



# ALTERN ENERGY LIMITED

Descon Headquarters:

18-km, Ferozepur Road, Lahore.

Tel: +92-42-3599 0034, Fax: +92-42-3540 1938-39

Date: August 30, 2021

The Registrar

National Electric Power Regulatory Authority ("NEPRA")

NEPRA Tower, Attaturk Avenue (East)

Sector G-5/1, Islamabad

Subject: Application for Extension of the Generation License

Dear Sir,

We, Altern Energy Limited (the "Company"), write to you with reference to our Generation License No. IPGL/021/2004 dated 22.09.2004 (the "Generation License" or "GL") granted by NEPRA under, *inter alia*, Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (as amended, the "NEPRA Act") in respect of our power project located at Fateh Jang, District Attock in the province of Punjab (the "Project").

We are pleased to inform you that the Company has been successfully operating the Project in accordance with the terms of its Power Purchase Agreement dated 18.09.1995 (as novated and amended, the "PPA") for the past twenty (20) years. The term of the PPA is expected to continue at least until June 05, 2031. Therefore, an extension to the GL (which is expiring this year) has become vital for the continuation of the Project.

In view of the foregoing and pursuant to Regulations 13 (*Extension or Renewal of term of License*) and/or 10 of the NEPRA Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 (the "Regulations") read with all enabling provisions of the NEPRA Act and the NEPRA Licensing (Generation) Rules, 2000 (the "Rules"), I, Umer Shehzad Sheikh, Chief Executive of the Company, being the duly authorized representative of the Company by virtue of Board Resolutions dated August 17, 2021, hereby apply to NEPRA on behalf of the Company for, *inter alia*, extending the Generation License for a period of ten (10) years and aligning the same with the PPA (as further detailed in Annexes E and F hereto).

In relation to the foregoing, I certify that the documents-in-support enclosed with this application are prepared and submitted in conformity with the provisions of the Regulations, and that the Company undertakes to abide by the terms and provisions of the Regulations, Rules and NEPRA Act. I further undertake and confirm that the information provided in the enclosed documents-in-support is true, accurate and correct to the best of my knowledge and belief, and that nothing has been concealed.

Cheque No.13964326 dated August 30, 2021, for the sum of PKR 465,938/- (Pakistani Rupees Four Hundred Sixty-Five Thousand Nine Hundred Thirty Eight Only) after deduction of Income tax @8% of PKR 40,516/- (Pakistani Rupees Forty Thousand Five Hundred Sixteen Only), being the applicable processing fee calculated in accordance with Schedule II to the Regulations, is also attached herewith.

For info & n.e.pl

- DG Cles

Copy to

- SA (Tech)

- SA (M&E)

- ADGCT

- DRB-T

- m.f

3/9/21

cc:

Chairman

- v.c/m (M&E)

- m (C&IT)

- m (Cles)

Dis

10616  
8 9-21



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Dr-I	Dr-II	Add. Dir:	
DD-I	DD-II	AD-I	AD-II
RO	SES	IA	OA-I OA-II

13969  
03-09-21



In light of this application and its enclosures, you are kindly requested to accept and process our above request regarding the Generation License at the earliest.

Thank you for your continuous support and cooperation. We remain available to provide any further clarifications or documents that you may require in connection with the foregoing.

Yours sincerely  
For and on behalf of  
**Altern Energy Limited**

A handwritten signature in black ink, appearing to read 'Umer Shehzad Sheikh', written over a horizontal line.



**Umer Shehzad Sheikh**  
Chief Executive

Appended with this application are the following documents:

1. Cheque dated August 30, 2021, as **Annex A**.
2. Extract of board resolutions dated August 17, 2021, as **Annex B**.
3. Affidavit dated August 26, 2021, as **Annex C**.
4. Vakalatnama dated August 26, 2021, as **Annex D**.
5. Proposed Text of the GL as **Annex E**; and
6. Statement of Reasons as **Annex F**.

HABIB METRO CHITAN BANK LTD.

FEROZEPUR ROAD BR. LAHORE

Cheque No. 139643326

Date 30/08/2021

PAYEE

Pay National Electric Power Regulatory Authority or bearer

Rupees Four Hundred Sixty Five Thousand

Nine Hundred Thirty Eight Only

PKR 465,938/-

PK36 MPBL 0295 0271 4012 6597  
ALTERN ENERGY LIMITED



*[Handwritten Signature]*  
Signature

Please do not write below this line

⑈39643326⑈0640105⑈1000000001818073⑈000⑈



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### PROPOSED TEXT OF THE GENERATION LICENSE

We humbly request NEPRA to grant an extension to our Generation License No. IPGL/021/2004 dated 22.09.2004 (the "Generation License" or "GL") for a period of 10 years. As a result, the expiry date on the Generation License's cover page may be amended to read as June 05, 2031.

The GL term provided in Article 4(1) may also be revised to state as follows:

*"Pursuant to Rule 5 of the Rules, this License is granted for a term of 10 years."*

NEPRA is also requested to make any other changes / corrections in order to align the Generation License with the terms and conditions of the Company's Power Purchase Agreement dated 18.09.1995, as amended and novated.

Furthermore, we understand that the definitions of Implementation Agreement provided in Article 1(1)(d) and Power Purchase Agreement provided in Article 1(1)(f) may also need to be revised to include subsequent amendments / novation to the said documents.

Please refer to Annex F (*Statement of Reasons*) for further details.





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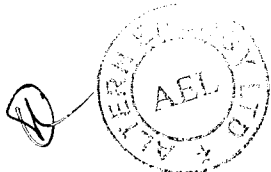
## STATEMENT OF REASONS

### A. Background:

1. As you are already aware, the Generation License No. IPGL/021/2004 dated 22.09.2004 (the "**Generation License**" or "**GL**") granted to Altern Energy Limited (the "**Company**") was only for an initial term of seventeen (17) years, and corresponded with the terms and conditions of the Company's Power Purchase Agreement dated 18.09.1995 (the "**PPA**") executed with the Water and Power Development Authority ("**WAPDA**").
2. The Company subsequently executed an Amendment Agreement to the PPA dated 22.04.2006 with WAPDA, and a Novation Agreement dated 09.05.2017 with WAPDA and the Central Power Purchasing Agency (Guarantee) Limited ("**CPPAG**"), (collectively, the "**Amendments**") whereby, *inter alia*, the term / duration of the PPA was extended, the structure of the Project was improved and CPPAG replaced WAPDA as the power purchaser under the PPA.
3. The term of the amended and novated PPA is expected to continue at least until June 05, 2031. However, since the Amendments were executed only after issuance of the GL, the GL (with an expiry date of 21.09.2021) is not currently aligned or consistent with the amended and novated PPA or the Amendments.
4. As a result, the Company humbly requests NEPRA to grant the extension and ensure consistency with the amended and novated PPA, as set out in **Annex E (Proposed Text of the GL)** hereto, in order to ensure that the GL is aligned with the amended and novated PPA (and reflects the Amendments).

### B. Compliance with Applicable Laws:

5. The Company hereby confirms that the application is in compliance with all applicable laws, including the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (as amended, the "**NEPRA Act**"), the NEPRA Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 (the "**Regulations**") and the NEPRA Licensing (Generation) Rules, 2000 (the "**Rules**"), and requests NEPRA to kindly condone the delay (if any) in filing this application under the Regulations.
6. In connection with the Regulations, the Company further confirms and represents that the Company's application:
  - (a) is in the interests of the consumers and the electric power industry as a whole (and once accepted, is likely to benefit consumers);
  - (b) is reasonably necessary to ensure the continuous, safe and reliable supply of electric power to consumers, keeping in view the financial and technical viability of the Company, and will not impact the tariff;





- (c) is suitable on environmental grounds;
  - (d) is justified keeping in view the performance of the Company during the expiring term of the GL; and
  - (e) will not adversely affect the Company's performance of its obligations or quality of its service, and is reasonably necessary for the Company to effectively and efficiently perform its obligations under the Generation License, the Amendments and the amended and novated PPA.
7. In connection with the Rules, the Company further confirms and represents that the proposed extension to the GL shall commensurate with the maximum remaining expected useful life of the units comprised in the generation facility, and NEPRA may accept this application keeping in view the performance of the Company during the expiring term of the GL, and the interests of the consumers and the electric power industry as a whole.
8. It is respectfully submitted that in view of the on-going energy crisis in the country, we also believe that acceptance of this application will be mutually beneficial for all stakeholders, including the consumers who will benefit from the additional electricity generated. In light hereof, since this will result in complete utilization / a more resourceful project and ultimately lead to the benefit of the general public and consumers at large, we request NEPRA to kindly proceed in accepting our application in relation to the Generation License.

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Dated August 26, 2021

**EXTRACT OF THE RESOLUTION BY CIRCULATION OF THE BOARD OF DIRECTORS OF  
ALTERN ENERGY LIMITED PASSED IN PURSUANCE OF ARTICLE 67 OF THE ARTICLES OF  
ASSOCIATION OF THE COMPANY.**

“**RESOLVED THAT** the Company be and is hereby authorised to file application(s) before the National Electric Power Regulatory Authority (“**NEPRA**”) in relation to the Generation License No. IPGL/021/2004 dated 22.09.2004 (the “**Generation License**”) issued to the Company by NEPRA (the “**Application(s)**”), in order to extend its term and validity, and modify the Generation License such that it reflects the Company’s Power Purchase Agreement dated 18.09.1995 (as amended and novated).

**FURTHER RESOLVED THAT** Umer Shehzad Sheikh, Chief Executive Officer (the “**Authorised Person**”) is duly authorized to file, submit and present the Application(s) (along with all annexes), affidavits, and any documents in support thereof before NEPRA, sign the necessary documentation, pay the necessary filing fees, appear and/or make any oral / written representations on behalf of the Company before NEPRA, and undertake or do any matter(s) / act(s) necessary for the filing, submission, processing, completion and finalization of the Application(s), or incidental thereto.

**FURTHER RESOLVED THAT** in addition to the Authorised Person, Mr. Wasee-ul-Hasnain Naqvee and Mr. Nadir Altaf, of RIAA Barker Gillette (formerly RIAALAW) are Authorised Person(s) and shall also have the afore-stated powers.”

Certified that the above resolution was duly passed by the Board of Directors of Altern Energy Limited dated August 17, 2021.

  
\_\_\_\_\_  
Company Secretary

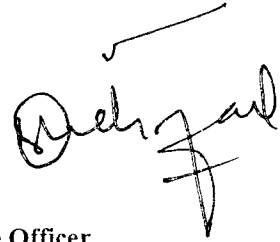


VAKALATNAMA

We, **Altern Energy Limited** (the "**Company**") hereby appoint and constitute jointly and severally all partners and associates working with RIAA Barker Gillette (formerly RIAALAW) including **MR. WASEE-UL-HASNAIN NAQVEE** and **MR. NADIR ALTAF** to appear and act for us as our advocates in connection with the filing, submission, processing and presentation of the Company's application dated August 30, 2021 (along with annexes) and any documents in support thereof, before the National Electric Power Regulatory Authority ("**NEPRA**" or "**Authority**") relating to the Company's Generation License No. IPGL/021/2004 granted by the Authority on 22.09.2004.

We also authorize the said advocates or any one of them to sign the necessary documentation, pay the necessary filing fees, appear and/or make any oral and/or written representations on behalf of the Company before NEPRA and undertake or do any other matters / acts necessary for the filing, submission, processing, completion and finalization of the application before NEPRA, or incidental thereto.

Signature:



**Umer Shehzad**  
**Chief Executive Officer**

**Altern Energy Limited**

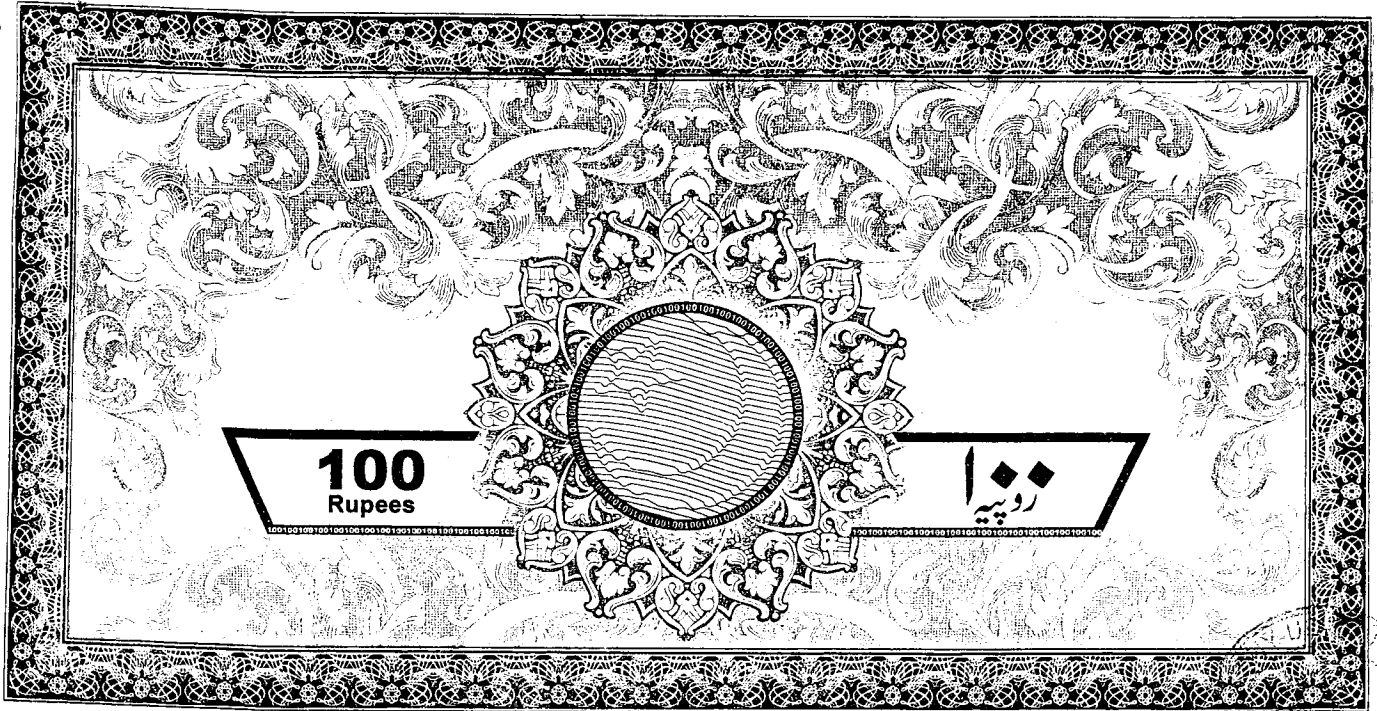
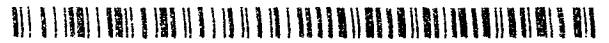
**Dated: August 26, 2021**

ACCEPTED

\_\_\_\_\_  
**RIAA Barker Gillette**  
**(Formerly RIAALAW)**

Third Floor 65-W Executive Heights,  
Fazal e Haq Rd, G 7/2 Blue Area, Islamabad,  
Islamabad Capital Territory 44000  
UAN: 111-LAWYER





**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**AFFIDAVIT**

I, Umer Shehzad Sheikh, son of Muhammad Sadiq Shehzad Sheikh, resident of Lahore having CNIC No. 35202-5256028-7, Chief Executive Officer of Altern Energy Limited, being the duly authorized representative of Altern Energy Limited, hereby solemnly affirm and declare that the contents of the accompanying application (regarding the Generation License No. IPGL/021/2004 dated 22.09.2004) dated August 30, 2021 (and its annexes) including all supporting documents, are true, accurate and correct to the best of my knowledge and belief and that nothing has been concealed.

I also affirm that all further documentation and information to be provided by me in connection with the accompanying application shall be true, accurate and correct to the best of my knowledge and belief.

*Umer Shehzad*

**DEPONENT**

Umer Shehzad

Chief Executive Officer

CNIC No.: 35202-5256028-7

**Verification:**

Verified on oath at Lahore on this 26 day of August 2021 that the contents of the above affidavit are correct and true to the best of my knowledge and belief.

*Umer Shehzad*

**DEPONENT**

Umer Shehzad

Chief Executive Officer

CNIC No.: 35202-5256028-7