



Dated: November 24, 2015

To,

Registrar  
National Electric Power Regulatory Authority  
OPF Building, Shahrah-e-Jamhuriat  
G-5/2, Islamabad

**Subject: Licensee Proposed Modification Application – FFBL Power Company Ltd (FPCL)**

Dear Sir,

I, Mokarram Mirza, General Manager of FPCL is the duly authorized representative of FPCL by virtue of a Board Resolution, appended herewith, hereby apply to the National Electric Power Regulatory Authority ("NEPRA") for the modification of Generation License No SGC/111/2015 pursuant to, *Inter alia*, NEPRA Regulation for Generation, Transmission and Distribution of Electric Power Act, 1997 (the "Act") and Regulation 10(2) of the (Application and Modification Procedure) Regulations, 1999 (the "AMPR").

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provisions of the NEPRA (Application and Modification Procedure) Regulations, 1999 (the "Regulations"). I further undertake and confirm that the information provided in the attached documents-in-support is true and correct to the best of my knowledge and belief.

FPCL undertake to pay any fee which is required to be paid under the law for filing the subject application for the modification of the license.

Yours Sincerely,

Mokarram Mirza  
Authorized Representative  
FFBL Power Company Limited





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**BEFORE THE NATIONAL ELECTRIC POWER  
REGULATORY AUTHORITY**

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**PETITION FOR LICENSEE PROPOSED MODIFICATION OF LICENSE # SGC/111/2015**

**ON BEHALF OF  
FFBL POWER COMPANY LIMITED (FPCL)**

**Dated: November 24, 2015**

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**Submitted by:**

**Petitioner:**  
**FFBL Power Company Limited**  
27 Harley Street, Rawalpindi  
Pakistan

**Legal Consultants:**  
**RIAA BARKER GILLETTE**  
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**PETITION FOR LICENSEE PROPOSED MODIFICATION OF LICENSE No [SGC/111/2015]**

**ON BEHALF OF**  
**FFBL POWER COMPANY LIMITED (FPCL)**

1. PETITION:

FFBL Power Company Limited (the "FPCL" or "Company" or "Petitioner") in pursuance of *inter alia*, National Electric Power Regulatory Authority (NEPRA) Regulation for Generation, Transmission and Distribution of Electric Power Act, 1997 (the "Act") and Regulation 10(2) of the (Application and Modification Procedure) Regulations, 1999 (the "AMPR") and other applicable provisions of the Rules, Regulations and applicable documents submits this Licensee Proposed Modification Application (the "LPM") in respect of its Generation License # No. SGC/111/2015 dated 24 April 2015 (the "Generation License").

2. FFBL POWER COMPANY LIMITED (the "FPCL" or the "Company")

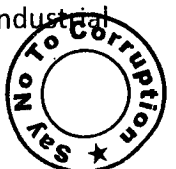
- 2.1. FPCL is a special purpose vehicle incorporated under the Companies Ordinance, 1984 (XLVII of 1984) on June 27, 2014 "to carry out all or any business of power generation".
- 2.2. FPCL holds NEPRA'S Generation License for its coal based 118MW thermal power generation facility. The contents of its application for the grant of aforesaid generation license, NEPRA's determination for the grant of generation license application (and Case # LAG-281) together with all annexes and the Generation License may kindly be read as an integral part of this LPM.
- 2.3. More specifically, FPCL relies upon the constitutive documents (MOA, AOA, Certificate of Incorporation), the project overview, the key terms and letters of interests issued to projects contractors collectively for the engineering, procurement and construction of the plant, the financial reports and bank certificates, the plant lay out and configurations and various studies including the grid interconnection study, appended with its application for the grant of generation license.

3. FPCL License Proposed Modifications (LPM) Petition:

- 3.1. (Through its instant LPM, FPCL seeks the approval of learned Authority to allow the amendment in the wording "Generation / Co-generation" to "Generation" facility as being an Independent Coal based thermal power Plant) due to the following reasons:

- a) As per clause 1.1 (e) of the generation License definition of Co-generation is "Co-Generation Power Plant" means the generation facility for simultaneous production of both electric power and heat or steam for industrial processes from a common fuel source;

In lieu of the above definition, the Company is establishing an Independent Coal Based Thermal Power Generation Facility which does not have any commercial or industrial





activity consuming its own power steam. The Company has established new dedicated facility to meet the specific requirement of electricity / steam for its Customers i.e. K – Electric and Fauji Fertilizer Bin Qasim Limited, unlike other co-generation plants where they are using the electricity / steam for their industrial processes and export left over electricity to the Grid. (Please see Annex - 1 for reference)

The Company like any other IPP in Pakistan would be generating electricity by installing new plant and machinery with new Investments and it would be in the fitness of things that the Company would be treated at par with any other IPP in Pakistan rather than a co-generation Power Plant.

In lieu of above, the same may be declared as a 'generation facility', which is consistent with NEPRA laws.

The Act defines generation facility in Section 2(xiii) as under:

*"generation facility means the electrical facility used for the production of electric power"*

3.2. The declaration of FPCL as generation facility is consistent with the Section 15 of the Act, pursuant to which the Generation License has been issued to FPCL. The Section 15 reads as follows:

**Generation licence;**

- (1) No person shall, except under the authority of a licence issued by the Authority under this Act and subject to the conditions specified in this Act and as may be imposed by the Authority, construct, own or operate a **generation facility**.
- (2) An application for the grant of a licence for **generation facility** shall specify—
  - (i) the type of facility for which the licence is applied;
  - (ii) the location of the **generation facility**; and
  - (iii) the expected life of the **generation facility**.
- (3) The Authority may, after such enquiry as it may deem appropriate and subject to the conditions specified in this Act and as it may impose, grant a licence authorizing the licensee to construct, own or operate a connected generation facility.
- (4) In the case of a **generation facility** connecting directly or indirectly to the transmission facilities of the national grid company, the licensee shall make the **generation facility** available to the national grid company for the safe, reliable, non-discriminatory, economic dispatch and operation of the national transmission grid and connected facilities; subject to the compensation fixed by the Authority for voltage support and uneconomic dispatch directed by the national grid company.





4. Impact of the Proposed Modification:

4.1. Impact on Tariff

the proposed amendment will not have adverse impact on the tariff in any manner rather it will enable the company to generate and supply cheap electricity through coal to KE and its bulk power consumer.

4.2. Impact on Quality of Service

The quality of service will not be adversely affected in any manner

4.3. Impact on the obligations of the Company under the License

The proposed modification would facilitate the Company in fulfilling its obligations under the License by enabling it to generate and supply electric power from its generation facility as an exclusive power generation company. The generation and supply of electricity by the company would help in shortening the demand and supply gap in the city of Karachi and would provide much needed support to KE in fulfilling its service obligations.

PRAYER:

In light of the aforesaid Paragraphs 3 above, it is respectfully prayed that LPM of the FPCL may kindly be allowed by the Authority and the wording for the plant and facility of FPCL may be amended and re worded as a 'Generation Facility' only instead of 'Generation/Co-generation Facility'.

Yours Sincerely

**Mokarram Mirza**

Authorized Representative

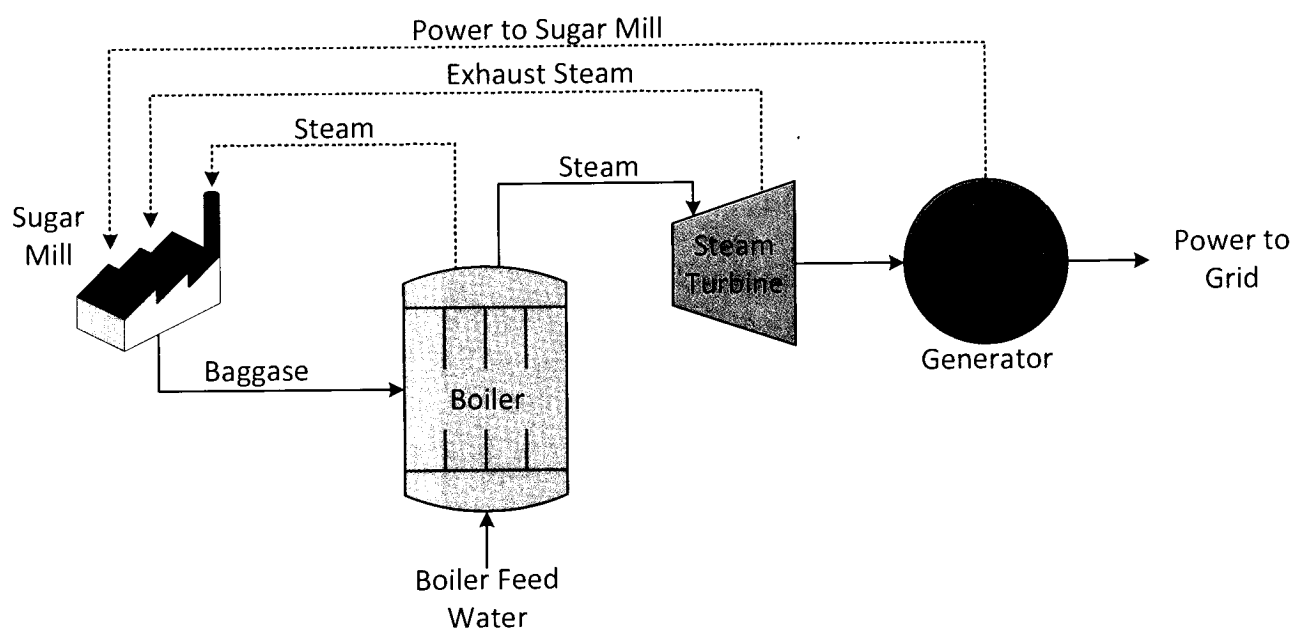
FFBL Power Company Limited

November 24, 2015



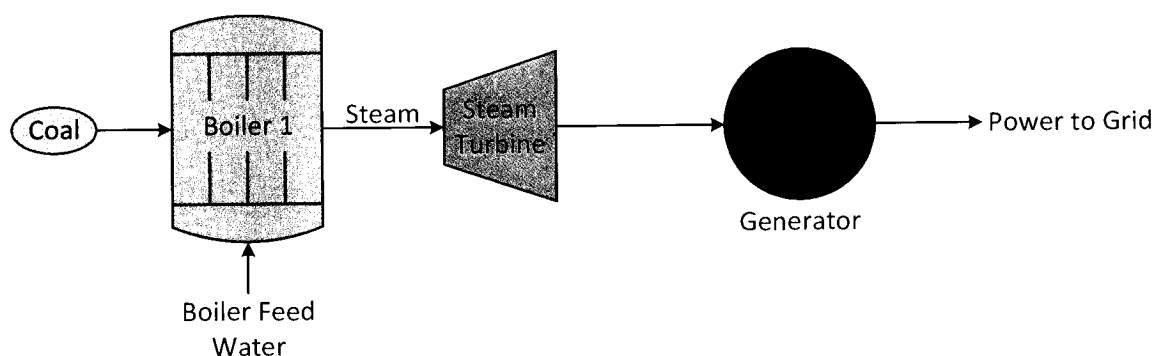
## Difference Between Co-Gen and Thermal Power Plants

### Bagasse Co-Gen Plants Configuration:



### Thermal Power Plants (FPCL Power Plant has the same plant configuration as that of 220 MW / 660 MW):

#### Customer – 1 (K-Electric)



#### Customer – 2 (FFBL)

