

OPERATION & MAINTENANCE AGREEMENT

BETWEEN

[-----]

(The “Licensee”)

AND

[-----]

(The “O&M Operator”)

For the provision of distribution services and supply of electric power to consumers/occupants within the Service Area of [-----]

-----/housing colony, housing society or an industrial estate or a Complex or for a particular feeder(s) subject to approval of the Authority etc.] in accordance with the provisions of the National Electric Power Regulatory Authority (Supply of Electric Power) Regulations, 2015 (the “Supply Regulations”) as amended or replaced from time to time.

Made At -----

Islamic Republic Of Pakistan

On

Date -----

OPERATION & MAINTENANCE AGREEMENT

THIS OPERATION & MAINTENANCE AGREEMENT (the “**Agreement**”) is made this-
-----day of ----- at ----- by and
between:

[-----]
(hereinafter referred to as the “**Licensee**” of the First Part,

And

[-----/Housing
colony, housing society or an industrial estate or a Complex or for a particular feeder(s)] subject
to approval of the Authority (hereinafter referred to as the “**O&M Operator**” of the Second Part.

(The First Part and the Second Part individually also referred to as “**Party**” and collectively as
“**Parties**” to this Agreement).

RECITALS:

WHEREAS: -

- I. The Licensee is established under -----

and is engaged in distribution and supply of electric power in the Service Territory as per
the terms and conditions of its Distribution Licence No. -----
dated ----- issued by the Authority under the Regulation of
Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997).

- II. The O&M Operator is established under -----

----- and is responsible for carrying out operation and maintenance activities of a
[housing colony/housing society/an industrial estate/a Complex for a particular
feeder/feeder(s)] subject to approval of the Authority situated at -----
----- (hereinafter
referred to as the “Service Area”) as described in **Schedule-I** to this Agreement;

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- III. The Service Area of the O&M Operator is located in the Service Territory of the Licensee and the residents/occupants/inhabitants of such territory shall be the consumers of the Licensee;
- IV. The O&M Operator seeks to provide or arrange for the provision of efficient electric power Services to the residents/occupants within the Service Area on behalf of the Licensee;
- V. The Parties have agreed to collaborate with each other for providing electricity connections and electric power supply/services to the residents/occupants within the Service Area and regulate the rights and obligations inter-se the Parties under the O&M arrangement in accordance with the Supply Regulations and other Applicable Documents.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual representations, this Agreement witnesses as follows:

Article – 1: Definitions

1.1 In this Agreement, capitalized terms and expressions, unless the context requires otherwise, shall have the following meanings:

“Act” means the Regulations of Generation, Transmission and Distribution of Electric Power Act, 1997 as amended from time to time;

“Agreement” means this O&M Agreement, together with Schedules annexed hereto;

“Applicable Documents” means the Act and the rules, regulations, licence, registration, directives, codes, standards, guidelines, circulars, orders, determinations, documents, instruments, approvals and authorizations issued or granted from time to time by the Authority in exercise of its powers under the Act;

“Authority” means the National Electric Power Regulatory Authority established under the Act;

“Common Area” means the areas which is available for common use of all the tenants/group of people. These include Gym, Clubs, and swimming pool etc;

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“Common Delivery Point (CDP)” means a point at which a Licensee delivers electric power to the O&M Operator for the purpose of supply to Consumers;

“Complex” means any residential or commercial building/compound receiving supply at a CDP;

“Consumer” means a person or his successor-in-interest who purchases or receives electric power for consumption and not for delivery or re-supply to others, including a person who owns or occupies a premises where electric power is supplied;

“Consumer Service Manual” means the Consumer Service Manual (CSM) of the Licensee as approved by NEPRA including any amendments or modifications whether in whole or in part thereto which may be approved by NEPRA from time to time;

“Distribution Code” means the distribution code prepared by the concerned XW-DISCO and approved by the Authority, as may be revised from time to time with necessary approval of the Authority;

“Distribution Licensee” means an entity licensed to undertake distribution business under Section 20 and 21 of the Act;

“Distribution System” means the distribution facilities for distribution of electric power in the Service Area including, grid stations, HT/LT electric lines/feeders (11KV, 415/220 Volts), transformers, energy meters, service cables and all ancillary equipment, interconnection facilities or other facilities operating at the distribution voltage, and shall also include any other electric lines, circuits, transformers, sub-stations, or other facilities operated and maintained by the O&M Operator as prescribed in **Schedule-II** of this O&M Agreement;

“Energy Meter” means a meter used to measure the energy /Kilowatt hour/units delivered;

“Force Majeure” shall have meaning ascribed thereto in Article 20 of this Agreement;

“Licensee” means Distribution Licensee or the Electric Power Supplier Licensee as the context may be;

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“Load Shedding” has the meaning ascribed to it in the NEPRA Performance Standard (Distribution) Rules, 2005;

“NEPRA” means the National Electric Power Regulatory Authority;

“O&M Agreement” means an agreement entered into between a Licensee and an O&M Operator for the purpose of operation and maintenance of Distribution System including but not limited to connection, metering, billing and collection of bills in a specified area within the Service Territory of a Licensee on its behalf subject to approval of the Authority;

“O&M Operator” means a person with whom the Operation & Maintenance Agreement is executed by a Licensee in its Service Territory in terms of the Supply Regulations;

“O&M Fee” means a fee payable to the O&M Operator by the Licensee for the O&M services rendered under the O&M Agreement on behalf of a Licensee and approved by the Authority;

“Services” bears the meaning ascribed thereto in Article-3 of this Agreement;

“Service Area” means the area/location within the boundary of the housing colony, housing society/scheme or an industrial estate or a Complex or for particular feeder(s) set out in

“Schedule-I” to this Agreement in respect of which the O&M Operator will perform operation and maintenance services/activities in accordance with the Applicable Documents;

“Service Territory” means the area specified in a licence within which the Licensee is authorized to conduct distribution/supply of electric power business;

“Supplier Licensee” means an entity licensed to undertake supply business under Section 23(E) and 23(F) of the Act;

“Term” bears the meaning ascribed thereto in Article-2 of this Agreement;

“Unit” means a flat, shop or portion of premises held by an individual resident/occupant/tenant within a Complex, housing society or industrial estate etc.;

1.2 The words and expressions used but not defined in this Agreement shall have the same meaning as are assigned to them in the Act or the Rules and Regulations framed there-under.

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Article – 2: Purpose, Appointment, Effective Date and Term

2.1 Purpose

2.1.1 This Agreement shall govern and regulate the operation and maintenance arrangement between the Licensee and the O&M Operator, for provision of electric power services to the Consumers/residents/occupants in the Service Area in accordance with the Applicable Documents.

2.2 Appointment

2.2.1 The Licensee hereby appoints -----

as its O&M Operator to provide the Services to the Consumers/residents/occupants within the Service Area. During the term of O&M Agreement, the O&M operator will be exclusive/sole operator of the Licensee in the Service Area.

2.2.2 The Parties hereby agree that the arrangement envisaged in this Agreement is of an exclusive nature between the Parties for the Service Area, and during the term of this Agreement, they shall not enter into any other similar agreement/arrangement with any third party;

2.3 Effective Date and Term

2.3.1 This Agreement shall become effective upon its execution after approval of the terms and conditions hereof by the Authority.

2.3.2 Subject to the terms of this Agreement, the Licensee hereby appoints -----

as its O&M Operator for the Service Area from the Effective Date for a period of three (3) years or till the time the Authority proposes any alternate arrangement as envisaged in the Act (as amended from time to time) whichever is less. Further the term of agreement shall be extended for a similar term with mutual consent of both Parties in writing, subject to approval of the Authority and provisions of the Article-19 of this Agreement.

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Article – 3: Scope of Services

3.1 During the term of this Agreement, the Parties envisage that within the Service Area, the O&M Operator shall provide following Services on behalf of the Licensee in accordance with the terms of this Agreement, Applicable Documents and prudent utility and best international practices:

- (a) receiving application for new electricity connection from the prospective Consumers residing in the Service Area on behalf of the Licensee and after scrutiny, forwarding the same to the Licensee for issuance of demand notice or otherwise in accordance with the provisions of the CSM;
- (b) receiving the inventory/Energy Meter/allied material from the Licensee, providing and installing Energy Meters and other allied material;
- (c) taking snap shot of Energy Meter reading and sharing of such reading/data promptly with the Licensee for the purpose of generation/preparation of electricity bills;
- (d) delivery/distribution of electricity bills to Consumers in the Service Area in a timely manner on behalf of the Licensee;
- (e) inspection of Energy Meters for their health and correctness and reasonably ensuring that they are working satisfactorily, are accurate in all respects and not tampered with or otherwise interfered with from the Consumer end. In this regard, the O&M operator may seek assistance from the Licensee;
- (f) replace faulty Energy Meters with new and healthy Energy Meters;
- (g) disconnection of Consumer's electricity connection for non-payment of dues in accordance with the provisions of CSM;
- (h) re-connection of Consumer's electricity connections on payment of dues and other charges as per procedure/policy prescribed in the CSM;

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- (i) ensuring 100% recovery from Consumers in the Service Area on behalf of the Licensee;
- (j) informing the Consumers in the Service Area about shutdowns/scheduled load shedding on behalf of the Licensee;
- (k) taking reasonable steps to ensure prevention of theft of electricity, Energy Meter Tampering and improvement of recovery of outstanding dues as per procedure/policy prescribed in the CSM which may include registration of FIR in a prompt and diligent manner and in this respect to detect and remove any illegal kunda/hook/direct connection or Energy Meter within the Service Area to reduce line losses;
- (l) establish and run the consumer service center/call center(s) for efficiently handling the operational issues at the Consumer end such as prompt investigation and resolution of Consumers complaints;
- (m) preparing monthly reports regarding feeder-wise line losses (technical as well as administrative) and sharing the report/data to the Licensee;
- (n) maintain the distribution network/system in line with the technical parameters within the Service Area. In case of difference in specifications of the material to be installed during the Agreement, the cost of system upgradation be borne by the O&M Operator.
- (o) implementing energy conservation and safety initiatives and/or policies within the Service Area;
- (p) where the O&M operator deposes its employees/human resource to perform services in terms of this agreement, the O&M operator will ensure that the employees/staff/crews are qualified/skilled and hold ID-Cards of the O&M Operator;

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- (q) compliance with Health, Safety, Environment and Quality policies, procedures and standards;
- (r) collection of O&M Fee from the Licensee for the Services performed on behalf of the Licensee in the Service Area;
- (s) Provide Material Management Program to the Licensee for procuring Materials & Tools and inventory from Licensee's approved manufactures to meet with emergency.; and
- (t) any other reasonable Service associated with the distribution of electric power to Consumers within the Service Area.

3.2 The Parties may add/alter the scope of the services by incorporating changes in this Agreement through mutual written agreement, subject to approval of the Authority.

Article – 4: Connections

4.1 The existing individual connections installed by the O&M Operator within Service Area, shall be handed over to the Licensee along with the security amount deposited by the Consumers within sixty (60) days of Effective Date of this Agreement and the Licensee shall allocate new consumer reference numbers to these connections accordingly.

4.2 The O&M operator shall net-off already deposited security (if any) to the Licensee against individual connections security amount. If already deposited security amount is in excess, the Licensee shall refund the same and in case the amount is less than the required security against individual connections, the O&M operator shall deposit the same amount to the Licensee.

4.3 In relation to new connections, the O&M Operator will evaluate all applications received from Consumers on behalf of the Licensee within the Service Area and forward them to the Licensee for approval/sanctioning of connections to eligible Consumers in accordance with the procedure provided in the CSM. The O&M Operator shall provide complete data with respect to new connections to the Licensee.

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- 4.4 Any prescribed security deposit or other relevant charges in respect of new Consumer connections shall be deposited with the Licensee. Any Consumer who wishes to disconnect the electricity connection, may file an application to the Licensee through the O&M Operator to seek refund of its security deposit. The amount of security deposit will be refunded subject to payment/adjustment of all outstanding dues.
- 4.5 In case of non-payment of dues, the O&M Operator shall disconnect Consumer's electricity connection in accordance with the provisions of the CSM. Once the dues are cleared, the O&M Operator shall re-connect the Consumer's electricity connection in accordance with the policy/procedure laid down in the CSM.

Article – 5: Billing System and Issuance

- 5.1 The Licensee shall generate consumer electricity bills of all Consumers in the Service Area and the same shall be delivered/distributed to the Consumers by the O&M Operator.
- 5.2 Payment from Consumers shall be received by the Licensee through its designated account by making payment arrangement through electronic means and banks having their respective branch(s) within the Service Area and other areas of the city for facilitation of the Consumers. No payments in cash or otherwise under this Agreement will be directly received by the O&M Operator from the Consumers in the Service Area.
- 5.3 The licensee shall provide a monthly statement of billing & recovery against individual consumers to O&M operator to ensure 100% recovery of bills.
- 5.4 Electricity consumed in the common areas of the O&M Operator shall be metered separately. Such cost shall not be made part of individual electricity bills of the Consumers and will be dealt bilaterally between the O&M Operator and the Consumers.

Article – 6: Tariff for Consumers

- 6.1 Under the O&M Agreement, the area served by the O&M Operator (the Service Area) shall remain the Service Territory of the Licensee and the residents/occupants/inhabitants of such territory shall remain the Consumers of the Licensee.

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- 6.2 Consumer category wise tariff of the Licensee applicable in its Service Territory of the Licensee shall also be applicable to the Consumers in the Service Area.
- 6.3 Other terms and condition of applicable approved tariff of the Licensee shall also be applicable in the Service Area.

Article – 7: Fee for O&M Operator

- 7.1 The O&M Operator shall charge an O&M Fee from the Licensee for the Services being provided by the O&M operator, mutually agreed between the Parties and approved by the Authority.
- 7.2 The O&M Operator and the Licensee, shall file a separate application to the Authority for approval of mutually agreed O&M Fee payable by the Licensee to the O&M Operator which shall include;
- (a) allowance for distribution technical losses approved by the Authority for the area under O&M Agreement/Service Area; and
 - (b) Prudent O&M cost (salaries & wages, maintenance expenses for repair & maintenance of distribution network, and other administrative expenses, depreciation expenses and return on assets) incurred by the O&M Operator and as approved by the Authority;

Provided that depreciation expenses and return on assets shall not be included in O&M Fee if the cost for developing Distribution Network has been recovered from the residents/members/occupants of the Units;

- 7.3 The O&M Operator shall substantiate its requested O&M Fee with detailed workings along-with comparison of benchmarks;
- 7.4 The O&M Operator shall raise an invoice of O&M Fee on monthly basis by 5th day of calendar month for the O&M services rendered during the previous month in the Service Area on behalf of the Licensee.
- 7.5 The O&M operator shall maintain separate books of accounts for the O&M business and shall submit the same to the Authority on annual basis.

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Article – 8: Consumer Service Centre/Call Centre(s)

- 8.1 Consumer Service Centers shall be established in such manner as the O&M Operator may consider appropriate to address the Consumer complaints and efficient performance of the Services under this Agreement. These Consumer Service Center(s) shall be manned by appropriately qualified and trained staff of the O&M Operator.
- 8.2 The O&M Operator shall establish a centralized call center through which Consumer complaints with regard to the Service Area are registered and processed for timely resolution.
- 8.3 The O&M Operator shall process the complaints of the Consumers strictly in accordance with the Applicable Documents and provide the record in this regard to the Licensee. The Licensee shall monitor the performance of the O&M Operator with respect to complaints pending and resolved.

Article – 9: Distribution System

- 9.1 The Distribution System operated/to be operated and maintained by the O&M Operator, within the Service Area shall be owned by the Licensee.
- 9.2 During the term of the O&M Agreement, any extension/up-gradation/improvement of the Distribution System shall be carried out by the O&M Operator at the cost of the Licensee in accordance with the Applicable Documents. If the O&M Operator intends to carry out the extension/up-gradation/improvement of the Distribution System at its own cost, the same will be subject to approval of the Authority and NOC from the Licensee. The material used for such extension/upgradation/improvement shall be in accordance with the specifications approved by the Distribution Company.
- 9.3 In case of any emergency/fault in the Distribution System for which the O&M Operator has no expertise, the Licensee upon request of the O&M Operator may depute its technical team to attend and rectify the fault. The material used for rectification of the fault will be arranged by the O&M Operator.

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9.4 In case of major break down/damage to the Distribution System/grid station etc. due to Force Majeure event, the Licensee will bear losses.

Article – 10: Availability of Load Demand

10.1 The Licensee shall make available at all times during the currency of this Agreement, the load demand of the Service Area.

10.2 The Parties agree that if the load demand of the Consumers increases within the Service Area, the Licensee will allow extension of load if requested by the Consumers and such permission/sanction/approval shall not be withheld or delayed unreasonably.

Article – 11: Metering System

11.1 The Licensee shall install dedicated metering and recording equipment along with back-up system capable of continuous recordings of the energy delivered by the Licensee at the CDP at its own cost and after testing the same jointly with the O&M Operator.

11.2 The Energy Meter installed at CDP will be used to calculate line losses in the Service Area. In case the line losses are in excess of the allowed level of losses¹, the Licensee will deduct the cost of such losses from the O&M Fee of the O&M Operator. In case the line losses within the Service Area are less than allowed level of losses, the benefit of such amount will be settled between the Licensee and the O&M Operator on sharing of benefit basis.

11.3 The KWh delivered at CDP shall be accurately measured and recorded jointly by the Parties and shall be used to compute payments in accordance with the applicable tariff for supply of electric power to the Consumers in the Service Area.

Article – 12: Load Shedding Plans

12. The O&M Operator shall follow the load shedding plans prepared by the Licensee on the instructions of National Transmission and Despatch Company, in accordance with the

¹ As approved by the Authority for the Service Area of the O&M Operator.

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load shedding principles and priorities prescribed in the NEPRA Performance Standards (Distribution) Rules, 2005 (the Distribution Rules).

Article – 13: Performance Standards

13. The O&M Operator shall ensure that the guaranteed and overall performance standards provided in the Distribution Rules are complied with at all times and the Licensee shall monitor the performance of the O&M Operator in this regard on regular basis.

Article – 14: Supply of Electric Power and Charging Tariff

14. The Licensee shall be responsible for supply of electric power and charge tariff within the Service Area on non-discriminatory basis to all the Consumers who meet the eligibility criteria laid down by the Authority in the Applicable Documents.

Article – 15: Compliance with Applicable Documents

15. The Parties hereby agree to be bound by and to comply with the terms of this Agreement and the provisions of the Applicable Documents.

Article – 16: Obligations of the O&M Operator

- 16.1 The O&M Operator represents and warrants that it has adequate human resource, financial resources, technical expertise, capability and competency to execute and implement this Agreement. In addition, the O&M Operator warrants that nothing contained in this Agreement contravenes the provisions of any law for provision of electric power services to the Consumers in the Service Area.
- 16.2 The O&M Operator shall provide authentic data required for operational and planning purposes, performance characteristics and technical parameters of apparatus and equipment installed in the Service Area to the Licensee.
- 16.3 The O&M Operator shall not alter, replace or change the apparatus and equipment of distribution system regarding which the data was already provided to the Licensee. If any

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change is required, the same can be done in consultation with the Licensee and subject to approval of the Authority.

- 16.4 All apparatus or equipment installed in the Service Area such as Energy Meters shall, at all time, be compliant with prevailing engineering standards/operating procedure of the Licensee and shall be in complete functional and operational state.
- 16.5 The O&M Operator shall plan and execute outages on account of repair and maintenance of distribution system, subject to approval of the Licensee and prior intimation to the Consumers in the Service Area.
- 16.6 All internal policies/operating procedures of the Licensee made in furtherance of the Applicable Documents shall apply to or be imposed on the O&M Operator and the Service Area for provision of Services. Further, the O&M Operator shall adopt prudent utility and best international practices to perform its obligations under this Agreement.
- 16.7 The O&M Operator shall give free access to the Licensee in the Service Area, as and when required/necessary for the purposes of this Agreement, by giving prior notice, except in cases of emergency.
- 16.8 The O&M Operator shall provide any such information/data pertaining to this Agreement to the Licensee as may be reasonably required for analysis or reporting purpose.
- 16.9 The O&M Operator shall ensure compliance with Applicable Documents and other relevant laws at all times. In addition, the O&M Operator shall provide the Licensee prompt input and assistance wherever necessary for satisfactory resolution of any Regulatory queries/aspects relating to the Service Area of the Licensee's satisfaction.
- 16.10 The O&M Operator shall receive/entertain the applications of residents/occupants in the Service Area for the grant of the Distributed Generation Net Metering Licenses and forward the same to the Licensee for onward submission to the Authority for grant of Net Metering Licence.
- 16.11 The O&M Operator shall receive the inventory/Energy Meter/allied material from the Licensee and install Energy Meters and other allied material in a clean place free of

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vibration and easily accessible for reading and testing.

Article– 17: Obligations of the Licensee

- 17.1 The Licensee represents and warrants that it shall execute, deliver and perform its obligations under this Agreement in good faith and this Agreement constitutes a legal, valid and binding obligation and is enforceable against it in accordance with the terms of the Agreement.
- 17.2 The Licensee agrees to make available, plan and develop Distribution System and inter-connection facilities in accordance with its licence and the Distribution Code and while doing so it shall follow the performance standards set by the Authority and the prudent utility practices in a manner to enable the O&M Operator to provide continuous Services within the Service Area in accordance with this Agreement and Applicable Documents.
- 17.3 Subject to this Agreement, the Licensee agrees to provide/ensure uninterrupted power supply to the Consumers of the Service Area in accordance with this Agreement and Applicable Documents.
- 17.4 The Licensee shall keep the O&M Operator updated and informed on regulatory compliance as and when required by the Authority.
- 17.5 During the term of Agreement, the Licensee shall provide the provision of support to the O&M Operator including meter testing laboratory, workshop, training facilities regarding technical, commercial, etc. for the O&M Operator staff and in emergent cases, access to the Licensee's inventory in the store subject to payment.
- 17.6 The Licensee shall plan and execute outages on account of repair and maintenance of equipment at CDP subject to prior notice of three (03) days to the O&M Operator (except in the case of emergency).
- 17.7 Appointment of the O&M Operator to provide Services on behalf of the Licensee does not absolve the Licensee from its duties/obligations under the Applicable Documents. In this regard, the Licensee shall monitor the performance of the O&M operator to ensure

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that the O&M Operator performs functions under this Agreement in accordance with the requirements of the Applicable Documents.

- 17.8 The licensee shall provide a monthly statement of billing & recovery against individual Consumers to the O&M Operator for its facilitation to ensure 100% recovery of billing or any other charges etc.
- 17.9 The licensee shall intimate to the O&M operator on regular basis, the status of demand notices paid by the Consumers/applicants on account of various works/jobs related to electricity connections/modification etc.
- 17.10 The licensee is obligated to maintain the complete and accurate record/data in respect of all aspects of the provision of electric power services in the Service Area.
- 17.11 The Licensee shall display all information on its website in terms of O&M fee, number of consumers and sanction load of consumers in the Service Area, recovery ratio and other relevant information incidental thereto.
- 17.12 The Licensee shall publish an annual performance review of O&M operators on its website and also submit the same to the Authority.
- 17.13 The Licensee shall frequently depute its staff in the Service Area of the O&M operator to check the quality of service and to address the Consumer complaints if any.
- 17.14 The Licensee shall procure Energy Meters and other allied material such as poles, conductors, cables, insulators for new connection and handover the material to the O&M Operator at the time of connection subject to payment of demand notice.
- 17.15 The Licensee shall be obligated to make payment of O&M fee to the O&M Operator within fifteen (15) days of issuance of invoice for the O&M services rendered during the previous month in the Service Area on behalf of the Licensee.

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Article – 18: Events of Default, Breach and Termination

- 18.1 Subject to the terms of this Agreement, this Agreement may be terminated with mutual written consent of the Parties and approval of the Authority.
- 18.2 The Licensee may terminate this Agreement by serving a termination notice of one (01) month in the following events of default by the O&M Operator:
- (a) A compulsory winding up of the O&M Operator has been ordered by a competent Court and such order is not set aside within 365 days;
 - (b) A special resolution for voluntary winding up of the O&M Operator has been made by the shareholders and/or creditors of the O&M Operator and the same has not been withdrawn/reversed within 365 days of the date of its passage;
 - (c) There is a material breach of the O&M Operator's obligations which has arisen or caused due to violation of terms and conditions of this Agreement. In this regard, upon the occurrence of a material breach, the Licensee shall serve a written notice on the O&M Operator giving description of the material breach and requiring the O&M Operator to rectify the particular material breach within a specified time. If breach is not rectified by the O&M Operator within the notice period, the Licensee shall have the right to terminate the Agreement after approval of the Authority;
 - (d) Any representation made by the O&M Operator under this Agreement is or is found to be untrue or incorrect.
- 18.3 The O&M Operator may terminate this Agreement by serving a termination notice in the following events of default by the Licensee:
- (a) The License is suspended/revoked by the Authority pursuant to any change in law, or otherwise;
 - (b) Any representation made by the Licensee under this Agreement is or is found to be untrue or incorrect;

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- (c) This Agreement, or any part/component thereof, is declared illegal or ultra vires by the Authority or any other competent forum;

- (d) There is a material breach of obligations of the Licensee which has arisen or caused due to violation of terms and conditions of this Agreement. In this regard, upon the occurrence of a material breach, the O&M operator shall serve a written notice to the Licensee giving description of the material breach and requiring the Licensee to rectify the particular material breach within a specified time. If breach is not rectified by the Licensee within the notice period, the O&M operator shall have the right to terminate the Agreement after approval of the Authority.

Article 19: Amendment in the Act/Change in Law

In case of any amendment in the Act or any other Law which may affect existing O&M arrangement, the Parties will be obligated to comply with the directions/determinations/Orders of the Authority and other Applicable Documents issued from time to time in true letter and spirit and without any exception.

Article – 20: Force Majeure

- 20.1 Force Majeure shall mean any event or circumstance or combination of events or circumstances that is reasonably not foreseeable or a force or cause beyond the reasonable control of either Party and materially and adversely affects the performance by either Party of its obligations under or pursuant to this Agreement. Force Majeure events shall include an earthquake, explosion, riot, floods, hurricane that results in exceeding the design parameters of the equipment or other calamity of catastrophic nature whose timing, duration, and extent of the impact cannot be reasonably foreseen or quantified by the Licensee or the O&M Operator;

- 20.2 If either Party because of a Force Majeure event is rendered wholly or partly unable to perform its obligations under this Agreement, then affected Party shall be excused from whatever performance is affected by the Force Majeure event to the extent so affected:

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Provided that either Party within 72 hours of first occurrence of such event promptly informs the other Party that its performance has been affected by the occurrence of such Force Majeure event and demonstrates how its performance has been affected.

- 20.3 If any Force Majeure Event delays either Party's performance for a continuous time period more than one hundred and eighty (180) days, then this Agreement shall automatically come to an end without any need for further notice to the other Party. Nevertheless, during the Force Majeure period, the Parties shall at least meet once in every month to try to resolve issues and resume normal operation of this O&M Agreement.

Article – 21: Dispute Resolution

21. Any dispute or disagreement between the Parties relating to any matter arising out or in connection with, the operation and maintenance activities covered under this Agreement shall be submitted for decision of the Authority under the Supply Regulations.

Article – 22: Provision of Information

22. The Parties shall promptly respond on any query raised by the Authority regarding its operation and maintenance obligations and performance in the Service Area under this Agreement and submit information/document as required by the Authority under the Applicable Document.

Article – 23: Complaints

- 23.1 The Parties hereby agree that any Consumer within the Service Area may file a complaint with the Authority against the Licensee or the O&M Operator for contravention of any provisions of the Applicable Documents.
- 23.2 The Parties also agree that any amount of fine paid by the Licensee which is imposed by the Authority as a result of legal proceedings initiated against it for contravention of any Applicable Document arising from operation and maintenance activity of the O&M Operator under this Agreement shall be reimbursed by the O&M Operator to the

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Licensee.

Article – 24: Amendment in the O&M Agreement/Arrangement

24.1 An amendment or modification of this Agreement shall be effective or binding on both the Parties only if made in writing and signed by a duly authorized representative of each of the Parties and duly approved by the Authority.

24.2 All notices and other communications required under this Agreement shall be given in writing, through personal delivery, courier mail or by facsimile transmission and shall be addressed to the following:

The Licensee:

Attention: The Chief Executive Officer

Address: -----

Facsimile:

The O&M Operator:

Attention: The O&M Operator

Address: -----

Facsimile:

24.3. Any notice sent shall be deemed to be duly received where sent by facsimile during normal business hours on the date and time it was actually received and where sent by courier within two (2) business days of dispatch.

Article – 25: Maintenance of Record

25. The O&M Operator shall keep complete and accurate records and data in respect of all aspects of the provision of electric power services and of their nature in the manner as may be specified by NEPRA. All such records and data shall be maintained for the period

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of ten (10) years. All records and data as referred to herein shall be maintained in good order and condition. At any time upon request of the Licensee, the O&M Operator shall provide the Licensee with access to review and/or copy such records.

Article – 26: Governing Law

26. This Agreement shall be governed by and construed in accordance with the laws of Pakistan.

IN WITNESS WHEREOF the Parties hereto have made and executed this Agreement on the Signing Date first above written.

For and on behalf of:
The Licensee

For and on behalf of:
the O&M Operator.

Signature: _____

Signature: _____

Name:

Name:

Designation:

Designation:

WITNESSES:

1. _____

2. _____

Name: _____

Name: _____

CNIC: _____

CNIC No: _____

Address: _____

Address: _____

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Schedule – I

The details of territory (i.e. geographical boundaries) of the Service Area within which the O&M Operator is authorized to conduct its O&M Services.

For and on behalf of:
The Licensee

For and on behalf of:
the O&M Operator.

Signature: _____

Signature: _____

Name:

Name:

Designation:

Designation:

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Schedule – II

The details of Distribution facilities [including length of feeders, Feeder type (Underground/Overhead)] and other specific details pertaining to the Distribution System Linked with the Licensee.

1	Type of Distribution System (Overhead/Underground).	
2	Load in MW.	
3	Name of Grid Station.	
4	Number of feeders.	
5	Length of Feeders.	
6	Number of Distribution Transformers Capacity wise.	

For and on behalf of:
The Licensee

For and on behalf of:
the O&M Operator

Signature: _____

Signature: _____

Name:

Name:

Designation:

Designation:

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Feeder Maps of Distribution Facilities

For and on behalf of:
The Licensee

For and on behalf of:
the O&M Operator

Signature: _____

Signature: _____

Name:

Name:

Designation:

Designation: