvt) Limited entered into Power Purchase agreement (PPA) with Central Power Purchase Agency Guarantee Limited on May 25, 2017. The said PPA shall expire on May 24, 2020.
- (e) After expiry of the existing PPA with CPPA-G, Gulf Powergen (Pvt) limited intends to operate the plant and is in the process of finding out the Power Purchaser(s) to sell its output. Various options, including the following are under its active consideration:

1. Sale of the output of the plant to CPPA-G as short-term Independent Power Producer Project for another period of Three (3) or longer in accordance with the ECC decision for utilization of existing available capacity. In this regards Gulf Powergen(Pvt) limited has already requested and given its consent to CPPA-G for extension of existing PPA for another term via letter No: GPPL/CPPA-G/STIPP_PPA/04-2085 dated April 22, 2019 – Copy of letter enclosed.
2. Sale of the entire /part production capacity of the Plant to any interested bulk power customers like housing societies, industrial parks, etc. All legal requirements will be complied with.
3. We understand that NEPRA envisages arranging development and operation of a Competitive Trading Market for the power sector in the near future for procurement of electric power through competitive bidding. Gulf Powergen (Pvt) Limited intends to participate in the Competitive Trading Market, as and when established.

(f) Gulf Powergen (Pvt) Limited requires extension in its existing Licence for its electric power generation business under any of the above options.

(g) Pursuant to

- Regulation 10(2) of Application & Modification Procedure regulations, 1999,
- Rule 5 of NEPRA Generation Licensing Rules
- Article -4 "Term of Licence" of the Generation License

The Company is eligible to apply and seek an extension of its respective Generation License upto **May 24, 2023** i.e three (03) years.

(h) GPPL hereby requests the learned Authority to consider and accept the request for the Renewal of its Generation License.

(i) GPPL requests the Authority to kindly consider the interests of the electric power industry as a whole. GPPL is devoted to undertake its generation business and aspires to cater to the energy crisis currently being faced by Pakistan.

Various notices, including the following are attached.

- (j) The requested renewal would benefit consumers as it would ensure that generation capacity of GPPL continues to be available and maintained. Moreover, there will be no adverse impact on the quality of service provided by GPPL if this Application is accepted. Further, there will be no adverse impact on the performance of the Company.
- (k) Additionally, GPPL would like to bring to the Authority's attention that GPPL is a meticulous service provider and has complied with the Performance Standards and Generation Code prescribed by the Authority and the Environmental Standards.
- (l) In light thereof, GPPL requests the Authority to please Renew license to avoid any losses that GPPL and its consumers might incur as a result of its generation facilities being discontinued.
3. The information as required under Regulation 10(2) of Application and Modification Procedure Regulations, 1999 is provided as under:

i) The Text of Proposed Modification:

The Text in the GPPL's Generation Licence No. IGSP/57/2015

"The expiry date mentioned in Face Sheet of the original Generation Licence has been changed from April 29, 2018 to May 24, 2020"

shall be modified as under:

"The expiry date mentioned in Face Sheet of the original Generation Licence has been changed from May 24, 2020 to May 24, 2023"

ii) A statement of the reasons in support of the modification:

- (a) Gulf Powergen (Pvt) Limited Generation License No: IGSP/57/2015 shall expire on *May 24, 2020*.
- (b) Article -4 "Term of Licence" of the Generation License

“Unless suspended or revoked earlier, the licensee may apply for renewal of this Licence under the national Electric Power regulatory Authority Licencing (Application & Modification Procedure) regulations, 1999 (as amended or replaced from time to time), within ninety (90) days prior to the expiry of the term of this licence”

(c) Gulf Powergen (Pvt) Limited entered into Power Purchase agreement (PPA) with Central Power Purchase Agency Guarantee Limited on May 25, 2017. The said PPA shall expire on May 24, 2020.

(d) After expiry of the existing PPA with CPPA-G, Gulf Powergen (Pvt) limited intends to operate the plant and is in the process of finding out the Power Purchaser(s) to sell its output. Various options, including the following are under its active consideration:

1. Sale of the output of the plant to CPPA-G as short-term Independent Power Producer Project for another period of Three (3) or longer in accordance with the ECC decision for utilization of existing available capacity. In this regards Gulf Powergen(Pvt) limited has already requested and given its consent to CPPA-G for extension of existing PPA for another term via letter No: GPPL/CPPA-G/STIPP_PPA/04-2085 dated April 22, 2019 – Copy of letter enclosed.
2. Sale of the entire /part production capacity of the Plant to any interested bulk power customers like housing societies, industrial parks, etc. All legal requirements will be complied with.
3. We understand that NEPRA envisages arranging development and operation of a Competitive Trading Market for the power sector in the near future for procurement of electric power through competitive bidding. Gulf Powergen (Pvt) Limited intends to participate in the Competitive Trading Market, as and when established.

(e) Gulf Powergen (Pvt) Limited requires extension in its existing Licence for its electric power generation business under any of the above options.

i) Impact of the Proposed Modification:

a) Impact on Tariff

As the learned Authority would appreciate, the proposed amendments would not impact the tariff of the Company.

b) Impact on Quality of Service

The Company certifies that the quality of service and the performance by the Company under the Generation License shall not be affected on acceptance by NEPRA of this Application. As mentioned above, the Company has been fully diligent and dedicated in the performance of its services and aspires to cater to the energy crisis currently being faced by Pakistan.

c) Impact on the obligations of the Company under the License

The proposed Renewal would facilitate the Company in fulfilling its obligations under the License and continue the generation of electric power in national interest.

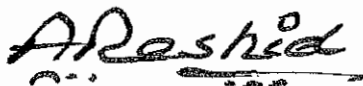
PRAYER:

It is most humbly prayed to the esteemed Authority as follows:

- a. That the Authority may kindly approve the Renewal of GPPL's Generation license till May 24, 2023;
- b. During the pendency and adjudication of this Petition, the Company humbly requests the learned Authority to kindly allow it to continue to perform Generation activities and undertake Generation business;
- c. That the Authority may be pleased to treat the Company's request for Renewal of GPPL's Generation License expeditiously and on a non-discriminatory basis;
- d. Any further and better relief that the Authority may deem appropriate in the circumstances may kindly be granted to the Company.

We hope the information/explanation provided above meets the Authority's requirements and GPPL shall remain available to assist the Authority in further queries/clarifications.

Yours Sincerely
For Gulf Powergen (Pvt) Ltd



Abdul Rashid
Chief Executive Officer

Dated: April 15, 2020

