

## MONNOO ENERGY LIMITED Monnoo House 3 – Montgomery Road, Lahore – Pakistan

DEC 16, 2016

Ref.MEL/H.O/ <sup>9</sup>39 THE REGISTRAR, NATIONAL ELECTRIC POWER REGULATORY AUTHORITY, OPF BUILDING. ISLAMABAD.

### SUBJECT: APPLICATION FORRENEWAL OF GENERATION LICENCE SGC/010/2001

Dear Sir.

In pursuant to your letter No. NEPRA/R/LAG/-42/16678 Dated December 16, 2016 with respect to re-submission of application for renewal of generation Licence No.SGC/010/2001.

This request has been made keeping in view the present condition of the Generators which are in very good condition although, these engines were installed/commissioned in the year 1998 but these engines were used occasionally in the past, therefore the running hours of these two Generators stand around 84000 hours. Further the timely maintenance and replacement of parts has furthers increased their useful life which we feel will stand for an other period of 15 years. In the meantime replacement and BMR will continue.

In view of above we feel these Generators can remain in duty for an other fifteen years or beyond with timely maintenance & replacement /BMR required.

We, therefore, submit an application for Licence proposed Modification (LPM) for sale of electricity to the above mentioned bulk power consumers with following documents as per Clause 10(2) & (3) of the NEPRA Licensing (Application and Modification procedure) Regulations, 4999.

a) Text of proposed modification (Annex-A)

b) Statement of reasons (Annex-B)



Monnoo House 3 – Montgomery Road, Lahore – Pakistan

c) A statement of the impact on the tariff, quality of service and the performance by the licensee of its obligations under the license (Annex -C)

d) Board Resolution for submission of LPM (Annex-D)

e) Renewal of Generation Licensee fee of Rs.293,776 vide Bank draft DD15569846 Dated 02.12.2016 also attached herewith.

Your co operation in early processing of our license renewal application shall be highly appreciated. Yours Sincerely,

PLANT MANAGER

Encl:

Annex A Text of proposed modification

Annex B Statement of reasons

Annex C Statement of the impact on the tariff, quality of service and performance by the licensee of its obligations under the license.

Annex D Board resolution for submission of LPM

Annex E Part A & B

Annex F Contract with Consumers

i, Olympia Blended Fiber Mills Limited-1

ii Olympia Blended Fiber Mills Limited-11

iii Rawal textile Mills Limited



Monnoo House 3 – Montgomery Road, Lahore – Pakistan

Annexure A

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# Text of the proposed modification

Please note that the following modification is proposed in Article-5 of

Generation Licence.

The date of Licence may be extended up to December, 2031



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# MONNOO ENERGY LIMITED Monnoo House 3 – Montgomery Road, Lahore – Pakistan

Annexure B

## STATEMENT OF REASONS IN SUPPORT OF THE MODIFICATION (Regulation 10(2) (b) of the Regulation)

Power generation engines 2\*2.3 were commissioned in 1998. Throughout the years, these engines have been meticulously maintained and overhauled at regular intervals, as specified by manufacturer. Further, the maintenance and operations team is highly skilled and perform according to the highest engineering standard.

The engines and associated auxiliaries are fully capable of operating at optimum load. With such high standards of maintenance and operations.

Further existing consumers (named below) are ready to purchase Electricity from Monnoo Energy Limited for next fifteen years. This arrangement has no hindrance & crossover of DISCO LINES.

### NAME OF CONSUMERS

Olympia Blended Fiber Mills Limited-1 Olympia Blended Fiber Mills Limited-11 Rawal Textile Mills Limited





# MONNOO ENERGY LIMITED Monnoo House 3 – Montgomery Road, Lahore – Pakistan

### STATEMENT OF IMPACTION THE TARIFF

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There is no impact on the tariff, quality of service and the performance by the Licensee of its obligations under the license [Regulation 10(2) c of the Regulation]

For Monnoo Energy Limited



Annexure C



MONNOO HOUSE, 3-MONTG()MERY ROAD, LAHORE-PAKISTAN Post Box 698. Telegrams "Monnoo" Telephone No.36376086-36361632-36316343 E-Mail:monnoo@brain.net.pk, URL:http://www.monnoo.com Telex:44725 BINA PK. Fax:36364431

#### CERTIFIED COPY OF RESOLUTION PASSED BY BOARD OF THE DIRECTORS ON OCTOBER 25, 2016 AT MONNOO HOUSE, <u>3-MONTGOMERY ROAD, LAHORE.</u>

WHEREAS, the management of the Company would like to apply to the National Electric Power Regulatory Authority (NEPRA) for Generation/Transmission/Special Purpose Transmission/Distribution/Modification of any of these License of Monnoo Energy Limited is respect of supplyin/selling electricity to bulk power consumer /neighboring.industries.

IT IS, THEREFORE RESOLVED that the Board of Director of Monnoo Energy Limited (herein referred the Company) hereby approves to file an application for Generation / Transmission /Special Purpose Transmission Distribution / Modification of any of the Licene(s) of the Company with the national Electric Power Regulatory Authority. (NEPRA)

**FURTHER RESOLVED** that the company be and hereby authorize Mr.Muhammad Yousaf Plant Manager of the Company holding CNIC No.35401-1829756-7 to sign the application, negotiate, deposit fees and submit documents/License for Generation/Transmission/Special Prupose Transmission/Distribution/Modification of any of the License(s) of the Company with NEPRA, and any documentation ancillary hereto, in the matter of supplying electricity to any bulk power consumer.

**FURTHER RESOLVED** that the company be hereby authorize and empower Mr.Muhammad Yousaf Plant Manager singly to do all acts and things necessary / incidental for the processing completion and finalization of the application as they may deem fit on behalf of the Company

**FURTHER RESOLVED** that a certified true copy of this resolution be communicated to whom it may concern and shall remain in force until notice in writing to the contrary be given.

FURTHER RESOLVED that a copy of the resolution be sent to all the concerned departments for information and record.

Sd/- · (CHAIRMAN)

Company Secretary



Monnoo House 3 – Montgomery Road, Lahore – Pakistan

### PART-A

# Information regarding network facts to supply of power to

Olympia Blended Fiber Mills Limited-1

Olympia Blended Fiber Mills Limited-11

Rawal Textile Mills Limited

A	No.Feeders	Three (3)
В	Length of Each Feeder (Meter)	I. 400 Meters ii. 331 Meters iii,244 Meters
C	Length of Each Feeder to each consumer	As Above
D	In respect of all the feeders, describe the property (street,farms, agri land, etc) through ,under or over Which they pass right up to the premises of customer, whether they cross over or pass near the DISCO lines	Owned by SPP, Owned by Consumer, other private Property Proposed transmission line Will pass near DISCO network
E	Whether owned by Monnoo Energy Limited Consumer or LESCO –(deal with each feeder Separately) i. if owned by LESCO, please furnish particulars of contractual arrangement ii. Operation and maintenance responsibility for each feeder.	Will be owned by Monnoo Energy Limited. Operation & maintenance for This feeder will be Responsibility of Monnoo Energy Limited
F	Whether connection with network of LESCO exists (whether active or not)- if yes, provide details of Connection arrangement (both technical and contractual)	Yes. LESCO substation in place but not connecting to Proposed distribution line
G	Any other network information deemed relevant for Disclosure to or consideration by NEPRA	None

(Company Seal)

Company S ary



Monnoo House 3 – Montgomery Road, Lahore – Pakistan

### PART-B

# Information regarding network facts pertaining to supply of power to

Olympia Blended Fiber Mills Limited-1

Olympia Blended Fiber Mills Limited-11

Rawal Textile Mills Limited

A	Nos. of Consumers	Olympia Blended Fiber Mills Limited-1 Olympia Blended Fiber Mills Limited-11 Rawal Textile Mills Limited
В	Location of consumer (distance and /or identity Of premises)	4.5 km. Lahore Sheikhupura Road, Chichoki Mallian
C	Contracted Capacity and load factor for consumer	Up to 4.6 M.W -
D	Specify Whether i. The consumer is an associate undertaking of The Monnoo Energy Limited if Yes, specify percentage ownership of equity,	i. Yes
	<ul><li>ii. There are common directorship:</li><li>iii. Either can exercise influence or control over the other.</li><li>Specify nature of contractual Relationship</li></ul>	ii. Yes iii. Yes
	I, Between each consumer and Monnoo Energy Ltd.	i. Available supply of electricity to consumer on a continuous basis
	ii. Consumer and LESCO	ii. None
E	Any other network information deemed relevant for Disclosure to or consideration by NEPRA	There is no change in originally capacity of 4.6 M.W/

(Company Seal)



N000013



### AGREEMENT

This agreement is made at Lahore on this JUNE 06, 2016 by and shall

#### BETWEEN

MONNOO ENERGY LIMITED A Company incorporated under the Companies Ordinance, 1984 and having its registered Office Monnoo House, 3-Montgomery Road, Lahore (hereinafter referred at Monnoo Energy Limited which expression shall include its successors in interest and legal representative) of the ONE PART:

#### AND

OLYMPIA BLEDED FIBRE MILLS LTD-II, a Company incorporated under the Companies Ordinance, 1964, having its Head Office at Monnoo House, 3-Montgomery Road, Lahore (hereinafter referred as Buyer which expression shall include its successors in interest and legal representatives) of the OTHER PART:

#### WHEREAS

- a. Monnoo Energy Limited has set up and operates a Power Plant with the object of supplying power to proximate industrial units.
- b. Monnoo Energy Limited and the Buyer have mutually agreed that Monnoo Energy Limited shall supply and Buyer shall purchase electric power generated by Monnoo Energy Limited on the terms and conditions appearing in this Agreement.

NOW THEREFORE THIS AGREEMENT Witnessth as follow:-

1. The maximum load of electric power supplied by MEL to the Buyer shall be (the maximumload) in accordance with the Abridged conditions of Supply offered by WAPDA subject to prior notification of reduction of load during maintenance of MEL Power Plant.

If during the availability of electric power from MEL the Buyer on account of self generation of electric power, consumes less than the maximum load during any period contemplated by clause 7 below, MEL shall unilaterally reduce the maximum load of the Buyer for the following periods by the amount of shortfall in consumption of electric power by the Buyer.

2. The Buyer shall constantly maintain its power factor at the level specified from time to time by WAPDA failing which the Buyer shall be liable to pay penalty as per prevalent conditions under, WAPDA Tariff "8-3".

3. The price of electric power supplied by MEL to the Buyer (the price) for industrial use shall be

- 4. Irrespective of load factor, the Buyer shall pay M.D.I./Fixed Charges as per WAPDA Tariff "B-3".
- 5. Future increase/decrease in the price charged by MEL to the Buyer shall be based upon the following criteria.
  - a. Whenever the tariff charged by WAPDA is increased / decreased the price of electric power supplied by MEL TO THE Buyer shall be modified accordingly.
  - b. Any change in the price shall be effective from the date of enforcement of new Tariff rate by WAPDA.
- 6. i. In case there are any taxes and/or duties imposed by the Government of Pakistan on supply or consumption of electric power, the collection of price shall be mutually agreed between the Buyer and the seller which under no circumstances shall be higher than the applicable WAPDA Tariff.

ii. However in case of increase/decrease in Fuel (Furnace Oil) price by the Government the seller should be at liberty to increase/decrease Fuel adjustment charges to avoid its losses.

7. The supply of electric power shall for the purpose of determining units consumed be measured fortnightly during working hours from the metering panel installed in the Buyer's premises by an authorized representative of MEL in the presence of an employee of the Buyer.

The metering panel installed in the Buyer's premises shall be scaled/locked by MEL the key of which will remain with a representative of MEL.

8. The Buyer shall furnish security in the shape of a post dated cheque payable to MEL which shall be replaced after every six months, drawn in amount equal to the Buyer's estimated bill for electric power consumed in two months. In the event, the Buyer fails to purchase/consumed electricity from MEL for a continuous period of 30 days or fails to pay any bill within 15 days of its issue MEL shall in addition to disconnecting the supply of electric power to the Buyer, be entitled to encash the cheque against its direct cost of supply, installation costs including the cost of transmission lines and/of as Fixed charges computed under applicable WAPDA Tariff.

However, MEL may in its sole discretion resume the supply of electric power subject to payment by the Buyer of disconnection & reconnection charges as per applicable WAPDA Tariff.

- 9. The Buyer shall maintain standby source of continuous power in the event of break-down of supply from MEL.
- 10. The Buyer shall strictly not supply or sell electricity to any person without the prior written consent to MEL.
- 11. A person authorized by MEL shall during working hours have the right of free access to and inspection of the meters installed on the metering panel at the premises of the Buyer who undertakes to prevent any hindrance being cause in this regard.
- 12. Before commencement of supply of electric power the measuring meter installed at the S premises of the Buyer shall be calibrated when required.
- 13. In case a dispute arises with respect to the accuracy of operation of the meter the same shall forthwith be taken by MEL at the cost of the Buyer for re-calibration by the WAPDA laboratory, which calibration shall be final and binding on both parties. During the period when the measuring meter remains defective or is not installed, the Buyer shall be charged price for the electricity consumed on the basis of the meter reading at MEL and/of its average historical consumption of electric power during the previous 12 months.

- 15. The Buyer is responsible for the installation cost and maintenance of measuring meter, cables and other equipment installed within the premises of the Buyer. Any damage caused to the aforementioned or premises, within which they are installed, will be borne by the Buyer. MEL shall not be directly nor indirectly liable for any damage or loss occasioned to the Buyer on account thereof.
- 16. This agreement shall remain in force for a period from 01 July, 2016 to 30the June, 2017. On expiry, it shall stand renewed on the same terms unless one party given 90 days prior notice to the other party of its intention not to renew the Agreement.
- 17. If either party is rendered wholly or partly unable to perform its obligation under this Agreement because of force majeure ( other than an obligation to pay money ) that party shall be excused from whatever performance is affected by the force majeure for a period not exceeding 15 days from the date of occurrence of the operating cause. Beyond such period the non-affected party shall have the right to terminate this Agreement without further obligation.

The terms "force majeure" as used herein means unforeseeable causes beyond the reasonable of control of and without the fault of the party claiming force majeure.

In case of power break-down due to any fault in the power plant for causes beyond the control of MEL, fixed charges payable by the Buyer shall be pro-rate adjusted for the duration of such break-down.

18. Both parties shall nominate one person respectively to form a Management Committee for the resolution of all disputes, where possible, arising out of this Agreement.

In the event the management Committee fails to resolve any dispute between the parties within a period of 10 days, the dispute in question shall be referred to an arbitrator nominated by both the parties whose decision shall be final and binding on both parties. The proceeding of arbitration shall be conducted under the Arbitration Act, 1940 as amended from time to time. The venue for arbitration shall be at Lahore.

19. The existence of any dispute shall not relieve the Buyer from the obligation to pay the price for the power consumed as is billed by MEL from time to time, failing which MEL may avail all its remedies without prejudice to its right to terminate this Agreement.

IN WITNESS whereof the parties hereto have signed this Agreement on the day and yer first above mentioned.

FOR MONNOO ENERGY LIMITED

Jorn Hanne WITNESS - I

WITNESS-II

Company Secretary

For OLYMPIA BLENDED FIBRE MILLS LTD-II.



### AGREEMENT

This agreement is made at Lahore on this JUNE 06, 2016 by and shall

#### BETWEEN

MONNOO ENERGY LIMITED A Company incorporated under the Companies Ordinance, 1984 and having its registered Office Monnoo House, 3-Montgomery Road, Lahore (hereinafter referred at Monnoo Energy Limited which expression shall include its successors in interest+ and legal representative) of the ONE PART:

#### AND

OLYMPIA BLEDED FIBRE MILLS LTD-II, a Company incorporated under the Companies Ordinance, 1964, having its Head Office at Monnoo House, 3-Montgomery Road, Lahore (hereinafter referred as Buyer which expression shall include its successors in interest and legal representatives) of the OTHER PART:

#### WHEREAS

- a. Monnoo Energy Limited has set up and operates a Power Plant with the object of supplying power to proximate industrial units.
- b. Monnoo Energy Limited and the Buyer have mutually agreed that Monnoo Energy Limited shall supply and Buyer shall purchase electric power generated by Monnoo Energy Limited on the terms and conditions appearing in this Agreement.

NOW THEREFORE THIS AGREEMENT Witnessth as follow:-

 The maximum load of electric power supplied by MEL to the Buyer shall be (the maximum load) in accordance with the Abridged conditions of Supply offered by WAPDA subject to prior notification of reduction of load during maintenance of MEL Power Plant.

If during the availability of electric power from MEL the Buyer on account of self generation of electric power, consumes less than the maximum load during any period contemplated by clause 7 below, MEL shall unilaterally reduce the maximum load of the Buyer for the following periods by the amount of shortfall in consumption of electric power by the Buyer.

2. The Buyer shall constantly maintain its power factor at the level specified from time to time by WAPDA failing which the Buyer shall be liable to pay penalty as per prevalent conditions C under, WAPDA Tariff "B-3".

- 3. The price of electric power supplied by MEL to the Buyer (the price) for industrial use shall be the prevalent WAPDA rate under Tariff "B-3".
- 4. Irrespective of load factor, the Buyer shall pay M.D.I./Fixed Charges as per WAPDA Tariff "B-3".
- 5. Future increase/decrease in the price charged by MEL to the Buyer shall be based upon the following criteria.
  - a. Whenever the tariff charged by WAPDA is increased / decreased the price of electric power supplied by MEL TO THE Buyer shall be modified accordingly.
  - b. Any change in the price shall be effective from the date of enforcement of new Tariff rate by WAPDA.

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6. i. In case there are any taxes and/or duties imposed by the Government of Pakistan on supply or consumption of electric power, the collection of price shall be mutually agreed between the Buyer and the seller which under no circumstances shall be higher than the applicable WAPDA Tariff.

ii. However in case of increase/decrease in Fuel (Furnace Oil) price by the Government the seller should be at liberty to increase/decrease Fuel adjustment charges to avoid its losses.

7. The supply of electric power shall for the purpose of determining units consumed be measured fortnightly during working hours from the metering panel installed in the Buyer's premises by an authorized representative of MEL in the presence of an employee of the Buyer.

The metering panel installed in the Buyer's premises shall be scaled/locked by MEL the key of which will remain with a representative of MEL.

8. The Buyer shall furnish security in the shape of a post dated cheque payable to MEL which shall be replaced after every six months, drawn in amount equal to the Buyer's estimated bill for electric power consumed in two months. In the event, the Buyer fails to purchase/consumed electricity from MEL for a continuous period of 30 days or fails to pay any bill within 15 days of its issue MEL shall in addition to disconnecting the supply of electric power to the Buyer, be entitled to encash the cheque against its direct cost of supply, installation costs including the cost of transmission lines and/of as Fixed charges computed under applicable WAPDA Tariff.

However, MEL may in its sole discretion resume the supply of electric power subject to payment by the Buyer of disconnection & reconnection charges as per applicable WAPDA Tariff.

- 9. The Buyer shall maintain standby source of continuous power in the event of break-down of supply from MEL.
- 10. The Buyer shall strictly not supply or sell electricity to any person without the prior written consent to MEL.
- 11. A person authorized by MEL shall during working hours have the right of free access to and inspection of the meters installed on the metering panel at the premises of the Buyer who undertakes to prevent any hindrance being cause in this regard.
- 12. Before commencement of supply of electric power the measuring meter installed at the premises of the Buyer shall be calibrated when required.
- 13. In case a dispute arises with respect to the accuracy of operation of the meter the same shall forthwith be taken by MEL at the cost of the Buyer for re-calibration by the WAPDA laboratory, which calibration shall be final and binding on both parties. During the period when the measuring meter remains defective or is not installed, the Buyer shall be charged

- 14. MEL shall be responsible for the installation cost as well as maintenance of its plant, equipment, transmission lines and cables up to the boundary wall of the Buyer's premises.
- 15. The Buyer is responsible for the installation cost and maintenance of measuring meter, cables and other equipment installed within the premises of the Buyer. Any damage caused to the aforementioned or premises, within which they are installed, will be borne by the Buyer. MEL shall not be directly nor indirectly liable for any damage or loss occasioned to the Buyer on account thereof.
- 16. This agreement shall remain in force for a period from 01 July, 2016 to 30the June, 2017. On expiry, it shall stand renewed on the same terms unless one party given 90 days prior notice to the other party of its intention not to renew the Agreement.
- 17. If either party is rendered wholly or partly unable to perform its obligation under this Agreement because of force majeure ( other than an obligation to pay money ) that party shall be excused from whatever performance is affected by the force majeure for a period not exceeding 15 days from the date of occurrence of the operating cause. Beyond such period the non-affected party shall have the right to terminate this Agreement without further obligation.

The terms "force majeure" as used herein means unforeseeable causes beyond the reasonable of control of and without the fault of the party claiming force majeure.

In case of power break-down due to any fault in the power plant for causes beyond the control of MEL, fixed charges payable by the Buyer shall be pro-rate adjusted for the duration of such break-down.

18. Both parties shall nominate one person respectively to form a Management Committee for the resolution of all disputes, where possible, arising out of this Agreement.

In the event the management Committee fails to resolve any dispute between the parties within a period of 10 days, the dispute in question shall be referred to an arbitrator nominated by both the parties whose decision shall be final and binding on both parties. The proceeding of arbitration shall be conducted under the Arbitration Act, 1940 as amended from time to time. The venue for arbitration shall be at Lahore.

19. The existence of any dispute shall not relieve the Buyer from the obligation to pay the price for the power consumed as is billed by MEL from time to time, failing which MEL may avail all its remedies without prejudice to its right to terminate this Agreement.

IN WITNESS whereof the parties hereto have signed this Agreement on the day and yer first above mentioned.

For MONNOO ENERGY LIMITED

For OLYMPIA BLENDED FIBRE'MILLS LTD-II.

Rizwom Numer 35202-2003205-1 WITNESS-1 AMMM

WITNESS-II

mpany Secretary



### AGREEMENT

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#### BETWEEN

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AND

RAWAL TEXTILE MILLS LTD, a Company incorporated under the Companies Ordinance, 1964, having its Head Office at Monnoo House, 3-Montgomery Road, Lahore (hereinafter referred as Buyer which expression shall include its successors in interest and legal representatives) of the OTHER PART:

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- 6. i. In case there are any taxes and/or duties imposed by the Government of Pakistan on supply or consumption of electric power, the collection of price shall be mutually agreed between the Buyer and the seller which under no circumstances shall be higher than the applicable WAPDA Tariff.

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- 15. The Buyer is responsible for the installation cost and maintenance of measuring meter, eables and other equipment installed within the premises of the Buyer. Any damage caused to the aforementioned or premises, within which they are installed, will be borne by the Buyer. MEL shall not be directly nor indirectly liable for any damage or loss occasioned to the Buyer on account thereof.
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IN WITNESS whereof the parties hereto have signed this Agreement on the day and yer first above mentioned.

For MONNOO ENERGY LIMITED

For RAWAL TEXTILE MILLS LTD.

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WITNESS-II

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ANNEXURE-I(B)

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