

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/DL/LAG-96/15368-71

December 02, 2014

Chief Executive Officer Green Electric (Private) Limited 15-Peshawar Block, Fortress Stadium Lahore.

Subject:- Revocation of Generation Licence.

You are hereby informed that an amount of Rs.3,629,989/- had been pending against you on account of payment of Annual Licence Fee for the FY 2011-12 and FY 2012-13.

- 2. In view of your persistent failure in depositing the above mentioned amount, the Authority has decided to impose a fine of Rs.100,000/-. Further, the Authority has also decided to revoke your Generation Licence No. ISGPL/20/2008 dated September 09, 2008 in terms of Section 28 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 ("the NEPRA Act"), and Rule 8 of NEPRA Licensing (Generation) Rules, 2000. In view of the above, you are no more authorized to carry out generation business/activity under the above mentioned Generation Licence.
- 3. The detailed decision/determination of the Authority pertaining to Revocation of Generation Licence and imposition of fine is being forwarded for your information and record.

REGISTRAR

Encl:/As above

(Syed Safeer Hussain)

<u>CC:-</u>

- 1. Ministry of Water and Power Government of Pakistan, 'A' Block, Pak. Secretariat, Islamabad.
- 2. Private Power Infrastructure Board (PPIB), 50-Nazimuddin Road, F-7/4 Islamabad
- 3. Director General, Pakistan Environmental Protection Agency, Plot No. 41, Street No. 6, H-8/2, Islamabad.

<u>Decision of the Authority</u> <u>Pertaining to Revocation of Generation Licence of Green Electric</u> (Private) Limited

The Authority granted a Generation Licence No.IGSPL/20/2008 dated September 09, 2008 to Green Electric (Private) Limited (GEPL) for its 188 MW Thermal located at 4.5 Km West of Dadu City near Deh Pipri District Dadu in the Province of Sindh.

- (2). In terms of Article-5 of the above mentioned Generation Licence, GEPL was made obligatory to pay Annual Licence Fee as stipulated in National Electric Power Regulatory Authority (Fee) Rules, 2002 ("the Fee Rules"). In view of the said, GEPL was directed to deposit the Annual Licence Fee for the FY 2011-12 and FY 2012-13. However, GEPL did not deposit the same despite a series of reminders. The amount of Annual Licence Fee was accumulated to Rs.3,629,989/-
- (3). In view of the persistent failure of GEPL in clearing its dues, the Authority in its Regulatory Meeting (RM-12-633) held on November 13, 2012 decided to initiate proceedings against GEPL for recovery of required amount pending on account of Annual Licence Fee as stipulated in the National Electric Power Regulatory Authority (Fines) Rules, 2002 ("the Fine Rules"). Accordingly, an explanation was issued to GEPL under Rule 4(2) of the Fine Rules. However, GEPL did not respond to the said explanation despite publication of a public notice in the leading Newspapers ("The Nation" and "Daily Express") dated March 07, 2013.
- (4). The Authority in its Regulatory Meeting (RM-13-191) dated May 23, 2013 considered the matter and decided to issue a Show Cause Notice (SCN) in terms of Rule 4(8) of the Fine Rules to GEPL. Accordingly, the SCN was served on July 19, 2013 but GEPL did not respond to the same. The Authority in its Regulatory Meeting (RM-13-528) dated September 25, 2013 considered the issue and decided to impose a fine of Rs. 100,000/- on GEPL on account of default of payment of Annual Licence Fee in addition to outstanding Annual Licence Rs.3,629,989/-
- (5). In view of the above, the Authority also decided to initiate proceedings under Section 28 of the Regulation of Generation. Transmission and Distribution of Electric

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Power Act, 1997 ("the NEPRA Act") for revocation of Generation Licence of GEPL. Accordingly, an SCN was issued to GEPL on January 27, 2014 as to why its Generation Licence should not be revoked. However, the said SCN returned undelivered.

(6). The Authority considered the matter in its Regulatory Meeting (RM-14-353) dated June 10, 2014 and decided to revoke the Generation Licence of GEPL. Further, the Authority has also decided to initiate proceedings for recovery of outstanding Licence Fee for the Financial Year 2013-14, under the Fine Rules.

Authority

Maj. Retd. Haroon Rashid Member

Khawaja Muhammad Naeem Member

Habibullah Khilji Member/Vice Chairman J Smer 261 XII

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