

**BEFORE**  
**THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY (NEPRA)**  
**LICENSE PROPOSED MODIFICATION IN GENERATION**  
**LICENSE No. IGSPL/22/2009**

**GRANGE POWER LIMITED**

FOR COAL FIRED POWER PROJECT OF NET 150 MW

AT

NEAR KAMIR, 15KM ARIFWALA SAHIWAL ROAD DIST. PAKPATTAN

**DATED: 02-12- 2014**

**GRANGE POWER LIMITED**

ADDRESS : 2ND FLOOR, 65-Z BLOCK, DHA COMMERCIAL AREA, LAHORE,  
PAKISTAN

PHONE # : +92 42 35743958-59

FAX # : +92 42 35743957

EMAIL # : grangepower@gmail.com

# GRANGE POWER LIMITED

**Annex-A**

The Registrar  
National Electric Power Regulatory Authority (NEPRA)  
Islamabad

**Subject: Application for Licensee Proposed Modification in Generation Licence No. IGSPL/22/2009 – Grange Power Limited.**

I, Shuja Hussain, Chief Executive Officer, Grange Power Limited, being the duly authorized representative of Grange Power Limited by virtue of Board Resolution dated November 15, 2014, hereby apply to the National Electric Power Regulatory Authority for Licensee Proposed Modification in the granted Generation Licence No. IGSPL/22/2009 to Grange Power Limited on July August 09, 2009, pursuant to Sub-Regulation 2 of Regulation 10 of NEPRA Licensing (Application and Modification Procedure) Regulations, 1999.

2. I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of the above-said regulations. I further undertake and confirm that the information provided in the attached document-in-support is true and correct to the best of my knowledge and belief.

3. A bank draft No.01116709 dated 03-12-2014 issued by Soneri Bank, in the sum of Rupees 690,080/-, being the non-refundable application fee calculated in accordance with Schedule-II to the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, is also attached herewith.



**(SHUJA HUSSAIN)**  
Chief Executive Officer

Dated: December 02, 2014

# GRANGE POWER LIMITED

December 02, 2014

The Registrar  
National Electric Power Regulatory Authority (NEPRA) 17  
Islamabad

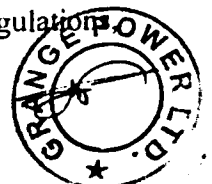
**Subject: Application for Licensee Proposed Modification in Generation Licence No. IGSPL/22/2009 – Grange Power Limited.**

National Electric Power Regulation Authority (hereinafter referred to as "NEPRA") pursuant to Section 15 of Regulation of Generation, Transmission and Distribution of Electric Power Act, XL of 1997, has granted Generation Licence (No. IGSPL/22/2009) to Grange Power Limited (hereinafter referred to as "GPL or the applicant") on July 09, 2009 for 146.5 MW (Net at reference condition) RFO based combined cycle thermal power facility near Arifwala, District Pak Pattan, Punjab.

Furthermore, we had been issued a Letter of Support by the Private Power & Infrastructure Board (the "PPIB") on behalf of the Government of Pakistan (the "GOP") dated 11<sup>th</sup> January, 2012 bearing Reference No.1(102) PPIB-1052/12/PRJ in respect of the RFO Project, which had been extended by PPIB from time to time (the "LOS"). However, despite GPL's best efforts, the Power Purchase Agreement ("PPA") remained unsigned and the RFO Project was significantly delayed. We would like to highlight that GPL had completed all other milestones in respect of the RFO Project i.e. acquiring land, conducting all relevant studies, securing financing and executing material contracts including the Fuel Supply Agreement, EPC Contract and O&M Contract. However, due to the delay in the signing of the PPA on part of National Transmission and Dispatch Company (the "NTDC"), GPL suffered significant losses.

We are fully committed in setting up of our project. Therefore, regardless of NTDC's failure to execute the PPA and NTDC's submissions to PPIB dated 12-9-2013 and 11-4-2013, to negotiate an amicable settlement and abort the RFO Project, we nevertheless accepted NTDC/ GOP's request to convert our RFO Project to a 150 MW coal based power project. Thereafter, NTDC in its 82<sup>nd</sup> Board of Directors meeting resolved implementation of the Project as a coal fired project through its letter no GM/WPPO/NTDCL/5252 dated June 18, 2014 enclosing Notification no. C.S/NTDC/1756-59 dated June 18, 2014 (copies attached as Annex-I).

Keeping the above scenario in view, PPIB issued Letter of Intent ("LOI") for 150 MW (Net) coal based Independent Power Generation Project near Arifwala, District Pakpattan vide its letter No. 14<sup>th</sup> November 2014 (copy attached as Annex-II). In terms of the LOI, GPL is required to complete in all respects its petition before NEPRA for the upfront tariff and its generation license. As per the aforesaid requirement the upfront tariff petition was duly submitted with NEPRA on November 19, 2014. Whereas, GPL hereby submits its application for Licensee Proposed Modification before National Electric Power Regulatory Authority (NEPRA) pursuant to Sub-Regulation 2 of Regulation 10 of NEPRA Licensing (Application and Modification Procedure) Regulation 1999. Following documents are submitted: -



## NATIONAL TRANSMISSION &amp; DESPATCH CO. LTD

General Manager (WPPD) NTDCL

Dated: 18/6/2014

No. GM/WPPD/NTDCL/ 5252

Managing Director (PPIB),  
50-Nazimuddin Road, F-7/4  
Islamabad

Subject: Approval for Implementation of 146.5 MW (net) Grange Power Limited Plant near 132 kV Grid Station, Arifwala in MEPCO Area as a Coal Fired Plant

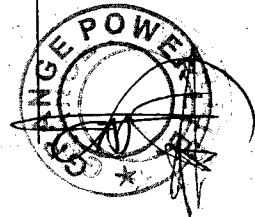
A copy of the NTDCL Board of Directors Resolution dated 18-06-2014 recommending the implementation of the Grange Power Project as a Coal-Fired plant is enclosed herewith for your further necessary action please.

DA/As above

(Muhammad Azam Khan)  
General Manager (WPPD)

Copy:-

- Managing Director (NTDCL) 414- WAPDA House, Lahore.



# NATIONAL TRANSMISSION & DISPATCH COMPANY LTD.

Telephone: 042-99201330  
PBX 042-99202211 / 2257  
Fax: 042-99204236



Office of the  
Company Secretary NTDC,  
Room # 407-WAPDA House, Lahore

No.C.S/NTDC/ 1756-59

Dated: 18/06/2014

## NOTIFICATION

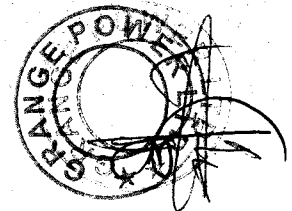
### Approval for Implementation of 146.5 MW (net) Grange Power Limited Plant near 132 kV Grid Station, Arifwala in MEPCO Area as a Coal Fired Plant

1. The Board of Directors of NTDC in its 82<sup>nd</sup> meeting held on 14-06-2014 against Agenda item No. 21 has resolved and approved as under:  
"In order to reduce the price of electricity to be generated by the project, the NTDC BOD, with the agreement of the Project Sponsors, recommends the implementation of the Grange Power project as a Coal-fired plant. The Sponsor has agreed to accept the Upfront Tariff announced by NEPRA. PPIB may therefore consider the conversion of the RFO based plant to Coal-fired plant. PPIB should also get an undertaking from the Sponsor that they would not claim any damages or cost reimbursement from NTDC or PPIB/GOP relating to the Project and its conversion to Coal."

Copy to:

1. Managing Director NTDC
- 2. G.M (WPPO) NTDC
3. Finance Director NTDC
4. Manager Internal Audit

Muhammad Dilbar Ghouri  
Company Secretary NTDC





GOVERNMENT OF PAKISTAN  
MINISTRY OF WATER & POWER  
PRIVATE POWER & INFRASTRUCTURE BOARD

No. 1(103) PPIB-1052/14/PRJ

14<sup>th</sup> November 2014

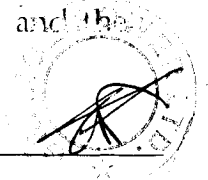
Mr. Shuja Hussain  
Chief Executive Officer  
Grange Power Limited  
2<sup>nd</sup> Floor 65-Z Commercial Area  
DHA PHASE III, Lahore.

Subject: LETTER OF INTENT (LOI) FOR 150 MW (NET) COAL BASED  
INDEPENDENT POWER GENERATION PROJECTS NEAR  
ARIFWALA, DISTRICT PAKPATTAN

Dear Sir,

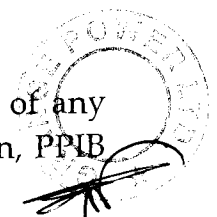
**WHEREAS:**

- (A) Grange Power Limited (the "Project Company") was issued a Letter of Support No. 1(102) PPIB-1052/12/PRJ dated 11<sup>th</sup> January 2012 as amended (the "Existing LOS") for establishment of 146.5 MW Residual Fuel Oil (RFO) Project (the "Project"). The Existing LOS is valid and in full force and effect as per the terms and conditions stated therein and herein;
- (B) National Transmission & Despatch Company Limited (NTDCL) in its 82<sup>nd</sup> Board of Directors meeting resolved implementation of the Project as a coal fired plant. This was conveyed by NTDCL through its letter no. GM/WPPO/NTDCL/5252 dated 18<sup>th</sup> June 2014 enclosing Notification no. C.S/NTDC/1756-59 dated 18<sup>th</sup> June 2014;
- (C) Two Bank Guarantees each of US\$ 736,500 in favour of PPIB are valid, binding and enforceable upto 31<sup>st</sup> March 2015 and 30<sup>th</sup> September 2016 respectively (collectively hereinafter referred to as the "Performance Guarantees"); and
- (D) PPIB Board in its 98<sup>th</sup> Board of Directors meeting has allowed settlement whereafter a Settlement was entered into between PPIB and the Project Company dated 14<sup>th</sup> November 2014 pursuant to which the parties agreed to further develop / process the Project in accordance with the terms of this LOI and the Settlement.



**Now Therefore,**

1. The Project Company is required to submit, within one (1) month from the effective date, petitions before National Electric Power Regulatory Authority (NEPRA) complete in all respects to the satisfaction of NEPRA to obtain (i) tariff determination under Upfront Tariff (Approval & Procedure) Regulations 2011 (the "**Upfront Tariff**") Regulations and (ii) generation license under Licensing Generation Rules 2000;
2. Project Company is required to obtain a Letter of Support from PPIB within one (01) month of Tariff Determination by NEPRA (**Tariff Determination**) under and in accordance with the Guidelines for Setting Up of Private Power Projects under Short Term Capacity Addition Initiative 2010 read with the Policy for Power Generation Projects 2002 (hereinafter referred to as the '**Guidelines**') and Upfront Tariff Regulations;
3. In the event, the Sponsors/ Project Company delays, defaults or fails to: (i) submit petitions to NEPRA for Tariff Determination within one (01) month from the effective date; or (ii) obtain Letter of Support within one (01) month of the Tariff Determination, this LOI shall stand cancelled automatically. Upon such cancellation the obligations and the liabilities of the Sponsors/ Project Company under Existing LOS shall immediately revive and PPIB shall be entitled to encash the Performance Guarantees under and in accordance with the terms of the Performance Guarantees;
4. Sponsors/ Project Company shall not be in default under this LOI if (a) it has completed all the requirements prescribed under the NEPRA Up-front Tariff Regulations and NEPRA Act for the determination / approval of the Tariff and (b) if it has completed all the requirements prescribed under the Guidelines for obtaining the Letter of Support. Provided further in the event that the said delay to obtain Tariff Determination or Letter of Support by the Sponsors / Project Company is solely attributable to the NEPRA or PPIB as the case maybe, then the Sponsors/ Project Company shall be entitled to an extension in the term of this LOI and Existing LOS commensurate with such period of delay, provided further that the Performance Guarantees shall be extended by the Sponsors/ Project Company for a period not less than three (3) months beyond such extended term of the LOI;
5. This LOI shall in no way be construed as an award of the Project as no such vested legal or contractual rights shall accrue, in favour of the Sponsors / Project Company, till valid Project Agreements (as defined in the Letter of Support under the Guidelines) are executed in accordance with the terms and conditions contained therein;
6. Issuance of this LOI or its cancellation or expiry cannot form the basis of any claim for compensation or damages against the Government of Pakistan, PPIB

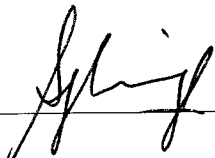
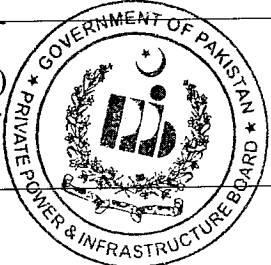

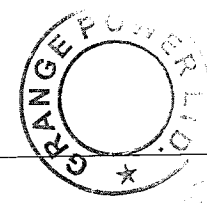


or any of its agencies on any grounds whatsoever, during or after the expiration or cancellation;

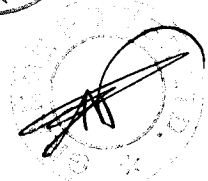
7. This LOI shall, be effective from the date hereof and unless cancelled or extended in accordance with the terms herein, continue to be in full force and effect until the issuance of the Letter of Support or for period of three (03) months, whichever is earlier. Upon such expiry, the obligations and the liabilities of the Sponsors/ Project Company under Existing LOS shall immediately revive and PPIB shall be entitled to encash the Performance Guarantees under and in accordance with the terms of the Performance Guarantees;
8. Upon effectiveness, this LOI shall supersede the Existing LOS. However, Existing LOS shall continue to govern and control the terms and conditions of the Performance Guarantees until the issuance of the new LOS;
9. The rights and obligations of the parties pursuant to and under this LOI shall be governed by the laws of Pakistan.

Capital terms used but not defined herein shall bear the meanings attributed to them in the Existing LOS and the Performance Guarantees.

Kindly sign the attached copy of this LOI at the place indicated and return the same to us no later than seven (07) days.

<p>For &amp; on behalf of Private Power &amp; Infrastructure Board</p> <p></p> <p>(Shah Jahan Mirza) Managing Director</p> 	<p>For &amp; on behalf of Project Company</p> <p></p> <p>(Mr. Shuja Hussain) Chief Executive Officer</p> 
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Cc:

- (a) Secretary, Ministry of Water and Power, Islamabad
  - (b) Chairman, National Electric Power Regulatory Authority, Islamabad
  - (c) Managing Director, National Transmission and Despatch Company, Lahore
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# GRANGE POWER LIMITED

Annex-B

**EXTRACT OF THE MINUTES OF THE [43<sup>RD</sup>] MEETING OF THE BOARD OF  
DIRECTORS OF GRANGE POWER LIMITED IN ITS MEETING HELD ON  
NOVEMBER 15, 2014.**

Resolved that the company may file application for modification of its generation licence No. IGSPL/22/2009 before the National Electric Power Regulatory Authority

It was further resolved that Mr. Shuja Hussain, Chief Executive Officer of the company is also authorized to proceed with the submission of the Application for Licensee Proposed Modification for the amendment of Generation Licence No. IGSPL/22/2009 granted by and before the National Electric Power Regulatory Authority (NEPRA).

That Mr. Shuja Hussain is hereby authorized to sign all the relevant documents/applications for and on behalf of the company.

  
Company Secretary

Dated: November 15, 2014

The text of the proposed modification (**Annex-C**)

## Annex-C

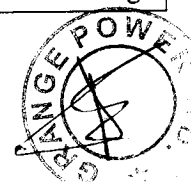
**The Text of the Proposed Modification as required pursuant to Regulation 10(2)(a) of NEPRA Licensing (Application and Modification Procedure) Regulations, 1999:**

### 1. Plant Configuration

		<u>Existing</u>		<u>Proposed</u>	
i.	Plant Size Installed Capacity (Gross ISO)	163.353 MW		164.8 MW	
ii.	Type of Technology	Combined Cycle Power Plant		Coal Fired Power Plant	
iii.	Number of Units/Size (MW)	Gas Turbine	1 x 109.00 MW	Boiler	1x 542.8 t/h
		Steam Turbine	1 x 54.353 MW	Steam Turbine	1x164.8 MW (Gross)
iv.	Unit Make & Model	Gas Turbine	GE/9171 E	Boiler	Make CWPC China. 1x HX543/13.7-II 1
		Steam Turbine	G.E.	Steam Turbine	Make Dongfang Turbine Co., Ltd. ("DTC"), China 1x N164-13.24/535/535
v.	De-rated Capacity at Mean Site Conditions	152.00 MW		N.A	
vi.	Auxiliary Consumption	5.50 MW		14.8 MW	
vii.	Commissioning and Commercial Operation Date (COD)	December 31, 2010		January 31, 2019	
viii.	Expected Life of the Facility from COD	25 Years		30 Years	

### 2. Fuel Details

		<u>Existing</u>		<u>Proposed</u>
i.	Primary Fuel	Residual Fuel Oil (RFO)		Imported Coal
ii.	Back-up Fuel	Not Applicable		Not Applicable
iii.	Start-up Fuel	High Speed Diesel Oil (HSDO)		Light Diesel Oil (LDO)
iv.	Fuel Source (Imported/Indigenous)	Imported/Indigenous		Imported Coal
v.	Fuel Supplier	PSO/Shell		P.T Modaco Enersys Indonesia
vi.	Supply Arrangement	Through Oil Tankers		Lorries/Railways Freight Wagons
vii.	No of Storage Tanks	Primary Fuel	Start-up Fuel	Primary Fuel-Open Coal Storage



		Existing		Proposed
		2 Tanks	1 Tank	Area 200x180 meters Startup Fuel- 2x800 m3
Viii.	Storage Capacity of each Tank	Primary Fuel 12,500 Tons	Start-up Fuel 4,000 Liter	Primary Fuel- 206,000m3 ( 111,996 tons) for 90 days Startup Fuel-LDO-2x800 m3
ix.	Gross Storage (total)	Primary Fuel 25,000 Tons	Start-up Fuel 4,000 Liter	Primary fuel-111,996 Tons Startup fuel- LDO-1,600 m3

## 2. Emission Values

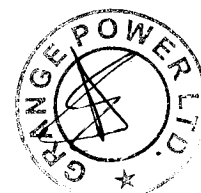
		Primary Fuel	Start-up Fuel	Primary Fuel
i.	SO <sub>x</sub>	500 T/day	As per National Environmental Quality Standards (NEQS)	500 T/day As per NEQS standards
ii.	NO <sub>x</sub>	Primary Fuel 165 mg/nm <sup>3</sup>	Start-up Fuel As per NEQS	As per NEQS Standard 300 Ng/J
iii.	CO	Primary Fuel 100 mg/nm <sup>3</sup>	Start-up Fuel As per NEQS	CO for primary fuel- less than 5 mg/m3 in average 8 hrs.
iv.	PM <sub>10</sub>	Primary Fuel 50 mg/nm <sup>3</sup>	Start-up Fuel As per NEQS	PM10 for primary fuel- less than 150 microgram/m3 average in 24 hrs.

## 3. Cooling System

i.	Cooling Water Source/Cycle	Underground Water from tube wells/Closed loop	Underground Water from tube wells/Closed loop with cooling Tower
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## 4. Plant Characteristics

i.	Generation Voltage	11 kV or 15 kV					13.8 KV
ii.	Frequency	50 Hz					50 Hz
iii.	Power Factor	0.8 lagging to 0.95 leading					0.85
iv.	Automatic Generation Control (AGC)	Yes					Yes
v.	Ramping Rate	10 MW/min					-
vi.	Time required to Synchronize to Grid and loading the complex to full load.	GT-Open Cycle		Combined Cycle			Coal fired Power Plant full load Operation. Cold state 6-8 hour Warm State 3-4 hours Hot State 1.5-2 hours Extreme hot state< 1.5 hours
		Cold	Warm	Cold	Warm	Hot	
		45 min	30 min	130 min	85 min	45 min	



## Installed Capacity

		<u>Existing</u>	<u>Proposed</u>
1.	Installed Capacity Gross ISO	163.353 MW	164.8 MW
2.	De-rated Capacity at Mean Site Conditions	152.00 MW	NA
3.	Auxiliary Consumption	5.50 MW	14.8 MW
4.	Net Capacity of the Plant at Mean Site Conditions	146.50 MW	150 MW

The term of the Generation Licence will be 30 years from Commercial Operation Date i.e. January 31, 2019.



A statement of the reasons in support of the  
modification (**Annex-D**)

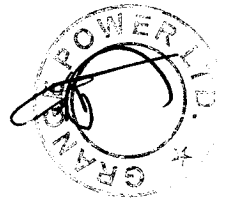
# GRANGE POWER LIMITED

## Annex-D

**A statement of the reasons in support of the modification as required pursuant to Regulation 10(2)(a) of NEPRA Licensing (Application and Modification Procedure) Regulations, 1999:**

National Transmission and Despatch Company Limited ("NTDC") in its 82<sup>nd</sup> meeting held on 14.06.2014 resolved that in order to reduce the price of electricity to be generated by the project, with the agreement of the Project Sponsors, recommends the implementation of the Grange Power Project as a Coal-fired plant.

*A copy of the NTDC above recommendations and LOI issued by the PPIB is attached herewith.*





## **NATIONAL TRANSMISSION & DESPATCH CO. LTD**

**General Manager (WPPO) NTDCL**

No. GM/WPPO/NTDCL/ 7865-68

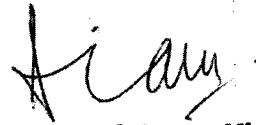
Dated: 27/11/2014

Mr. Shuja Hussain  
Chief Executive Grange Power Limited  
65-Z, 2<sup>nd</sup> Floor, Commercial Area, Phase-III  
DHA, Lahore

Subject: **LETTER OF INTENT (LOI) 150 MW (NET) COAL BASED INDEPENDENT  
POWER GENERATION PROJECTS NEAR ARIFWALA DISTT. PAKISTAN**

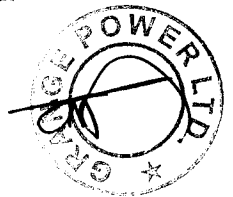
Reference: Your letter No.Nil dated 27-11-2014.

The Power Purchaser shall purchase the power from subject project at the tariff determined by NEPRA and the terms and conditions to be finalized in the Power Purchase Agreement.

  
( **Muhammad Azam Khan** )  
General Manager (WPPO)

Copy to:

- 1- The Registrar NEPRA, NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
- 2- Managing Director (NTDCL), 414-Wapda House, Lahore.
- 3- Managing Director (PPIB), H/No. 50, Nazimuddin Road, F-7/4, Islamabad.







GOVERNMENT OF PAKISTAN  
MINISTRY OF WATER & POWER  
PRIVATE POWER & INFRASTRUCTURE BOARD

No. 1(103) PPIB-1052/14/PRJ

14<sup>th</sup> November 2014

**Mr. Shuja Hussain**

Chief Executive Officer

Grange Power Limited

2<sup>nd</sup> Floor 65-Z Commercial Area

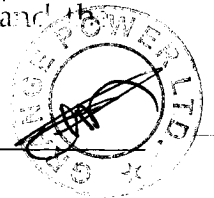
DHA PHASE III, Lahore.

Subject: LETTER OF INTENT (LOI) FOR 150 MW (NET) COAL BASED  
INDEPENDENT POWER GENERATION PROJECTS NEAR  
ARIFWALA, DISTRICT PAKPATTAN

Dear Sir,

**WHEREAS:**

- (A) Grange Power Limited (the "Project Company") was issued a Letter of Support No. 1(102) PPIB-1052/12/PRJ dated 11<sup>th</sup> January 2012 as amended (the "Existing LOS") for establishment of 146.5 MW Residual Fuel Oil (RFO) Project (the "Project"). The Existing LOS is valid and in full force and effect as per the terms and conditions stated therein and herein;
- (B) National Transmission & Despatch Company Limited (NTDCL) in its 82<sup>nd</sup> Board of Directors meeting resolved implementation of the Project as a coal fired plant. This was conveyed by NTDCL through its letter no. GM/WPPO/NTDCL/5252 dated 18<sup>th</sup> June 2014 enclosing Notification no. C.S/NTDC/1756-59 dated 18<sup>th</sup> June 2014;
- (C) Two Bank Guarantees each of US\$ 736,500 in favour of PPIB are valid, binding and enforceable upto 31<sup>st</sup> March 2015 and 30<sup>th</sup> September 2016 respectively (collectively hereinafter referred to as the "Performance Guarantees"); and
- (D) PPIB Board in its 98<sup>th</sup> Board of Directors meeting has allowed settlement whereafter a Settlement was entered into between PPIB and the Project Company dated 14<sup>th</sup> November 2014 pursuant to which the parties agreed to further develop / process the Project in accordance with the terms of this LOI and the Settlement.



**Now Therefore,**

1. The Project Company is required to submit, within one (1) month from the effective date, petitions before National Electric Power Regulatory Authority (NEPRA) complete in all respects to the satisfaction of NEPRA to obtain (i) tariff determination under Upfront Tariff (Approval & Procedure) Regulations 2011 (the "**Upfront Tariff**") Regulations and (ii) generation license under Licensing Generation Rules 2000;
2. Project Company is required to obtain a Letter of Support from PPIB within one (01) month of Tariff Determination by NEPRA (**Tariff Determination**) under and in accordance with the Guidelines for Setting Up of Private Power Projects under Short Term Capacity Addition Initiative 2010 read with the Policy for Power Generation Projects 2002 (hereinafter referred to as the '**Guidelines**') and Upfront Tariff Regulations;
3. In the event, the Sponsors/ Project Company delays, defaults or fails to: (i) submit petitions to NEPRA for Tariff Determination within one (01) month from the effective date; or (ii) obtain Letter of Support within one (01) month of the Tariff Determination, this LOI shall stand cancelled automatically. Upon such cancellation the obligations and the liabilities of the Sponsors/ Project Company under Existing LOS shall immediately revive and PPIB shall be entitled to encash the Performance Guarantees under and in accordance with the terms of the Performance Guarantees;
4. Sponsors/ Project Company shall not be in default under this LOI if (a) it has completed all the requirements prescribed under the NEPRA Up-front Tariff Regulations and NEPRA Act for the determination / approval of the Tariff and (b) if it has completed all the requirements prescribed under the Guidelines for obtaining the Letter of Support. Provided further in the event that the said delay to obtain Tariff Determination or Letter of Support by the Sponsors / Project Company is solely attributable to the NEPRA or PPIB as the case maybe, then the Sponsors/ Project Company shall be entitled to an extension in the term of this LOI and Existing LOS commensurate with such period of delay, provided further that the Performance Guarantees shall be extended by the Sponsors/ Project Company for a period not less than three (3) months beyond such extended term of the LOI;
5. This LOI shall in no way be construed as an award of the Project as no such vested legal or contractual rights shall accrue, in favour of the Sponsors / Project Company, till valid Project Agreements (as defined in the Letter of Support under the Guidelines) are executed in accordance with the terms and conditions contained therein;
6. Issuance of this LOI or its cancellation or expiry cannot form the basis of any claim for compensation or damages against the Government of Pakistan, PPIB

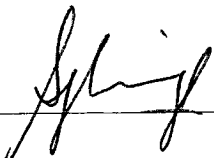
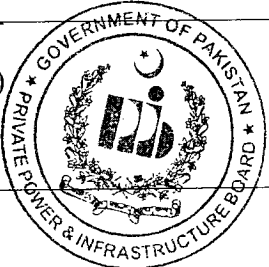
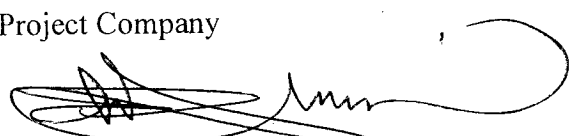
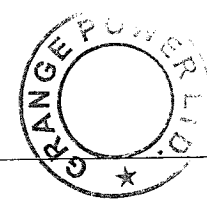


or any of its agencies on any grounds whatsoever, during or after the expiration or cancellation;

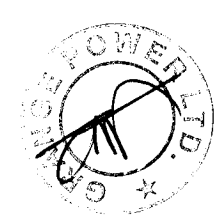
7. This LOI shall, be effective from the date hereof and unless cancelled or extended in accordance with the terms herein, continue to be in full force and effect until the issuance of the Letter of Support or for period of three (03) months, whichever is earlier. Upon such expiry, the obligations and the liabilities of the Sponsors/ Project Company under Existing LOS shall immediately revive and PPIB shall be entitled to encash the Performance Guarantees under and in accordance with the terms of the Performance Guarantees;
8. Upon effectiveness, this LOI shall supersede the Existing LOS. However, Existing LOS shall continue to govern and control the terms and conditions of the Performance Guarantees until the issuance of the new LOS;
9. The rights and obligations of the parties pursuant to and under this LOI shall be governed by the laws of Pakistan.

Capital terms used but not defined herein shall bear the meanings attributed to them in the Existing LOS and the Performance Guarantees.

Kindly sign the attached copy of this LOI at the place indicated and return the same to us no later than seven (07) days.

<p>For &amp; on behalf of Private Power &amp; Infrastructure Board</p> <p></p> <p>(Shah Jahan Mirza) Managing Director</p> 	<p>For &amp; on behalf of Project Company</p> <p></p> <p>(Mr. Shuja Hussain) Chief Executive Officer</p> 
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Cc:

- (a) Secretary, Ministry of Water and Power, Islamabad
  - (b) Chairman, National Electric Power Regulatory Authority, Islamabad
  - (c) Managing Director, National Transmission and Despatch Company, Lahore
- 

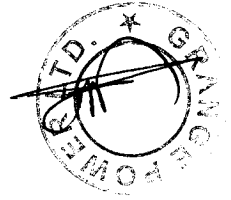
A statement of the impact on the tariff, quality of service  
and the performance by the licensee of its obligations  
under the licence (**Annex-E**)

# GRANGE POWER LIMITED

## Annex-E

**A statement of the impact on the tariff, quality of service and the performance by the licensee of its obligations under the licence as required pursuant to Regulation 10(2)(a) of NEPRA Licensing (Application and Modification Procedure) Regulations, 1999:**

As regard impact on tariff, it is stated that GPL has filed application for acceptance of upfront tariff announced by NEPRA on 26-6-2014.



Consent of the Power Purchaser (**Annex-F**)



## **NATIONAL TRANSMISSION & DESPATCH CO. LTD**

**General Manager (WPPO) NTDCL**

No. GM/WPPO/NTDCL/ 7865-68


Dated: 27/11/2014

Mr. Shuja Hussain  
Chief Executive Grange Power Limited  
65-Z, 2<sup>nd</sup> Floor, Commercial Area, Phase-III  
DHA, Lahore

Subject: **LETTER OF INTENT (LOI) 150 MW (NET) COAL BASED INDEPENDENT  
POWER GENERATION PROJECTS NEAR ARIFWALA DISTT. PAKISTAN**

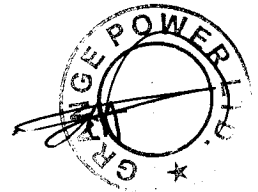
Reference: Your letter No.Nil dated 27-11-2014.

The Power Purchaser shall purchase the power from subject project at the tariff determined by NEPRA and the terms and conditions to be finalized in the Power Purchase Agreement.

  
( **Muhammad Azam Khan** )  
General Manager (WPPO)

Copy to:

- 1- The Registrar NEPRA, NEPRA Tower, Attaturk Avenue (East), G-5/1, Islamabad
- 2- Managing Director (NTDCL), 414-Wapda House, Lahore.
- 3- Managing Director (PPIB), H/No. 50, Nazimuddin Road, F-7/4, Islamabad.



Copy of existing generation licence (**Annex-G**)



National Electric Power Regulatory Authority  
(NEPRA)  
Islamabad – Pakistan

**GENERATION LICENCE**

No. IGSPL/22/2009

In exercise of the Powers conferred upon the National Electric Power Regulatory Authority (NEPRA) under Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), the Authority hereby grants a Generation Licence to:

GRANGE POWER LIMITED

Incorporated under the Companies Ordinance, 1984  
Under Certificate of Incorporation

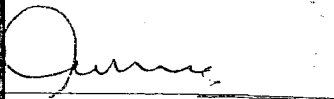
No. 0064883, dated March 25, 2008

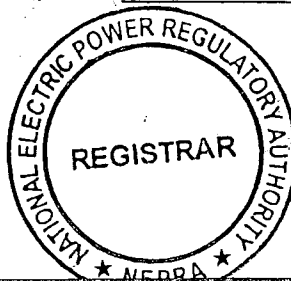
For its Plant located on 15-KM Arifwala-Sahiwal Road  
Tehsile & District Pakpattan, Punjab.

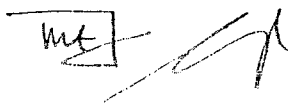
(Installed Capacity: 163.353 MW Gross ISO)

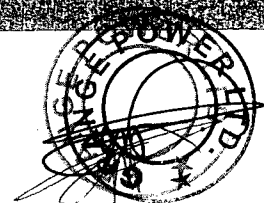
to engage in generation business subject to and in accordance with the Articles of this Licence.

Given under my hand this 08<sup>th</sup> day of July, Two Thousand & Nine,  
and expires on 30<sup>th</sup> day of December, Two Thousand &  
Thirty Five.

  
Registrar







Location Map (**Annex-I**)

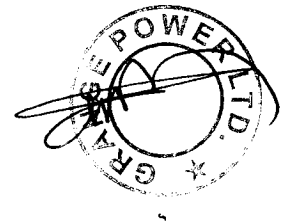
# **GRANGE POWER LIMITED**

**Proposed Generation Facility & Site**  
**150MW (NET) MW COAL FIRED POWER PROJECT**  
**AT**  
**ARIFWALA (PUJNAB)**  
**"SITE LOCATION"**

The proposed site for the Power Plant is located in the district Pakpattan of the Punjab province, approximately 15 km south of Arifwala city and 2.5 km west from Kamir village at Arifwala -Sahiwal Road.

Existing site elevation is about 152 m above sea level. Modified terrain level of the site is 152.80,  $\pm 0.00$  level of individual objects are 153.00 m.

The accesses to the Power Plant are through two service roads (see picture), one is for the coal transport and second is for the rest of activities. These service roads are connected to the local asphaltic road at Kamir village, south-west joined to Pakpattan road, which is connected to the Arifwala- Sahiwal road



**150 MW (NET) COAL FIRED POWER PLANT  
AT KAMIR 15 –KM ARIFWALA - SAHIWAL ROAD DISTT- PAKPATTAN PUNJAB PAKISTAN  
LOCATION MAP**

