



Registrar

# National Electric Power Regulatory Authority

## Islamic Republic of Pakistan

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No. NEPRA/R/DL/LAG-476/40705-11

November 12, 2020

**Syed Aslam Mehdi,**  
Chief Executive Officer,  
Bulleh Shah Packaging (Private) Limited,  
Shahrah-E-Roomi, P.O. Amer Sindu,  
Lahore-54760.  
Contact No. 042-35811541-46

Subject: **Grant of Generation Licence No. SGC/151/2020**  
**Licence Application No. LAG-476**  
**Bulleh Shah Packaging (Private) Limited (BSPPL)**

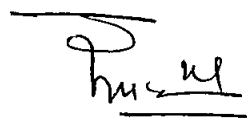
Reference: *BSPPL's application vide letter No. BSP/SUS/2020/001 dated January 15, 2020.*

Enclosed please find herewith Generation Licence No. SGC/151/2020 granted by National Electric Power Regulatory Authority (NEPRA) to Bulleh Shah Packaging (Private) Limited (BSPPL) for its 41.00 MW biomass based Thermal Power Plant located at 7-km Kasur-Raiwind Road, District Kasur, in the province of Punjab, pursuant to Section 14B of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997/Amendment Act, 2018. Further, the determination of the Authority in the subject matter is also attached.

2. Please quote above mentioned Generation Licence No. for future correspondence.

Enclosure: **Generation Licence**  
**(SGC/151/2020)**



  
12 11 20  
(Syed Safeer Hussain)

Copy to:

1. Secretary, Ministry of Energy, Power Division, A-Block, Pak Secretariat, Islamabad.
2. Chief Executive Officer, Alternative Energy Development Board (AEDB), 2<sup>nd</sup> Floor, OPF Building, G-5/2, Islamabad.
3. Managing Director, NTDC, 414-WAPDA House, Lahore.
4. Chief Executive Officer, Lahore Electric Supply Company Limited, 22-A, Queens Road, Lahore.
5. Director General, Environmental Protection Department, Government of Punjab, National Hockey Stadium, Ferozpur Road, Lahore
6. Secretary, Energy Department, Government of the Punjab, 8th Floor, EFU House, 6-D Main Gulberg, Jail Road, Lahore.

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

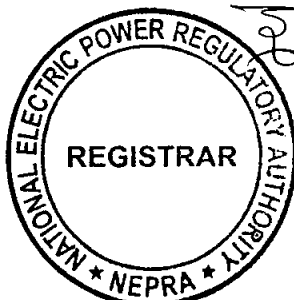
**Determination of the Authority in the Matter of**  
**Application of Bulleh Shah Packaging (Private) Limited for**  
**Grant of the Generation Licence**

**November <sup>12</sup>, 2020**  
**Case No. LAG-476**

**(A). Filing of Application**

(i). Bulleh Shah Packaging (Private) Limited (BSPPL) submitted an application on January 24, 2020 for the grant of generation licence in terms of Section-14B of Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (the "NEPRA Act") read with the relevant provisions of the NEPRA Licensing (Application and Modification Procedure) Regulations, 1999 (the "Licensing Regulations").

(ii). The Registrar examined the submitted application and found that application was deficient in terms of the Licensing Regulations. Accordingly, the Registrar directed BSPPL for submitting the missing information/documents as required under the said regulations. BSPPL completed the submission of missing information/documentation by February 03, 2020. The Authority considered the matter and found the form and content of the application in substantial compliance with Regulation-3 of the Licensing Regulations. Accordingly, the Authority admitted the application on February 14, 2020 for consideration of the grant of the generation licence as stipulated in Regulation-7 of the Licensing Regulations. The Authority approved a Notice of Admission/Notice to invite comments of general public, interested and affected persons in the matter as stipulated in Regulation-8 of the Licensing Regulations. Accordingly, Notices were published in one (01) Urdu and one (01) English newspapers on February 16, 2020.



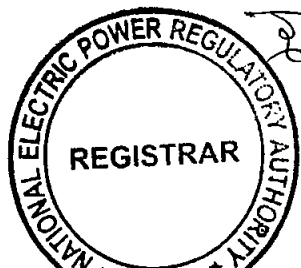
(iii). In addition to the above, the Authority also approved a list of stakeholders for seeking their comments for its assistance in the matter in terms of Regulation-9(2) of the Licensing Regulations. Accordingly, letters were sent to different stakeholders as per the approved list on February 17, 2020, soliciting their comments for assistance of the Authority.

**(B). Comments of Stakeholders**

(i). In reply to the above, the Authority received comments from three (03) stakeholders including Sui Northern Gas Pipelines Limited (SNGPL), National Transmission and Despatch Company Limited (NTDC) and Lahore Electric Supply Company Limited (LESCO). The salient points of the comments offered by the above mentioned stakeholders are summarized in the paragraphs as mentioned below: -

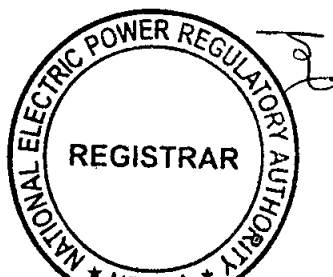
- (a). SNGPL submitted that BSPPL is its Industrial consumer and gas/RLNG has been allocated for co-generation for self-use only within its industrial premises. The power so generated through co-generation cannot be shared/sold to any other unit or residential area outside the boundary wall, regardless the fact that ownership of the other unit(s)/plant(s) residential colony may also jointly or exclusively be vested by them. However, SNGPL has no objection if generation licence based on fuel other than Natural Gas is granted;
- (b). NTDC commented that it has not received any information/data of the power plant under consideration so the same has not been considered for optimization in Indicative Generation Capacity Expansion Plan 2047 (IGCEP 2047). In this regard, it is informed that neither GM Planning of NTDC has conducted any Grid Interconnection





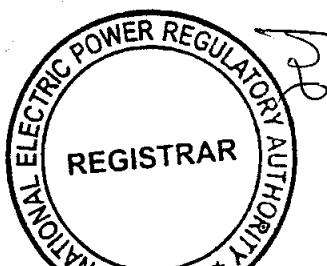
Study (GIS) nor the sponsors of the project have submitted any such study; and

- (c). LESCO submitted that BSPPL has submitted an application for grant of generation licence in respect of its proposed 41-MW thermal power plant located at 7-Km, Kot Radha Kishan Road, Off 4-Km Kasur Raiwind Road, District Kasur and intends to disperse the power generated from above mentioned facility to its sister concern Omya Pack (Pvt.) Limited (OPPL) within the same Premises. BSPPL is a Bulk Power Consumer (BPC) of LESCO with sanctioned load of 20-MW under tariff B-4 and is bound under subsection-2 of Section-22 of NEPRA Act to give one (01) year prior notice and shall continue to make payments to the distribution company equal to the amount of cross-subsidy for uneconomic service for which it would otherwise have provided through purchase of electric power by the BPC. That 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 these BPC(s) cannot be allowed to have two independent connections simultaneously from LESCO and the applicant. LESCO has already filed the CPLA No. 3591/19 against decision of NEPRA regarding Nishat Mills Limited (NML) in the Honorable Supreme Court of Pakistan which is similar to subject cited case. LESCO is already on list of privatization and a check list has been issued by the Ministry of Privatization for the purpose of actions that should not be taken without the prior consent/clearance of the Privatization Commission are inclusive of (i). Sale or transfer of



licenses/permits etc.; (ii). Closing of any line of business. It is pertinent to mention here that LESCO has already raised certain observations and financial implications on NEPRA (Wheeling of Electric Power) Regulations 2016 vide letter No. LESCO/2019/CEO/355-57 dated November 26, 2019. It is further added that Central Power Purchasing Agency (Guaranteed) Limited (CPPA-G) has also raised certain legal, technical and financial implications on such like arrangements vide letters No. CPPAG/CEO/NEPRA/6086-91 dated September 14, 2018 & No. CPPA-G/CTO/ DGM (Renewable)/12608-13 dated June 13, 2019 and also gave a presentation in this regard to Secretary, Ministry of Energy (Power Division). In this regard, the Secretary has already directed CPPA-G vide letter dated March 19, 2019 to collaborate with NEPRA and finalize a draft submission to NEPRA for, amendments in relevant regulations to enable a balanced and practical way forward on the subject of wheeling, which is still under process.

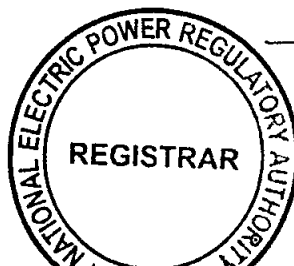
(ii). The Authority considered the above comments and in view of the observations of SNGPL, NTDC and LESCO, considered it appropriate seeking perspective of BSPPL. On the observations of SNGPL, it was submitted that BSPPL has a Cogen Captive Power Plant (CCP) with a turbine capacity of 41.00 MW, and a biomass boiler installation that can generate up to 30.00 MW. The daily consumption of biomass fuel required to run this boiler is between 700-900 tons consisting primarily of wheat straw, cotton stacks and other agricultural wastes. In this regard, BSPPL has more than eleven (11) centers across the province of Punjab for procuring this material, other than its site at Kasur that can store 3500 tons. Further to the said, BSPPL is an industrial consumer of gas/RLNG from SNGPL and are using it for its own cogeneration only. The overall steam requirement for the mill (including CPP) is 135-150 TPH, where the steam



consumption of boiler is 20-25 TPH (deaerator) and that of the steam turbine is 0.6 TPH. The overall electrical requirement for complete premises including the CPP is around 29-30 MW, with the electrical Consumption of the turbine is 0.75 MW (cooling Tower plus Auxiliary Load) and that of the boiler is around 2.2 – 2.6 MW. BSPPL consumes around 2-3 % of its actual allotted consumption monthly (20 mmcf/day), as its main fuel for generation is biomass only. BSPPL consumes around 10,000 to 14,000 m<sup>3</sup> of Gas/RLNG per cold startup, but there is an option to take startup on biomass only as well. The startups are merely 4-5 hours in duration where Gas/RLNG is being used until the boiler temperatures of 400-500°C are reached. In this regard, it is confirmed that no electricity is being generated at this point neither any steam is being extracted for use. These are rare occurrences as the process is continuous with 2-3 startups per month maximum. All electricity produced is on Biomass only and no Gas/RLNG is used after startups. BSPPL uses some Gas/RLNG under cogeneration for its heaters at coating burners for paper & board making. It uses 50,000 to 60, 000 m<sup>3</sup> per month, with a separate back up of LPG still keeping the overall consumption under 3% of allotted capacity. The power so generated through co-generation is not being shared/sold to any other unit or residential area outside the boundary wall of BSPPL and the consumption of all electricity and heat from any Gas/RLNG is within its boundary.

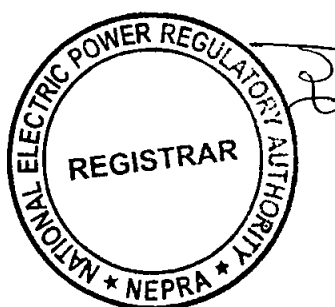
(iii). On the observations of NTDC, it was submitted that the power plant is a cogeneration plant which is already existing and the requirement of the licence has arisen only as BSPPL plans supplying to sister concern as a BPC. The supply to the BPC will be made through an underground cable located on private property and therefore, there is no requirement of considering the project as a candidate project under IGCEP and carrying out of the GIS and its approval.

(iv). Regarding the comments of LESCO, it was stated that the comments of LESCO in the matter are not based on the factual position as given in the application for the grant of generation licence and the notice of admission published in the press. The fact of the matter is that BSPPL is planning to sell



surplus energy/electricity from its existing CPP to a sister concern in the name of OPPL which is not an existing consumer of LESCO. In this regard, it is confirmed that BSPPL will continue to buy from LESCO under its existing connection therefore, the question of notice for disconnection and payment of cross subsidy does not arise. As explained above, the proposed BPC is not an existing consumer therefore the question of having two connection does not arise. About the case of NML, it was submitted that BSPPL is not aware of the complete facts of the case referred by LESCO. However, whatever is available in public domain is that the Authority had allowed NML to lay feeders for connecting to its industrial concerns located some kilometers apart. However, in the current case the proposed BPC in the name of OPPL is located within the same premises as that of the CPP/generation facility therefore, the case of BSPPL is completely different from that of NML and no parallel can be drawn. BSPPL stated that its application for the grant of generation licence has been submitted strictly in line with the provisions of the NEPRA Act and the relevant rules and regulations framed thereunder and it has no nexus to privatization of LESCO etc. BSPPL clarified that supply to the proposed BPC i.e. OPPL will be made by laying an underground cable/Feeder located on the private property owned by BPC itself without making any connection to the network of LESCO, therefore, the question of wheeling does not arise. BSPPL stated that the supply to BPC does not involve any wheeling activity therefore, the comments relating to wheeling are not relevant in its case.

(v). The Authority considered the above submissions and considered it appropriate to proceed further in the matter of the application of BSPPL for the grant of generation licence as stipulated in the Licensing Regulations and NEPRA Licensing (Generation) Rules 2000 (the "Generation Rules").



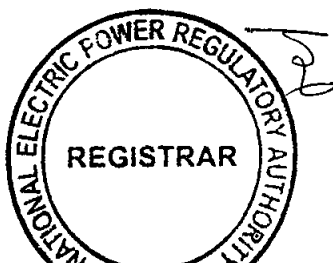
### **(C). Evaluations/Findings**

(i). The Authority examined the submissions of BSPPL including the information provided with its application for the grant of generation licence, the comments of the stakeholders, rejoinder submitted by the company/applicant/BSPPL, the relevant rules and regulations in the matter.

(ii). The Authority has observed that the applicant i.e. BSPPL was originally incorporated as a private limited company under Section 32 of the Companies Ordinance, 1984 (XLVII of 1984) vide Company Registration No. 00000011656/20050907 dated September 16, 2005 in the name of Bulleh Shah Paper Mill (Private) Limited. Later on, the name of the company was changed to BSPPL as stipulated under Section 40 of the Companies Ordinance, 1984 (XLVII of 1984) vide Registration No. 0052465 dated October 03, 2012. The Head Office of the company is at Shahrah-e-Roomi, P.O. Amer Sidhu, Lahore. The packaging facility of the company is located at 7-KM, Kot Radha Kishan Road, off 4-KM Kasur-Raiwind Road, district Kasur, in the province of Punjab.

(iii). The objectives of the company as stipulated in the memorandum of association, *inter alia*, include the businesses of manufacturers of paper and board of all kinds, and Tetra paper for making Tetra Pak of any type, description and dimension, straw board, plain and corrugated, duplex board, chip board, card board, box board, veneer board, mill board, wall and ceiling paper, greaseproof paper and articles made of paper, pulp, paper board specialties and board in all their branches. The applicant company i.e. BSPPL is a company of the Packages group which has a portfolio involving Packaging Material, Real Estate, Insurance, food and textile etc.

(iv). The Authority has observed that BSPPL has set up a CPP at its above mentioned factory with a name plate rating of 1 x 41.00 MW consisting of a one (01) Steam Turbine operating on wheat straw as the primary fuel with corn stover, brassica and linseed etc. as the alternate fuels and starting fuel of natural



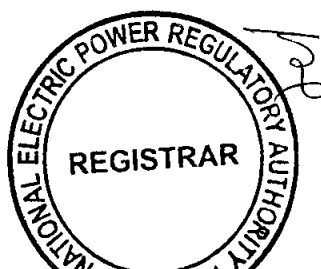


gas/RLNG. It is pertinent to mention that due to constrain of the boiler, the maximum output of the Stearn Turbine is restricted to 31.00 MW.

(v). As explained in the preceding paragraphs, BSPPL has now planned supplying around 2.00 MW from its CPP to OPPL as a BPC. The Authority has observed that OPPL is involved in manufacturing of versatile products that contribute to multiple industries such as construction, printing, writing, packaging, food, personal & home care, pharmaceuticals, agriculture, forestry, water and energy and requires the supply of electricity on a continuous basis. However, the supply of electric power from LESCO at that particular area is very unstable and erratic due to which it plans supplementing it from BSPPL. The Authority has noticed that OPPL is a new set up and is not an existing consumer of LESCO.

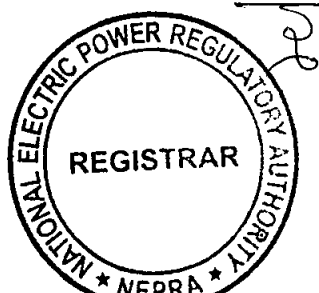
(vi). In consideration of the above, it is pertinent to mention that BPC is defined term as stipulated in Section 2 (ii) of the NEPRA Act. According to the said, a BPC is a consumer which purchases or receives electric power, at one premises, in an amount of one (01) megawatt-MW or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas. As explained in the preceding paragraphs, BSPPL plans selling electric power from its existing generation facility to OPPL to the tune of 2.00 MW which is well above the ceiling prescribed in the NEPRA Act. In view of the said, the Authority considers that OPPL qualifies to be considered as BPC of the generation company/BSPPL.

(vii). As explained in the previous paragraphs, BSPPL plans supplying to OPPL through an underground cables located on the private property owned by the BPC itself without involving any public or third party. The Section-2(v) of the NEPRA Act defines the term "Distribution" 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 OPPL are located on private property (without involving any public property or any third party) will be owned, operated, managed and controlled by the respective entity therefore, the supply of electric power to OPPL by BSPPL does not constitute a distribution activity under the Act, and a distribution licence will not be required by it.

(viii). The Rule-3(5) of the Generation Rules stipulates that the Authority may refuse to issue a generation licence where the site, technology, design, fuel, tariff or other relevant matters pertaining to the generation facility/power plant proposed in an application for a generation licence are either not suitable on environmental grounds or do not satisfy the least cost option criteria. In this regard, the Rule-3(5) of the Generation Rules stipulates the conditions pertaining to Least Cost Option Criteria which includes:- (a). sustainable development or optimum utilization of the RE or non-RE resources proposed for generation of electric power; (b). the availability of indigenous fuel and other resources; (c). the comparative costs of the construction, operation and maintenance of the proposed generation facility/co-generation facility/power plant against the preferences indicated by the Authority; (d). the cost and right-of-way considerations related to the provision of transmission and interconnection facilities; (e). the constraints on the transmission system likely to result from the proposed generation facility/co-generation facility/power plant and the costs of the transmission system expansion required to remove such constraints; (f). the short-term and the long-term forecasts for additional capacity requirements; (g). the tariff resulting or likely to result from the construction or operation of the proposed generation facility/co-generation facility/power plant; and (h). the optimum utilization of various sites in the context of both the short-term and the long-term requirements of the electric power industry as a whole.

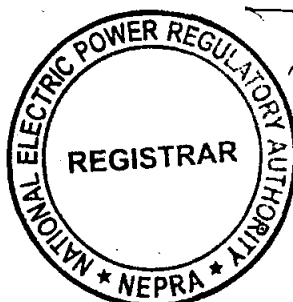


(ix). In consideration of the above, the Authority observes that generation facility for which BSPPL has approached for the grant of generation licence is already existing and is currently being utilized as a CPP only. The requirement of the generation licence has arisen as BSPPL plans selling to a distinct legal entity in the name of OPPL. The technology deployed by CPP is standard combination of a boiler and steam turbine using biomass as the main/operational fuel whereas for the startup of the generation facility, natural gas is used. The site of the generation facility is located at 7-KM, Kot Radha Kishan Road, off 4-KM Kasur-Raiwind Road, district Kasur, in the province of Punjab which is very suitable considering the fact biomass is readily available in the nearby vicinity. The Authority has observed that for its CPP, the company/BSPPL obtained a No Objection Certificate from the concerned department of Environment of the Govt. of Punjab. In light of the above, it is clear that the generation facility of BSPPL satisfies the criteria prescribed in the relevant rules for the grant of generation licence.

**(D). Grant of Licence**

(i). The Authority considers that sustainable and affordable energy/electricity is a key prerequisite for socio-economic development of any country. In fact, the economic growth of any country is directly linked with the availability of safe, secure, reliable and cheaper supply of energy/electricity. The Authority is of the considered opinion that for the industry of the country to be competitive, it is imperative that electricity to the industry is provided on an affordable price in a reliable fashion and on a continuous basis.

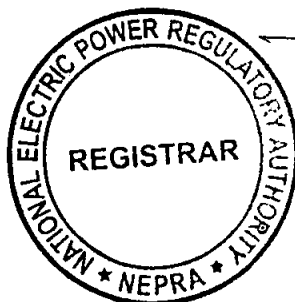
(ii). In consideration of the above, the Authority is of the considered opinion that the Supply-Demand situation in the country has improved manifold and in fact there is available surplus capacity in the system. Despite the said, the issues of affordability, reliability and security are still haunting the end consumers specially the industrial units which are facing stiff competition from their peers



worldwide. Due to the said issues, the industrial units are forced to explore other options for affordable prices.

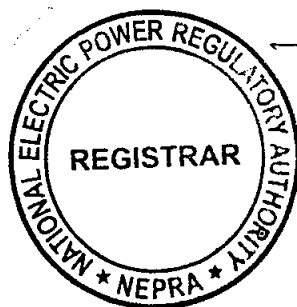
(iii). The Authority has observed that in the current case, BSPPL has approached for the grant of a generation licence for its generation facility located at 7-KM, Kot Radha Kishan Road, Off 4 KM Kasur-Raiwind Road, District Kasur, in the province of Punjab currently being used as a CPP as it intends supplying to OPPL as BPC. The Authority considers that the above proposal of BSPPL is in line with the provisions of the NEPRA Act, relevant rules and regulations framed thereunder. The proposal will not only allow BSPPL to use its generation facility in an optimum manner but will provide OPPL low cost affordable electricity for its operations. Further to the said, the proposal will also help in reducing the carbon emission by generating clean electricity from biomass, thus improving the environment.

(iv). As explained above, BSPPL has provided the details of location, technology, size, net capacity, interconnection arrangements, technical details and other related information for its generation facility which are being incorporated in the generation licence. Further to the said, the Authority has observed that generation facility of BSPPL will not be used for self-use but also for supplying to OPPL as BPC. According to Section-2(ii) of the NEPRA Act, a consumer which purchases or receives electric power at one premises, in an amount of one megawatt or more or in such amount and voltage level and with such characteristics as the Authority may specify, is treated as BPC. As explained in the preceding paragraphs, BSPPL will be supplying OPPL electric power to the tune of 2.00 MW which is well above the benchmark set in the NEPRA Act therefore, the Authority allows the above mentioned entity/OPPL to be a BPC of BSPPL.



(v). Regarding supply to the BPC, the Authority observes that the proposed BPC and the generation facility of BSPPL are located within the same premises and the BPC will be supplied through underground cable/feeder of 220/440 volt. Pursuant to proviso to Section-21/22 of the NEPRA Act, the Authority is empowered to allow a generation company to sell electric power to a BPC located in the service territory of a distribution company. In view of the said, the Authority allows the BSPPL to sell electricity to BPC. Further, under Section-2(v) of the NEPRA Act, 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 has not been included in the definition of "distribution". Based on the said considerations that the proposed BPC are located within the same premises and no public areas are involved, the supply of power to BPC(s) by BSPPL does not constitute a distribution activity under the NEPRA Act, and BSPPL will not require a distribution licence for supplying to the BPC(s).

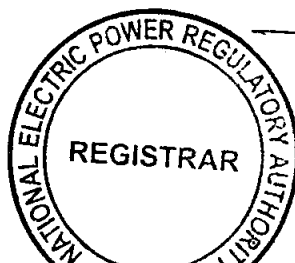
(vi). The Rule-5(1) of the Generation Rules stipulates that the term of a generation licence is to be consistent with the maximum expected useful life of the units comprised in a generating facility, except where an applicant consents to a shorter term. According to the information provided by BSPPL, its CPP has been in operation since 2009. In this regard, BSPPL has estimated the useful life of the Steam Turbine as thirty (30) years and has requested the term to the proposed generation licence to be based on the said parameters. The Authority clarifies that as per the industry standards and practices, the useful life of steam turbine is taken as thirty (30) years. As the installed steam turbine was commissioned in 2009 and has completed almost eleven (11) years of operation and has balance useful life of about nineteen (19) years. In view of the said, the Authority fixes the term of the generation licence to nineteen (19) years from the date of its issuance.



(vii). About compliance with the environmental standards, as explained in the preceding paragraphs, BSPPL has applied for the grant of the generation licence which is already existing/operational, having NOC from Environment Protection Department of Govt. of Punjab. In view of the importance of the issue, the Authority decides to include a separate article in the generation licence along with other terms and conditions making it obligatory for BSPPL to comply with relevant environmental standards at all times.

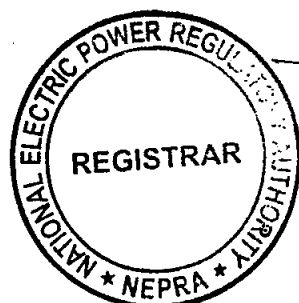
(viii). Regarding the rates, charges and terms and conditions of tariff between BSPPL and its BPC(s), it is reiterated that under Section-7(3)(a) of the NEPRA Act, determining tariff, rate and charges etc. is the sole prerogative of the Authority. However, the Authority observes that tariff between BSPPL and its BPC(s), does not affect any other consumer or third party. Therefore for the purpose of tariff, the Authority considers it appropriate directing BSPPL and its BPC(s) to agree on a bilateral agreement and accordingly BSPPL will be allowed to charge the agreed tariff subsequent to the grant of the generation licence.

(ix). The Authority has duly considered the comments of different stakeholders as explained in the preceding paragraphs. In this regard, the Authority has observed that SNGPL, NTDC and LESCO have raised certain observations which needs to be addressed. In this regard, SNGPL highlighted that:- (a). allocation of Natural Gas/RLNG is for self-use of BSPPL; (b). the electric power generated from allocated gas/RLNG cannot be shared/sold to any other unit outside the boundary wall; and (c). No objection if generation licence based on fuel other than Natural Gas is granted. NTDC made the observations that (a). it has not received any information/data of the power plant therefore, it is not optimized for IGCEP 2047; (b). the GIS for the project is not available. Similarly, LESCO commented that (a). BSPPL is its BPC and it is bound to give one (01) year notice to it if it want to switch to any other source; (b). BSPPL is also to contribute for cross-subsidy for uneconomic service for the said period; (c). BPC should not be allowed to have dual connection as it neither permissible



under the Utility Practices nor any law; (d). LESCO has already filed the CPLA No. 3591/19 against decision of the Authority regarding NML in the Honourable Supreme Court of Pakistan similar to case of BSPPL; (e). LESCO is already on list of privatization therefore, no sale or transfer of licenses/permits and closing of any line of business is allowed; and (f). CPPA-G and LESCO has raised observations pertaining to wheeling of power which are still to be addressed.

(x). In consideration to the above, the Authority hereby clarifies that BSPPL has confirmed that the main fuel for its generation facility is the Biomass and the allocated Natural Gas/RLNG is mostly utilized in its process industry and not in power plant for generation of electric power. In this regard, BSPPL has confirmed that only Biomass based electricity will be supplied to its proposed BPC/OPPL. Regarding the observations of NTDC, the Authority has observed that BSPPL has applied for the grant of generation licence for its existing CPP as it plans supplying to a BPC located within the same boundary. As the generation facility of BSPPL is an existing CPP therefore, inclusion of the same in IGCEP-2047 is not required. Further, the supply to BPC will be made directly through an underground cable/feeder connecting the CPP to it without involving any grid connection or the use of any network of DISCO or NTDC therefore, carrying out the GIS and its approval is not required. About the objections of LESCO, it is clarified that BSPPL plans supplying to the proposed BPC i.e. OPPL directly from its CPP without making any connection to the network of LESCO. In view of the said, it is clear that the understanding of LESCO is not correct as BSPPL does not plan having electric power from any other source except its own CPP and also maintaining the connection from the utility. In fact, OPPL plans to have the supply from BSPPL which is not a consumer of LESCO therefore, the question of serving notice and paying of cross subsidy does not arise. The supply to OPPL will be made directly through an underground cable located on private property without involving any public property therefore, there is no issue of crossing of cable through the exclusive territory of LESCO and any wheeling. In view of the

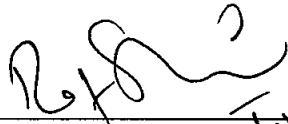


said, the Authority considers that all the observations of SNGPL, NTDC and LESCO stand addressed and settled.


(xi). In view of the above, the Authority hereby approves the grant of generation licence to BSPPL on the terms and conditions set out in the generation licence annexed to this determination. The grant of generation licence will be subject to the provisions contained in the NEPRA Act, relevant rules, regulations framed thereunder and other applicable documents.

**Authority:**

Rafique Ahmed Shaikh  
(Member)

  
06/11/20

Rehmatullah Baloch  
(Member)

  
2/9/11/2020

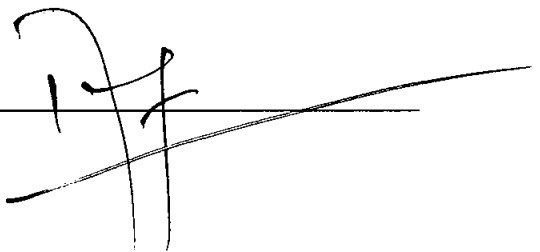
Engr. Bahadur Shah  
(Member)

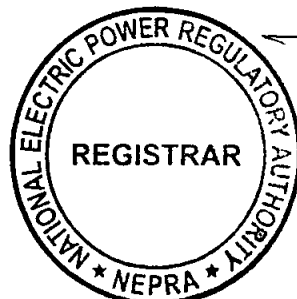


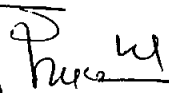
Saif Ullah Chattha  
(Member/Vice Chairman)

  
9.11.2020

Engr. Tauseef H. Farooqi  
(Chairman)





  
12/11/20



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

**GENERATION LICENCE**

**No. SGC/151/2020**

In exercise of the powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section-14(B) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, as amended or replaced from time to time, the Authority hereby grants a Generation Licence to:

**Bulleh Shah Packaging (Private) Limited**

Incorporated under Section-32 of  
the Companies Ordinance, 1984 (XLVII of 1984) having Registration No.  
00000011656/20050907 dated September 16, 2005 with change of name under  
Section 40 of the Companies Ordinance, 1984 (XLVII of 1984) having Registration  
No. 0052465 dated October 03, 2012

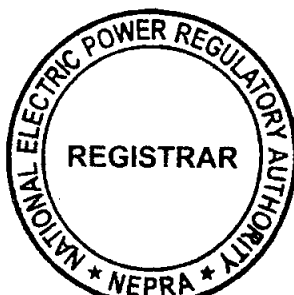
**for its Biomass based Generation Facility/Co-Generation  
Facility/Thermal Power Plant located at 7-KM Kot Radha Kishan  
Road, Off 4 KM Kasur-Raiwind Road, District Kasur in the  
Province of Punjab**

(Installed Capacity: 41.00 MW Gross ISO)

to engage in generation business subject to and in accordance with the  
Articles of this Licence.

Given under my hand on 12<sup>th</sup> day of November Two Thousand &  
Twenty and expires on 11<sup>th</sup> day of November Two Thousand &  
Thirty-Nine.

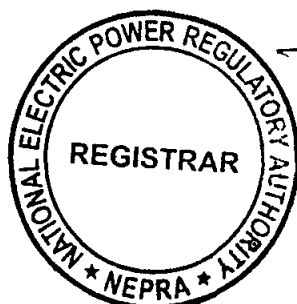
  
12 11 20  
**Registrar**



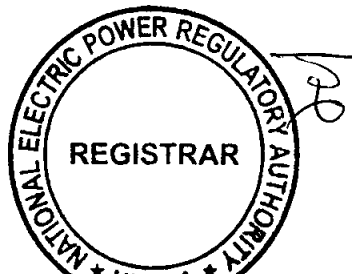
## **Article-1** **Definitions**

### **1.1 In this Licence**

- (a).** "Act" means the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997, as amended or replaced from time to time;
- (b).** "Applicable Documents" mean the Act, the rules and regulations framed by the Authority under the Act, any documents or instruments issued or determinations made by the Authority under any of the foregoing or pursuant to the exercise of its powers under the Act, the Grid Code, the applicable Distribution Code, the Commercial Code if any, or the documents or instruments made by the Licensee pursuant to its generation licence, in each case of a binding nature applicable to the Licensee or, where applicable, to its affiliates and to which the Licensee or any of its affiliates may be subject;
- (c).** "Applicable Law" means all the Applicable Documents;
- (d).** "Authority" means the National Electric Power Regulatory Authority constituted under Section-3 of the Act;
- (e).** "Bulk Power Consumer (BPC)" means a consumer which purchases or receives electric power, at one premises, in an amount of one (01) megawatt or more or in such other amount and voltage level and with such other characteristics as the Authority may specify and the Authority may specify different amounts and voltage levels and with such other characteristics for different areas;

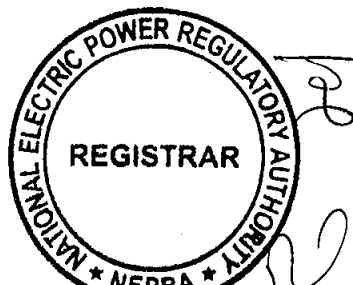


- (f). "Bus Bar" means a system of conductors in the generation facility/Co-Generation Facility/Thermal Power Plant of the Licensee on which the electric power from all the generators is collected for supplying to the Bulk Power Consumer(s);
- (g). "Co-Generation Facility" means the generation facility for simultaneous production of both electric power and heat or steam for industrial processes from a common fuel source;
- (h). "Commercial Code" means the National Electric Power Regulatory Authority (Market Operator, Registration, Standards and Procedure) Rules, 2015 as amended or replaced from time to time;
- (i). "Distribution Code" means the distribution code prepared by the concerned XW-DISCO and approved by the Authority, as may be revised from time to time with necessary approval of the Authority;
- (j). "Generation Rules" mean the National Electric Power Regulatory Authority Licensing (Generation) Rules, 2000 as amended or replaced from time to time;
- (k). "Grid Code" means the grid code prepared and revised from time to time by NTDC with necessary approval of the Authority;
- (l). "LESCO" means Lahore Electric Supply Company Limited or its successors or permitted assigns;
- (m). "Licence" means this licence granted to the Licensee for its generation facility/Co-Generation Facility/Thermal Power Plant;



- (n). "Licensee" means Bulleh Shah Packaging (Private) Limited or its successors or permitted assigns;
- (o). "Licensing Regulations" mean the National Electric Power Regulatory Authority Licensing (Application & Modification Procedure) Regulations, 1999 as amended or replaced from time to time;
- (p). "NTDC" means National Transmission and Despatch Company Limited or its successors or permitted assigns;
- (q). "Power Purchaser" means the BPC which will be purchasing electric power from the Licensee, pursuant to a PPA for procurement of electric power;
- (r). "Power Purchase Agreement (PPA)" means the power purchase agreement, entered or to be entered into by and between the Power Purchaser and the Licensee, for the purchase and sale of electrical energy generated by the generation facility, as may be amended by the parties thereto from time to time;
- (s). "Thermal Power Plant" means a generation facility/Co-Generation Facility or power plant using fossil or biomass fuel for generation of electric power;
- (t). "XW-DISCO" means an Ex-WAPDA distribution company engaged in the distribution of electric power".

1.2 The words and expressions used but not defined herein bear the meaning given thereto in the Act or rules and regulations issued under the Act.



## **Article-2** **Applicability of Law**

This Licence is issued subject to the provisions of the Applicable Law, as amended or replaced from time to time.

## **Article-3** **Generation Facilities**

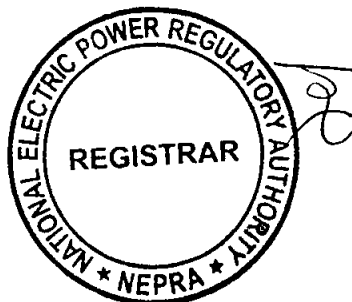
**3.1** The location, size (capacity in MW), technology, interconnection arrangements, technical limits, functional specifications and other details specific to the generation facility/Co-Generation Facility/Thermal Power Plant of the Licensee are set out in Schedule-I of this Licence.

**3.2** The total installed capacity, the de-rated capacity, the auxiliary consumption of the and the net capacity generation facility/Co-Generation Facility/Thermal Power Plant of the Licensee and the amount of electric power available to BPC are set out in Schedule-II of this Licence.

## **Article-4** **Term of Licence**

**4.1** This Licence shall become effective from the date of its issuance and will have a term of nineteen (19) years from date of its issuance, subject to the provisions of Section-14(B) of the Act.

**4.2** Unless suspended or revoked earlier, the Licensee may apply for renewal of this Licence ninety (90) days prior to the expiry of the above term, as stipulated in the Generation Rules read with the Licensing Regulations.



### **Article-5** **Licence fee**

The Licensee shall pay to the Authority the Licence fee as stipulated in the National Electric Power Regulatory Authority (Fees) Rules, 2002 as amended or replaced from time to time.

### **Article-6** **Tariff**

The Licensee is allowed to charge the Power Purchaser/BPC a mutually agreed tariff.

### **Article-7** **Competitive Trading Arrangement**

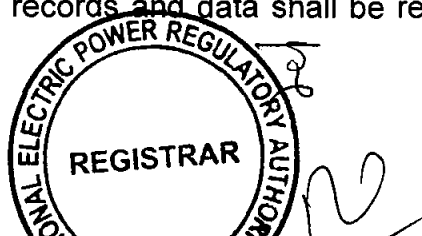
7.1 The Licensee shall participate in such manner as may be directed by the Authority from time to time for development of a Competitive Trading Arrangement.

7.2 The Licensee shall in good faith work towards implementation and operation of the aforesaid Competitive Trading Arrangement in the manner and time period specified by the Authority. Provided that any such participation shall be subject to any contract entered into between the Licensee and another party with the approval of the Authority.

7.3 Any variation or modification in the above-mentioned contracts for allowing the parties thereto to participate wholly or partially in the Competitive Trading Arrangement shall be subject to mutual agreement of the parties thereto and such terms and conditions as may be approved by the Authority.

### **Article-8** **Maintenance of Records**

For the purpose of sub-rule (1) of Rule-19 of the Generation Rules, copies of records and data shall be retained in standard and electronic form



and all such records and data shall, subject to just claims of confidentiality, be accessible by authorized officers of the Authority.

**Article-9**  
**Compliance with Performance Standards**

The Licensee shall comply with the relevant provisions of the National Electric Power Regulatory Authority Performance Standards (Generation) Rules 2009 as amended or replaced from time to time.

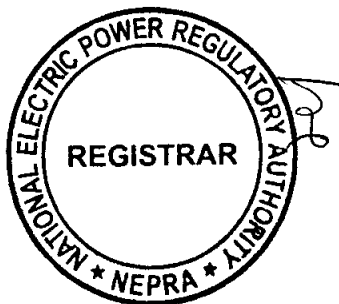
**Article-10**  
**Compliance with Environmental & Safety Standards**

**10.1** The generation facility/Co-Generation Facility/Thermal Power Plant of the Licensee shall comply with the environmental and safety standards as may be prescribed by the relevant competent authority as amended or replaced from time to time.

**10.2** The Licensee shall provide a certificate on a bi-annual basis, confirming that the operation of its generation facility/Co-Generation Facility/Thermal Power Plant is in conformity with required environmental standards as prescribed by the relevant competent authority as amended or replaced from time to time.

**Article-11**  
**Power off take Point and Voltage**

The Licensee shall deliver the electric power to the Power Purchaser at the outgoing Bus Bar of its generation facility/Co-Generation Facility/Thermal Power Plant. The Licensee shall be responsible for the up-gradation (step up) of generation voltage up to the required dispersal voltage level.



**Article-12**  
**Provision of Information**

In accordance with provisions of Section-44 of the Act, the Licensee shall be obligated to provide the required information in any form as desired by the Authority without any exception.

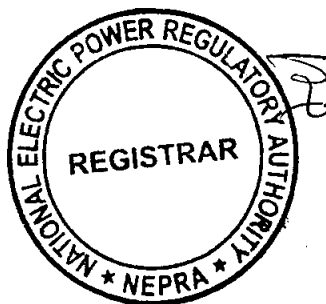
**Article-13**  
**Compliance with Applicable Law**

The Licensee shall comply with the provisions of the Applicable Law, guidelines, directions and prohibitory orders of the Authority as issued from time to time.

**Article-14**  
**Corporate Social Responsibility**

The Licensee shall provide the descriptive as well as monetary disclosure of its activities pertaining to corporate social responsibility (CSR) on an annual basis.





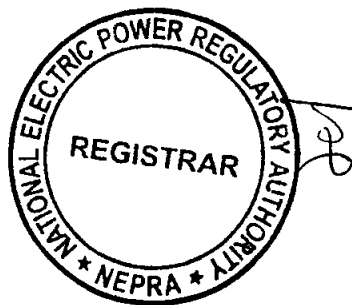




## **SCHEDULE-I**

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.

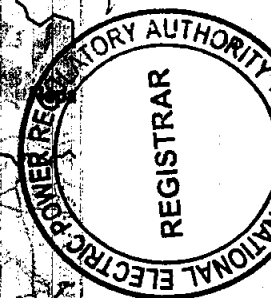
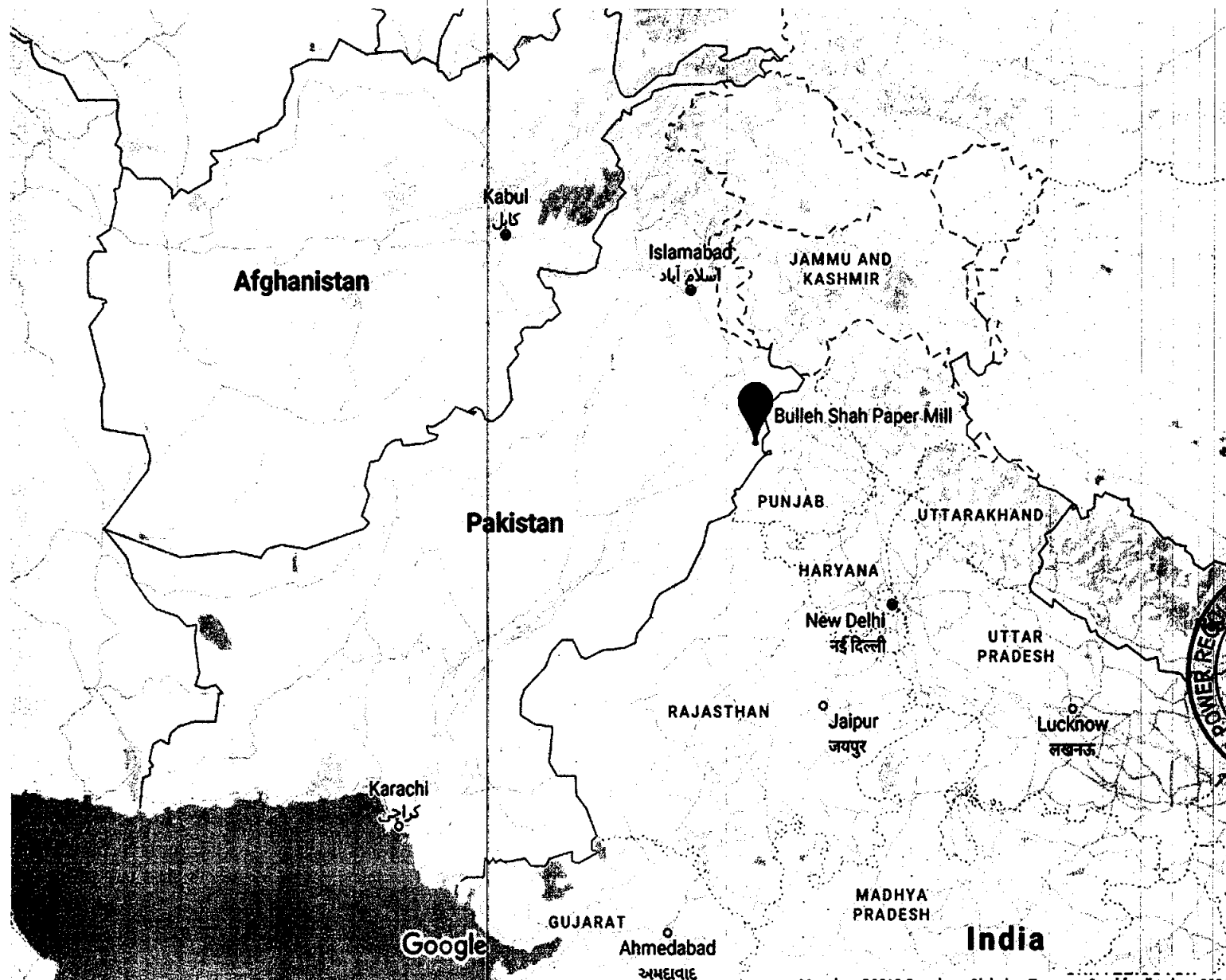
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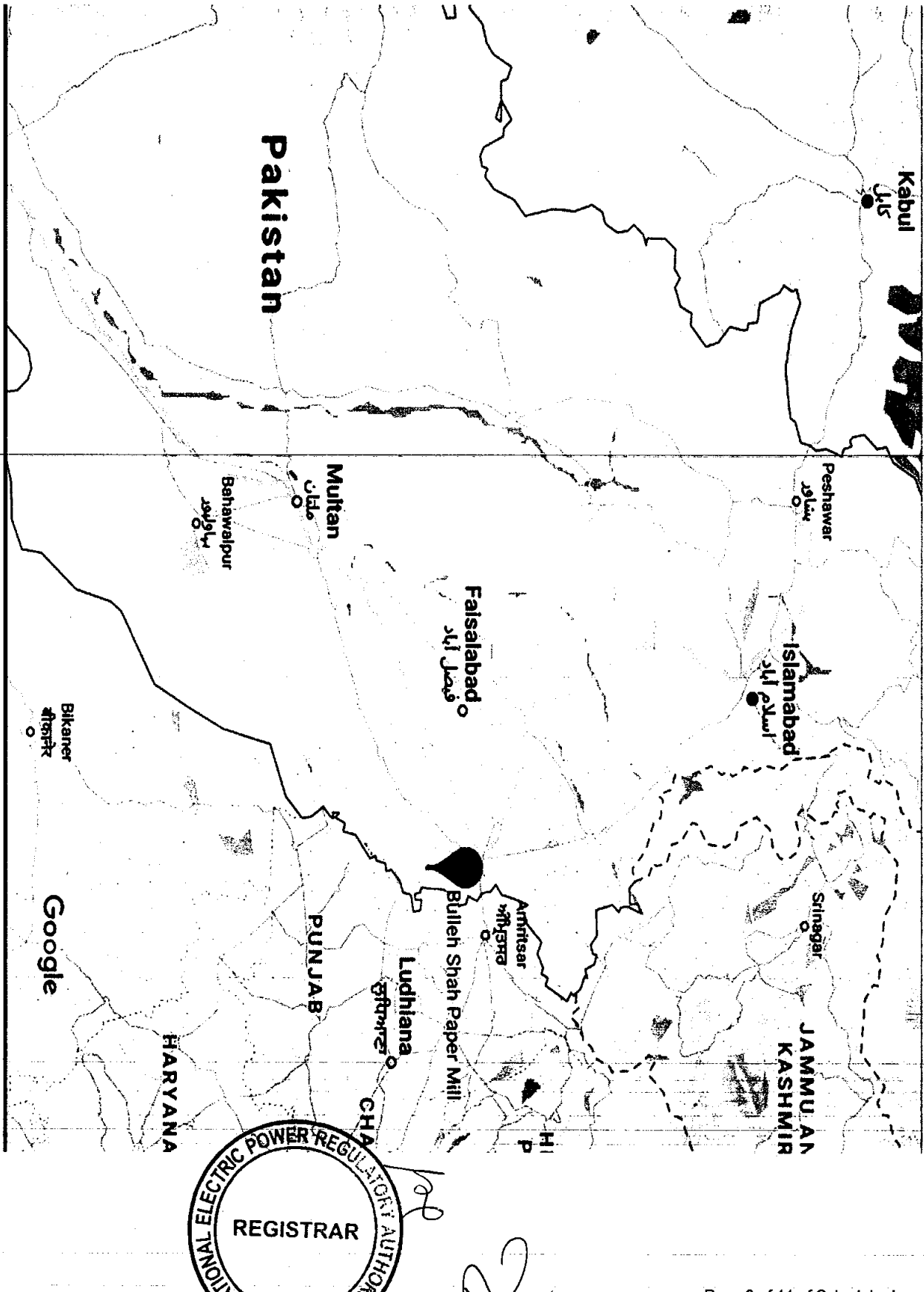
Generation Licence  
Bulleh Shah Packaging (Private) Limited  
7-KM Kot Radha Kishan Road  
Off 4 KM Kasur-Raiwind Road  
District Kasur in the Province of Punjab

**Location of the**  
**Generation Facility/Co-Generation Facility/Thermal Power**  
**Plant of the Licensee on Map of Pakistan**



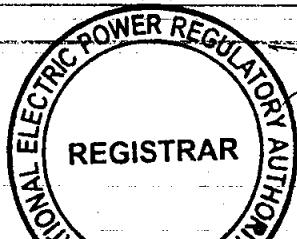
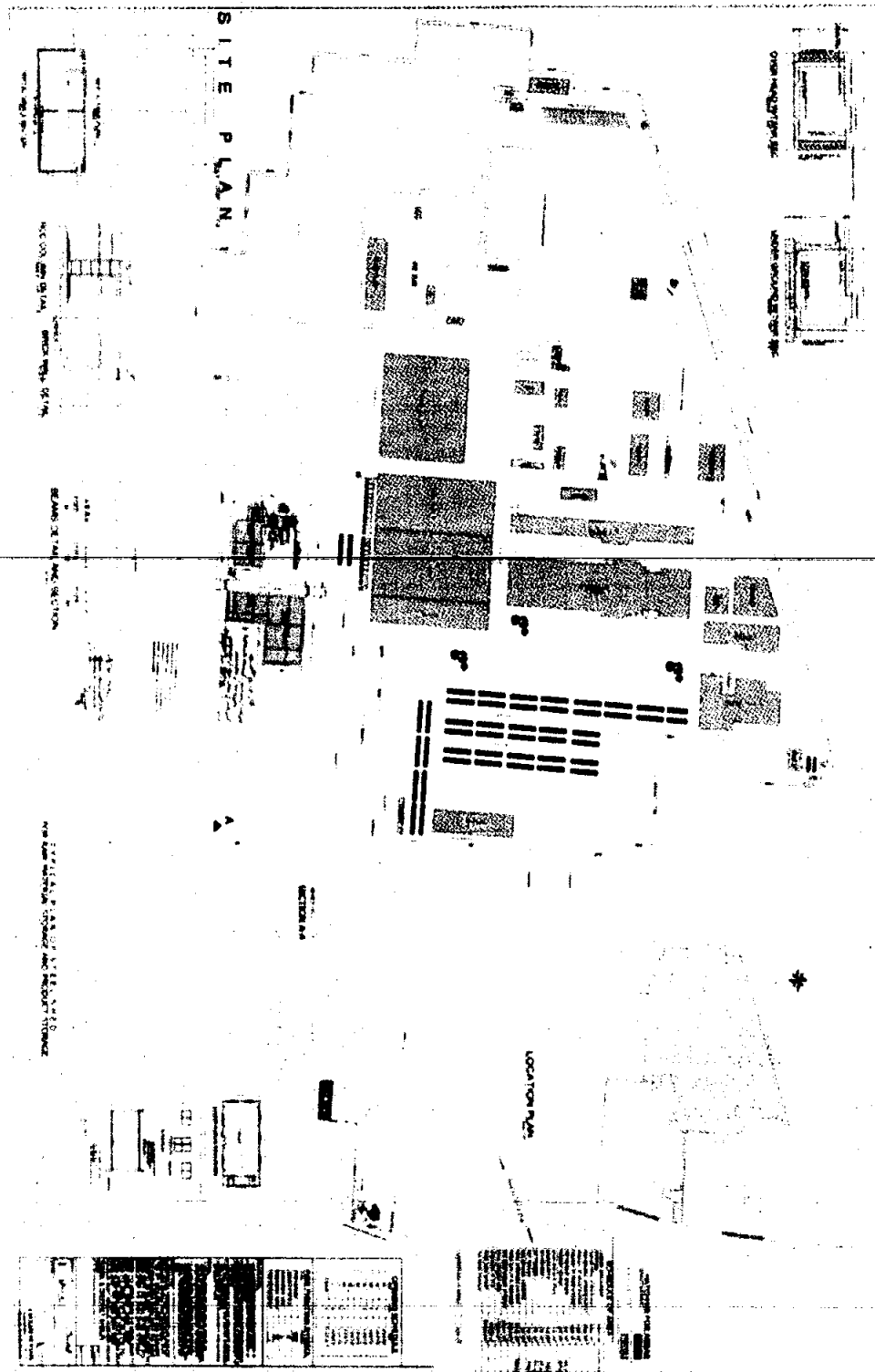
Generation Licence  
Bulleh Shah Packaging (Private) Limited  
7-KM Kot Radha Kishan Road  
Off 4 KM Kasur-Raiwind Road  
District Kasur in the Province of Punjab

**Location of the  
Generation Facility/Co-Generation Facility/Thermal Power  
Plant of the Licensee on Map of Province of Punjab**

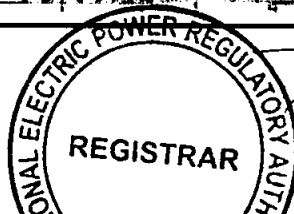
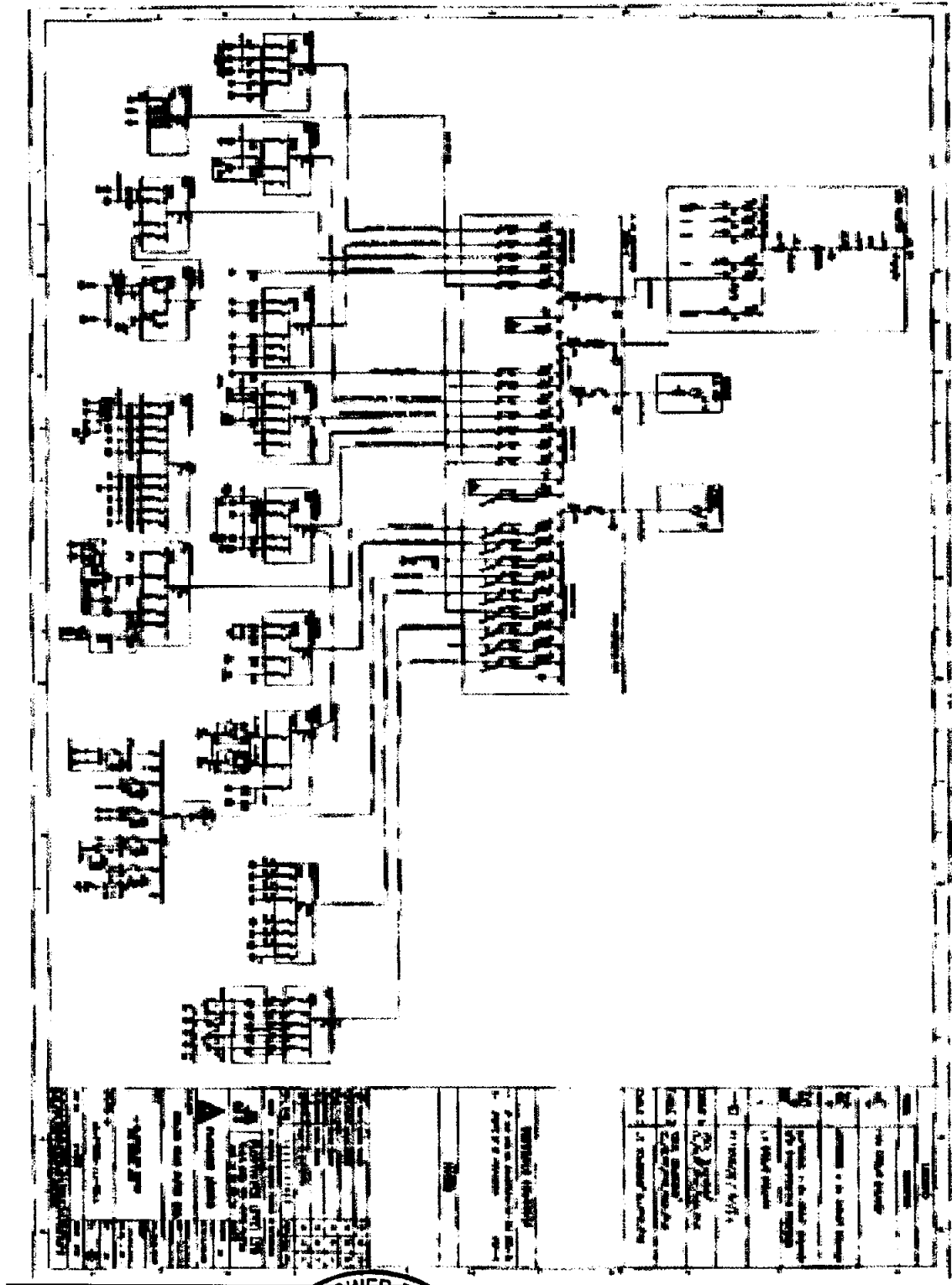


Generation Licence  
Bulleh Shah Packaging (Private) Limited  
7-KM Kot Radha Kishan Road  
Off 4 KM Kasur-Raiwind Road  
District Kasur in the Province of Punjab

**Layout of the**  
**Generation Facility/Co-Generation Facility/Thermal Power**  
**Plant of the Licensee**



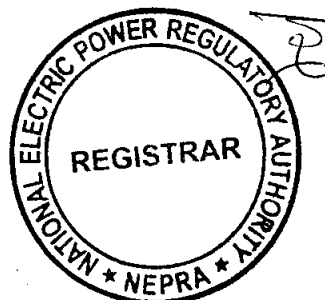
**Single line Diagram of the**  
**Generation Facility/Co-Generation Facility/Thermal Power**  
**Plant of the Licensee**



**Interconnection Arrangement/Transmission Facilities for  
Dispersal of Electric Power from the Generation  
Facility/Co-Generation Facility/Thermal Power Plant of the  
Licensee**

The electric power generated from the generation facility/Thermal Power Plant/Co-Generation Facility of Bulleh Shah Packaging (Private) Limited-BSPPL/Licensee will be delivered/supplied to a Bulk Power Consumer BPC only.

(2). The details pertaining to the BPC, its supply arrangement and other relating information are provided in the subsequent description of this schedule. Any changes in the said, shall be communicated to the Authority in due course of time.



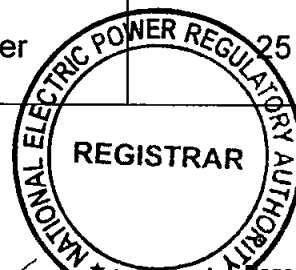
**Details of**  
**Generation Facility/Co-Generation Facility/**  
**Thermal Power Plant**

**(A). General Information**

(i).	Name of the Company/ Licensee	Bulleh shah Packaging (Private) Limited
(ii).	Registered Office/ Business Address of the Company/ Licensee	Bulleh Shah Packaging (Private) Limited, Shahrah-E-Roomi P.O, Amer Sidhu, Lahore - 54760.
(iii).	Location of the Generation Facility	7-Km, Kot Radha Kishan Road, Off 4-Km Kasur Raiwind Road, District Kasur in the Province of Punjab

**(B). Technology & Configuration**

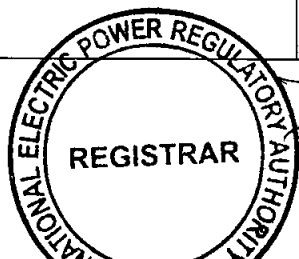
(i).	Type of Generation Facility	Thermal Power Plant		
(ii).	Type of Technology	Steam Turbine	Condensing cum Extraction type	
		Boiler	Vibrating Grate (150 TPH)	
(iii).	Number of Units/Size (MW)	Steam Turbine	1 x 41.00 MW	
		Boiler	1 x 30.00 MW	
(iv).	Unit Make & Model	Steam Turbine	Make	Siemens
			Model	SST 300
		Boiler	Make	Jinan
			Model	SST 300
(v).	Commissioning/ Commercial Operation date of Unit of the Generation Facility	Steam Turbine	2009	
		Boiler	2015	
(vi).	Expected Useful Life of Unit of the Generation Facility from its Commercial Operation/ Commissioning Date	Steam Turbine	30 years	
		Boiler	25 years	



(vii).	Expected Remaining useful Life of Unit of the Generation Facility (at the time of grant of Generation Licence)	Steam Turbine	19 years
		Boiler	20 years

**(C). Fuel Details**

(i).	Primary Fuel	Wheat Straw		
(ii).	Alternative/Secondary Fuel	Corn stovers, Brassica, Linseed etc.		
(iii).	Start Up Fuel	Natural Gas/RLNG		
(iii).	Fuel Source (Imported/Indigenous)	Primary Fuel	Alternative/Secondary Fuel	Start Up Fuel
		Indigenous	Indigenous	Imported
(iv).	Fuel Supplier	Primary Fuel	Alternative/Secondary Fuel	Start Up Fuel
		Local suppliers	Local suppliers	Sui Norther Gas Pipeline Limited-SNGPL
(v).	Supply Arrangement	Primary Fuel	Alternative/Secondary Fuel	Start Up Fuel
		Local Loading Trucks/ Tractor & Trolleys etc.	Local Loading Trucks/ Tractor & Trolleys etc.	Pipeline
(vi).	Storage Capacity	Primary Fuel	Alternative/Secondary Fuel	Start Up Fuel
		3500 Tons (Bulk Storage)	Same as Primary	Not applicable
(vii).	Gross Storage Capacity	Primary Fuel	Alternative/Secondary Fuel	Start Up Fuel
		3500 Tons (Bulk Storage)	Same as Primary	Not applicable





**(D). Emission Values**

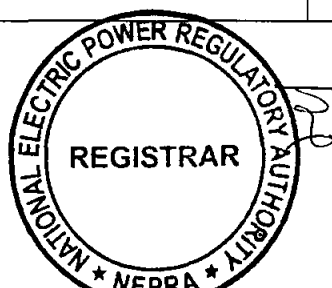
		Primary Fuel	Alternative/ Secondary Fuel	Start Up Fuel
(i).	SO <sub>x</sub>	31.7 mg/Nm <sup>3</sup>	31.7 mg/Nm <sup>3</sup>	<31.7 mg/Nm <sup>3</sup>
(ii).	NO <sub>x</sub>	153 mg/Nm <sup>3</sup>	153 mg/Nm <sup>3</sup>	<153 mg/Nm <sup>3</sup>
(iii).	CO	234 mg/Nm <sup>3</sup>	234 mg/Nm <sup>3</sup>	<234 mg/Nm <sup>3</sup>
(iv).	PM <sub>10</sub>	288 mg/Nm <sup>3</sup>	288 mg/Nm <sup>3</sup>	<288 mg/Nm <sup>3</sup>

**(E). Cooling Water System**

(i).	Cooling Water Source/Cycle	Deep well Turbine Pump/Tube wells/Underground Water/Cooling Tower
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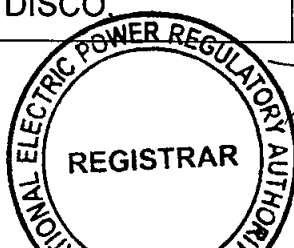
**(F). Plant Characteristics**

(i).	Generation Voltage	11KV	
(ii).	Frequency	50 Hz	
(iii).	Power Factor	0.85 lagging	
(iv).	Automatic Generation Control	Not Applicable	
(v).	Ramping Rate	Cold Start	3-hours on cold
		Warm Start	1-hour on Warm
		Hot Start	30-minutes on hot.
(vi).	Time required to Synchronize to Grid and loading the complex to full load.	Not applicable	



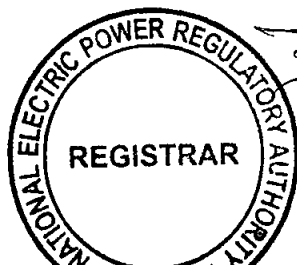
**Information**  
**Regarding Bulk Power Consumer/BPC i.e. i.e. OmyaPack Private**  
**Limited (Consumer) to be Supplied by the Bullehshah**  
**Packaging (Private) Limited-BSPPL/Licensee**

(i).	No. of Consumers	01 (One)
(ii).	Location of consumers (distance and/or identity of premises)	7 Km, Kot Radha Kishan Road, Off 4 Km Kasur Raiwind Road, District Kasur in the province of Punjab
(iii).	Contracted Capacity and Load Factor for consumer	2.00 MW/50%-80%
(iv).	Specify Whether	
	(a).	The consumer is an Associate undertaking of the Licensee -If yes, specify percentage ownership of equity;
	(b).	There are common directorships:
	(c).	Either can exercise influence or control over the other.
(v).	Specify nature of contractual Relationship	
	(a).	Between each consumer and the Licensee
	(b).	Consumer and DISCO



**Information**  
**Regarding Distribution Network for Supply of Electric Power to**  
**BPC in the name of OmyaPack (Private) Limited**

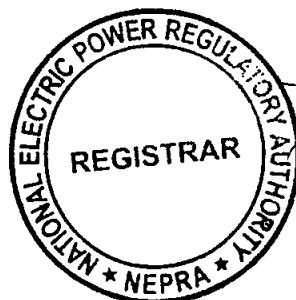
(i).	No. of Feeders	One (01)
(ii).	Length of Each Feeder (Meter)	150-200 meter
(iii).	Length of Each Feeder to each Consumer	Same as above
(iv).	In respect of all the Feeders, describe the property (streets, farms, Agri land, etc.) through, under or over which they pass right up to the premises of customer, whether they cross-over.	The cable from the generation facility to BPC is located on private property owned by BPC.
(v).	Whether owned by Licensee, Consumer or DISCO-(deal with each Feeder Separately)	
	(a).	If owned by DISCO, particulars of contractual arrangement
	(b).	Operation and maintenance responsibility for each feeder
(vi).	Whether connection with network of DISCO exists (whether active or not)- If yes, provide details of connection arrangements (both technical and contractual)	No connection from LESCO/DISCO
(vii).	Any other network information deemed relevant for disclosure to or consideration of the Authority.	N/A.



## **SCHEDULE-II**

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

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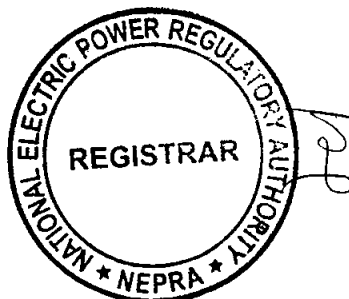


## **SCHEDULE-II**

(1).	Total Gross Installed Capacity/Name Plate Rating of the Generation Facility/Power Plant (1 x 41.00 MW Steam Turbine)	41.00 MW
(2).	Total Gross/Operational Installed Capacity of the Generation Facility due to limitation of boiler (Biomass Boiler)	30.00 MW
(3).	De-rated Capacity of Generation Facility/Power Plant at Reference Site Conditions	30.00 MW
(4).	Auxiliary Consumption of the Generation Facility/Power Plant	04.00 MW
(5).	Total Net Capacity of Generation Facility/Power Plant at Reference Site Conditions	26.00 MW
(4).	Total Capacity of Generation Facility/Power Plant for self-use	24.00 MW
(4).	Total Capacity of Generation Facility/Power Plant for supplying to BPC	02.00 MW

### **Note**

All the above figures are indicative only and the capacity available to Power Purchaser/BPC will be determined through procedure(s) contained in the Power Purchase Agreement (PPA) or any other Applicable Document(s).



**Revised/Modified Authorization**  
**by National Electric Power Regulatory Authority (NEPRA) to**  
**Bulleh Shah Packaging (Private) Limited**

Incorporated under Section-32 of  
the Companies Ordinance, 1984 (XLVII of 1984) having Registration No.  
00000011656/20050907 dated September 16, 2005 with change of name under  
Section 40 of the Companies Ordinance, 1984 (XLVII of 1984) having Registration  
No. 0052465 dated October 03, 2012


**NEPRA GENERATION LICENCE No. SGC/151/2020**  
**For Sale to Bulk Power Consumer(s)**


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


Omya Pack (Pvt.) Limited.

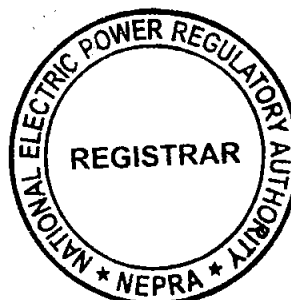
  
Engr. Rafique Ahmed Shaikh  
(Member)

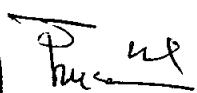
  
Engr. Rehmatullah Baloch  
(Member)

  
Saif Ullah Chattha  
(Member)

  
Engr. Bahadur Shah  
(Member) ~~Vice Chairman~~

  
Engr. Tauseef H. Farooqi  
Chairman



  
12 11 20