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**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

Petitioner...

**MOTION FOR REVIEW IN THE MATTER OF  
TARIFF DETERMINATION**

**Subject: MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPRA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPRA (REVIEW PROCEDURE) REGULATIONS 2009**

**Respected Authority,**

That the Trans-Atlantic Energy (Private) Limited) (hereinafter referred to as the **Petitioner**) hereby seeks to file a Petition for Review of the Tariff under and pursuant to Rule 16 (6) of NEPRA Tariff (Standard and Procedures) Rules 1998 **Tariff Rules 1998**) read with NEPRA (Review Procedure) Regulations 2009 (**Review Regulations 2009**).

**STATEMENT OF FACTS**

1. That the Petitioner was granted Letter of Intent No. B/3/16/2007/142 dated 13<sup>th</sup> April, 2016 (**LOI**) by the Alternative Energy Development Board (**AEDB**) (**Annex –A**). The Government of Pakistan (**GOP**) through the AEDB confirmed its interest in establishment of 48.3MW Wind Power Generation Project in Ghara Wind Corridor (the **Project**).
2. That the Petitioner successfully completed the feasibility studies under and pursuant to the terms of the LOI.
3. That the Petitioner was granted Generation License No. WPGL/43/201 dated 18<sup>th</sup> April, 2017 by the Authority (**Generation License**) for the Project under and pursuant to Section 15 of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) (**NEPRA Act**) (**Annex – B**).
4. That the Central Power Purchasing Agency (Guarantee) Limited (**CPPA-G**) issued the consent dated 25<sup>th</sup> October, 2019 for purchase of power from the Project (**Power Purchaser Consent**) as follows (**Annex – C**):

“Pursuant to confirmation of the availability of the interconnection arrangement on 31<sup>st</sup> December, 2021 as well as on the best effort basis by 30<sup>th</sup> September, 2021 for power evacuation



from eleven (11) WPPs without linking it with the formal possession of land from Government of Sindh (GOS).”

5. That earlier the Petitioner was granted Tariff Determination for the Project by the NEPRA Authority (**Authority**) in Case # NEPRA/TRF-443/TAEL-2017 dated 20<sup>th</sup> November, 2018 (**Tariff Determination**) (**Annex – D**).
6. That pursuant to Clause 50(C) of the Tariff Determination, terms and conditions have been stipulated which includes:
  - (i) That company will have to achieve financial close within one year from the date of issuance of this determination. The tariff granted to the company will no longer remain applicable / valid, if financial close is not achieved by the company in the abovementioned timeline or its generation license is declined / revoked by NEPRA.
  - (ii) That the targeted maximum construction period after financial close is fifteen months. No adjustment will be allowed in this tariff to account for financial impact of any delay in project construction. However, the failure of the company to complete construction within fifteen months will not invalidate the tariff granted to it.
7. That pursuant to the aforesaid facts and circumstances, the Petitioner is filing this Review to the Tariff Determination premised on the following Grounds:

#### **STATEMENT OF GROUNDS**

- A. That the Petitioner was required to achieve the Financial Close of the Project within one (1) year from the grant of Tariff Determination i.e. by or before 20<sup>th</sup> November, 2019. However, the GOP and or AEDB did not proceed further with the Project through the issuance of the Letter of Support (**LOS**).
- B. That due to holding in abeyance of issuance of the LOS, the Petitioner could not execute the Project Agreements including but not limited to Implementation Agreement (IA) with the GOP / AEDB, Energy Purchase Agreement (**EPA**) with the CPPA-G and Financing Documents with the Lenders. Accordingly, the Petitioner was precluded from achievement of the Financial Close.
- C. That the delay in the achievement of the Financial Close was beyond the reasonable control of the Petitioner which was not foreseeable at the time of Tariff Determination and which even otherwise could not be overcome through mitigation measures despite hectic and frantic efforts and measures undertaken by the Petitioner but to no avail.
- D. That the Cabinet Committee on Energy (**CCoE**) of the GOP decided on 29<sup>th</sup> March, 2019 (**the Decision**) inter alia as follows:



- (i) All projects that have been issued LOIs and have been granted tariff by NEPRA Authority and issued generation license will be allowed to proceed ahead towards the achievement of their requisite milestone as per the RE Policy 2006. However, if the tariff validity period has elapsed, NEPRA will be requested for review of the same to make it consistent with the current market environment / conditions and consumer interest. Such review will include appropriate time extension to reach financial close.
- (ii) Based on NTDC's confirmation of evacuation and the timeline decided for completion of the projects, the CPPA-G will consider granting of consent.

E. That pursuant to the Decision of the CCoE, the NTDC confirmed evacuation and thereupon the CPPA-G issued the Power Purchaser Consent.

F. That after considerable delay and silence, the Decision of the CCoE was considered by the AEDB and accordingly the AEDB conveyed to the Petitioner on 7<sup>th</sup> November, 2019 (**Annex – E**) as follows:

- (i) That as per the terms and conditions of the LOI and RE Policy 2006, the Project Company is required to submit the Performance Guarantee (PG) of USD 2500/MW and processing / legal fee of USD 50,000/- in favor of AEDB. However, the same have not yet received by AEDB in respect of the Project. Accordingly, the Petitioner was requested to submit the same for issuance of the LOS;
- (ii) That earlier upon issuance of Tariff Determination, the Petitioner through its letter dated 16<sup>th</sup> December, 2018 had approached the GOP / AEDB for providing the draft of Bank Guarantee for the issuance of the LOS; however no response till 7<sup>th</sup> November, 2019 after lapse of nearly one year was received by the Petitioner; and
- (iii) That the Petitioner was thus left with and given only nine (9) days to achieve the Financial Close prior to 20<sup>th</sup> November, 2019 including but not limited to negotiations and execution of the IA, EPA and the Financing Documents.
- (iv) That it is unprecedented in the history of the GOP / AEDB that only nine (9) days are provided for the achievement of the Financial Close and for completion of all the activities leading to the achievement of the Financial Close and hence it is discriminatory, unreasonable and irrational.
- (v) That even the GOP's decision through the CCoE was not implemented and or conveyed to the Petitioner since 29<sup>th</sup> March 2019 and precious time of around seven (7) months were lost which may cause irreparable damage to the Petitioner and the Project if the timelines for the achievement of the Financial Close and the validity of the Tariff Determination are not extended by the Authority commensurate to such induced delays by the government entities.

G. That otherwise the indicative timelines as specified in the RE Policy 2006 for the issuance of the LOS following tariff determination is one (1) month.



- H. That otherwise the term and duration of the LOS for the execution of the project agreements and achievement of financial close is twelve (12) months which has been denied to the Petitioner despite the Decision whereby the Petitioner was allowed to proceed ahead towards the achievement of their requisite milestones as per the RE Policy 2006.
- I. That the Project is having the lowest levelized tariff of US Cents 4.3464/kWh with highest capacity factor of 41.89% compared to the 'Super Six' Wind Power Projects recently given go-ahead by the GOP / AEDB along with the Project.
- J. That the Petitioner seeks review and extension in the timeline for achievement of the Financial Close as the delay is admittedly on the part of and attributable to the government entities beyond the reasonable control of the Petitioner.
- K. That the Petitioner seeks upto six (6) months extension for the achievement of the Financial Close with effect from 20<sup>th</sup> November, 2019 in order to enable the Petitioner to negotiate and execute the IA, EPA and the Financing Documents and thereby achieve the Financial Close.
- L. That it is pertinent to mention that the timelines for the achievement of the Commercial Operations Date (COD) shall remain unaffected at par with the similarly placed wind power projects and the Petitioner agrees irrevocably and unconditionally to waive any liquidated damages / carrying cost that may be payable to the NTDC / CPPA-G in case there is delay to provide grid interconnection and evacuation prior to 31<sup>st</sup> December, 2021 which is in line with the Tariff Determination whereby there shall be no financial implication on account of any delay by the Power Purchaser / NTDCL in completing the Power Purchaser / NTDCL Interconnection Works until [31 December 2021].
- M. That the similarly placed ten (10) wind power projects have the distinguishing characteristic of being initiated and supported by the GOS through various assurances, confirmations, consents and guarantees that have facilitated the land acquisition, securitization of financing and ultimately achievement of financial close. Hence the Petitioner is entitled to extension in timelines for the achievement of the Financial Close in order to complete the aforesaid activities for the achievement of the Financial Close as it is being solely developed by and in the private sector.
- N. That the aforesaid similarly placed ten wind power projects were given head start through the GOS in terms of completion of all the project development related activities leading to the ease in achievement of the financial close (**Annex – F**) whereas the Petitioner was not provided similar facilitation by the AEDB which is a one window facilitator for all the wind power projects initiated by it under the RE Policy 2006 and pursuant to which the Petitioner was granted LOI by the AEDB.



**STATEMENT OF PRAYERS**

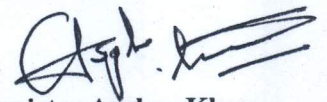
In view of the above facts, circumstances and grounds, it is Prayed:

- (1). That the NEPRA Authority extends the timelines for the achievement of the Financial Close for a period of upto six (6) months with effect from 20<sup>th</sup> November, 2019;
- (2). That the NEPRA Authority extends the validity and applicability of the Tariff Determination upto 20<sup>th</sup> May, 2020; and
- (3). That the NEPRA Authority may grant any other relief that may be just and equitable.



  
Petitioner

Through



Barrister Asghar Khan

Advocate



Faisal Atta

Advocate

Islamabad: 18<sup>th</sup> November, 2019





**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

**Petitioner...**

**Subject:**

**MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPA (REVIEW PROCEDURE) REGULATIONS 2009**

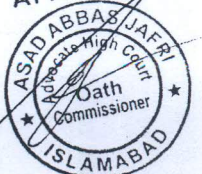
**AFFIDAVIT**

I, Waqas Anwer Qureshi, s/o Pervez Anwer Qureshi, Chief Executive Officer of Trans Atlantic Energy (Private) Limited bearing CNIC No 42301-6653304-3, do hereby solemnly affirm and declare on oath as under:

1. That the contents of accompanying Tariff Review Petition (the “**Tariff Review Petition**”) including all supporting documents under, inter alia, National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 read with NEPA (Review Procedure) Regulations 2009 in relation to the Tariff Determination has been filed before the National Electric Power Regulatory Authority (the “**NEPA**”) and the contents of the same may kindly be read as an integral part of this Affidavit.
2. That the contents of the accompanying Tariff Review Petition and this Affidavit are true and correct to the best of my knowledge and belief and nothing has been concealed or misstated therein.

**(Deponent)**

**ATTESTED**



**Oath Commissioner**



**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

**Petitioner / Applicant...**

**Subject: MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPA (REVIEW PROCEDURE) REGULATIONS 2009**

**APPLICATION FOR AN INTERIM ORDER**

**Respected Authority,**

1. That the Trans Atlantic Energy (Private) Limited (hereinafter referred to as the **Applicant / Petitioner**) hereby seeks to file this Application for an Interim Order.
2. That the contents of the Review Petition may be read integrally with this Application;

**GRANT OF INTERIM ORDER**

3. That the Application for Interim Order may be granted as:
  - (i) That the prima facie case is made out as the delay in the issuance of the LOS is admittedly attributable to the government entities.
  - (ii) That the balance of convenience lies in favor of the Applicant / Petitioner as there are no financial implications arising out of extension in the timeline of the achievement of the Financial Close.
  - (iii) That the Applicant / Petitioner shall suffer an irreparable damage since the validity / applicability of the Tariff Determination is expiring on 20<sup>th</sup> November, 2019.

**PRAYER**

That in light of the aforesaid facts, grounds and circumstances, it is prayed:

- (i). That an Interim Order is passed;
- (ii). That the Clause 50 (C) of the Tariff Determination pertaining to 'achievement of Financial Close within one year from the date of issuance of determination and that the tariff granted to the company will no longer remain applicable / valid if financial close is not achieved by the company in the above mentioned timeline', is suspended or held in abeyance.



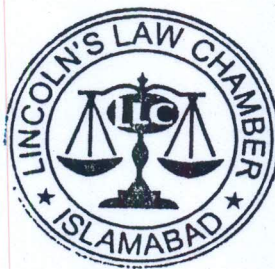


Petitioner

Through

Barrister Asghar Khan

Advocate



Faisal Atta

Advocate

Islamabad: 18<sup>th</sup> November, 2019





**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

**Petitioner / Applicant...**

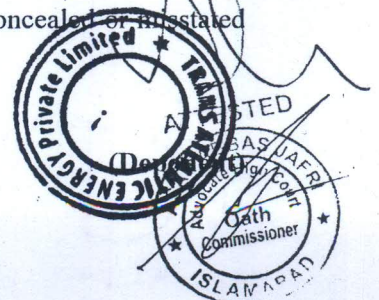
**Subject: MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPRA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPRA (REVIEW PROCEDURE) REGULATIONS 2009**

**APPLICATION FOR INTERIM ORDER**

**AFFIDAVIT**

I, Waqas Anwer Qureshi, s/o Pervez Anwer Qureshi, Chief Executive Officer of Trans Atlantic Energy (Private) Limited bearing CNIC No 42301-6653304-3, do hereby solemnly affirm and declare on oath as under:

1. That the contents of accompanying Application for Interim Order (the "Interim Order Application") including all supporting documents under, inter alia, National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 read with NEPRA (Review Procedure) Regulations 2009 in relation to the Tariff Determination has been filed before the National Electric Power Regulatory Authority (the "NEPRA") and the contents of the same may kindly be read as an integral part of this Affidavit.
2. That the contents of the accompanying Application for Interim Order and this Affidavit are true and correct to the best of my knowledge and belief and nothing has been concealed or misstated therein.





**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

**Petitioner / Applicant...**

**Subject: MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPRA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPRA (REVIEW PROCEDURE) REGULATIONS 2009**

**APPLICATION FOR CONDONATION OF DELAY**

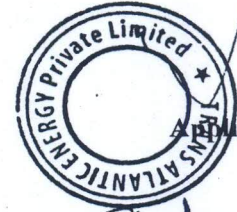
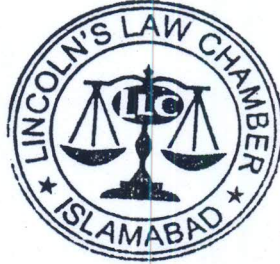
**Respected Authority:**

1. That the Applicant has filed the accompanying Review Petition before the NEPRA Authority, the contents of which may kindly be read as integral part of this Application.
2. That under Regulation 3(3) of the NEPRA (Review Procedure) Regulations 2009, the Authority may for the reasons to be recorded in writing condone the delay considering the peculiar facts and circumstances of the matter in question.
3. That the Applicant is constrained to approach the NEPRA Authority for Tariff Review due to admitted delay in the issuance of the LOS by the AEDB / GOP.
4. That as the matter pertains to the vested and accrued rights of the Applicant which are being curtailed therefore, there is no hindrance of limitation.
5. That the limitation does not run against void and or delayed decisions of the government entities in accordance with the dictum laid down by the Supreme Court of Pakistan in its Judgments reported as "2002 PLC (CS) 606", "2000 SCMR 343" and "2002 SCMR 122." Reliance is also placed on the Judgment of Supreme Court of Pakistan reported as "2006 PSC 2000"
6. That the Applicant is being deprived of its rights, hence it may not be knocked out merely on the basis of technical ground of limitation. Reliance is placed on the Judgment of Supreme Court reported as "PLD 2003 SC 724".
7. That delay in filing the Review Petition is not intentional and was caused due to reasons beyond its reasonable control and were unforeseeable at the time of Tariff Determination; hence the same may kindly be condoned in the interest of justice.
8. That the matter at hand is of public importance that will affect the Project and it is a well-established principle that in such a case the Courts may use discretionary powers to condone the delay and decide the case on merits. Reliance is placed on the Judgment of the Supreme Court in case reported as "2014 PLC (C.S) 17".
9. That the Honourable Supreme Court of Pakistan in case reported as "PLD 2002 SC 84", has established as follows:



In view of the above-mentioned facts and circumstances, it is respectfully prayed that the instant petition may kindly be accepted and delay in filing the Review Petition may kindly be condoned in the interest of justice.

Through

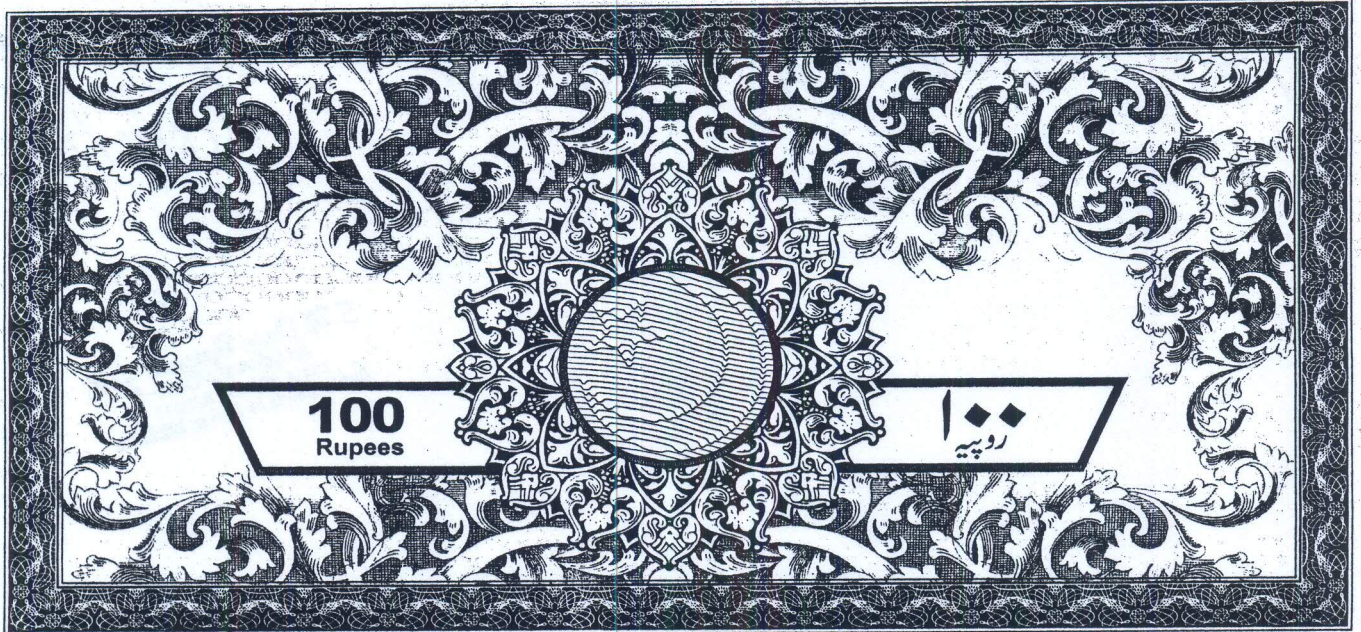


Applicant...

**Barrister Asghar Khan**  
Advocate

**Fasial Atta**  
Advocate





**BEFORE THE NATIONAL ELECTRIC POWER REGULATORY AUTHORITY**

**TRANS ATLANTIC ENERGY (PRIVATE) LIMITED**

**Petitioner / Applicant...**

**Subject:**

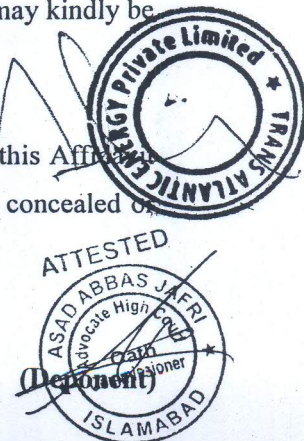
**MOTION FOR LEAVE FOR REVIEW OF THE TARIFF DETERMINATION FOR TRANS ATLANTIC ENERGY (PRIVATE) LIMITED IN RESPECT OF ITS 48.3 MW WIND POWER PROJECT AT JHIMPIR DISTRICT THATTA, SINDH UNDER RULE 16(6) OF THE NEPA (TARIFF STANDARDS AND PROCEDURE) RULES 1998 READ WITH NEPA (REVIEW PROCEDURE) REGULATIONS 2009**

**APPLICATION FOR CONDONATION OF DELAY**

**AFFIDAVIT**

I, Waqas Anwer Qureshi, s/o Pervez Anwer Qureshi, Chief Executive Officer of Trans Atlantic Energy (Private) Limited bearing CNIC No 42301-6653304-3, do hereby solemnly affirm and declare on oath as under:

1. That the contents of accompanying Application for Condonation of Delay (the "Condonation of Delay") including all supporting documents under, inter alia, National Electric Power Regulatory Authority (Tariff Standards and Procedure) Rules, 1998 read with NEPA (Review Procedure) Regulations 2009 in relation to the Tariff Determination has been filed before the National Electric Power Regulatory Authority (the "NEPRA") and the contents of the same may kindly be read as an integral part of this Affidavit.
2. That the contents of the accompanying Application for Condonation of Delay and this Affidavit are true and correct to the best of my knowledge and belief and nothing has been concealed or misstated therein.







Government of Pakistan  
Alternative Energy Development Board (AEDB)



B/3/16/2007/142

Mr. Waqas Anwer Qureshi  
Chief Executive Officer & Executive Director  
M/s Trans Atlantic Energy (Private) Limited  
1<sup>st</sup> Floor, Bahria Complex-III, Karachi.

13<sup>th</sup> April, 2016



16145  
mo

Subject: **LETTER OF INTENT FOR 50 MW WIND POWER GENERATION PROJECT IN GHARO WIND CORRIDOR**

Reference: Your Proposal # V100-01 dated 26<sup>th</sup> December 2014.

In terms of the Policy for Development of Renewable Energy for Power Generation 2006 ("Policy"), the Alternative Energy Development Board ("AEDB") hereby confirms its interest in your proposal for establishing an approximately 50 MW wind power generation project in Gharo wind corridor. The Sponsor(s) is responsible for arranging the land for the project. The Sponsor(s) will be required to get its land validated by AEDB with respect to its bearings in the wind corridor. AEDB has no obligation to provide land to the Sponsor(s) for the project. AEDB acknowledges receipt of the bank guarantee No. COMM/LOG-0108/0013/15 dated 27<sup>th</sup> August, 2015 furnished by the Sponsor(s) in the sum of US Dollars Twenty Five Thousand (US \$ 25000/-).

2. The Sponsor(s) is required to complete the feasibility study and achieve the milestones listed at the Annex to this LOI ("LOI Milestones") for the subject project, at no risk and at no cost to, and without any obligation on the part of the AEDB, the Government of Pakistan, any Provincial Government or their respective agencies, within a period of 18 months from the date of issuance of this Letter of Intent ("LOI").

3. The Sponsor(s) is required to carry out and complete the feasibility study at internationally acceptable standards and in accordance with the terms and conditions stipulated in the Policy and this LOI. The feasibility study must include, inter alia, micro-siting details, detailed power production estimates, soil tests reports, technical details pertaining to wind turbines to be used in the wind farm, electrical studies (including but not limited to short-circuit study, power quality study, load flow study and stability study), environmental study, project costing, financing plan, carbon credits, financing terms, tariff calculations and assumptions for financial calculations including economic/financial analysis. The Sponsor is also advised to liaise with the power purchaser while determining the site, project layout, sub-station design and layout, the transmission line, interconnection arrangements, and other related matters.

4. The validity of this LOI is Eighteen (18) calendar months from the date of its issue, where after it will automatically lapse immediately (unless extended pursuant to clauses 5 or 6), being the October 12, 2017 (the "Expiry Date"). Issuance of this LOI or the lapsing of its validity, or your conducting a feasibility study there under, cannot form the basis of any claim for compensation or damages by the Sponsor(s) or the

2nd Floor, OPF Building, Shahrah-e-Jumhuriat, Sector G-5/2, Islamabad.

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project company or any party claiming through or under them against the Government of Pakistan, the Provincial Government, AEDB or any of their agencies, employees or consultants on any grounds whatsoever, during or after the expiry of the validity of the LOI.

5. The Sponsor(s) is therefore required to complete the feasibility study and achieve the LOI Milestones for the subject project within the validity of this LOI. The Sponsor(s) is also required to submit quarterly progress reports. Provided the Sponsor(s) meets the LOI Milestones on the stated dates, the Expiry Date of this LOI shall be extended on a day-for-day basis for the number of days of delay by which the approval or review by the relevant public sector entity listed in the LOI Milestones is delayed beyond the corresponding period stated in the LOI Milestones. In case there is a delay in completion of the feasibility study within the validity of this LOI for reasons not attributable to a public sector entity, a one-time extension may be granted up to a maximum period of one hundred eighty (180) days if AEDB is satisfied that the feasibility study is being conducted in a satisfactory manner and is likely to be completed shortly, and provided the Sponsor(s) enhance the amount of the bank guarantee to twice its original amount and extend its validity for a period six (6) months beyond the extended Expiry Date. Furthermore, if the said feasibility study is technically approved by the Panel of Experts and later the tariff awarded by NEPRA is not agreed by the Sponsor(s) (such decision to be made within thirty (30) days of the award of the tariff, and in any event within the validity of the LOI), the bank guarantee less 10% deduction for administrative and ancillary charges, would be returned to the Sponsor(s).

6. The Sponsor(s) shall apply to NEPRA for award of tariff within the period of validity of this LOI. Upon tariff being given, the Sponsor(s) shall forthwith submit a new Performance Guarantee in the sum of US Dollar One Hundred Twenty Five Thousand (US \$ 125,000) and obtain the Letter of Support ("LOS") from AEDB within the validity period of this LOI, provided, if the award of the tariff is delayed beyond the initial validity of the LOI, the Sponsor(s) shall extend the bank guarantee for a further period of six (6) months and the Expiry Date shall be extended *ipso facto* for a further period of six (6) months, and the Sponsor(s) shall obtain the LOS and submit the Performance Guarantee within the extended period afore-said. For the avoidance of doubt, the afore-said extension process may be repeated if the tariff is not announced (including on any review petition filed by the Sponsor(s), such review (if any) to be filed within the period prescribed in the NEPRA (Tariff Procedures and Standards) Rules) up to fifteen (15) days before the then prevailing Expiry Date.

7. In case the Sponsor(s) fails to meet the LOI Milestones or perform any other obligations set forth in the Policy and this LOI, including the extension of the date of expiry of bank guarantee as provided herein, AEDB will terminate this LOI and encash the bank guarantee.

8. (A) Pending the nomination of the Main Sponsor per sub-clause (B), the M/s Trans Atlantic Energy (Private) Limited is liable for all obligations and liabilities of and on behalf of all other shareholders/ Sponsor(s) (without relieving the other





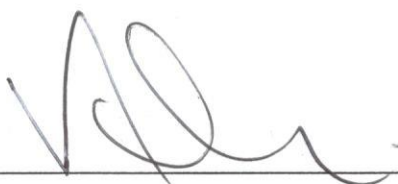
shareholders/Sponsor(s) of their obligations and liabilities under this LOI). It is emphasized that the financial and other relevant credentials of M/s Trans Atlantic Energy (Private) Limited were a fundamental consideration for exercise of its discretion by AEDB to grant this LOI. Accordingly, M/s Trans Atlantic Energy (Private) Limited shall not transfer or assign its shareholding (or other participatory interest, if the project company is not formed by the date of issue of the LOI) in the project or the project company without the prior written approval of AEDB, which approval may be declined by AEDB in its discretion if the proposed transferee's financial and other relevant credentials are found unsatisfactory.

(B) The Sponsor(s) is advised to nominate the Main Sponsor (*being the individual or group holding at least 20% equity or participatory interest in the IPP project*) no later than the Expiry Date of the LOI. In default of nomination as aforesaid, the M/s Trans Atlantic Energy (Private) Limited, will be deemed the Main Sponsor for all intents and purposes. The Main Sponsor, together with other initial project shareholders/Sponsor(s) (which shall, subject in each case to sub-clause (A) above, be firmly settled and announced to AEDB by the Expiry Date of the LOI), must hold 51% of the project equity for a period up to the project's Commercial Operations Date (COD).

(C) Any actual or purported transfer or assignment of the shares or other participatory interests by the Sponsor(s) / shareholders in contravention of the foregoing restrictions without prior written consent of the AEDB shall render this LOI void and the bank guarantee will be encashed in such case by AEDB.

9. This LOI is not assignable and non-transferable. This LOI shall be void upon any actual or purported assignment or transfer hereof without the prior written consent of AEDB.

10. This LOI is issued in duplicate on the date hereof, and it shall come into effect when one copy is received by AEDB after being duly countersigned by you. Nevertheless, this LOI shall lapse if the countersigned copy is not received at AEDB within 15 days of its issuance.



(Waqas Anwer Qureshi)

**Chief Executive Officer & Executive  
Director  
M/s Trans Atlantic Energy (Private)  
Limited**



(Amjad Ali Awan)

**Chief Executive Officer  
AEDB**



### Milestones for the Letter of Intent (LOI)

Sr. No.	Milestones	Time Frame (in Months)
1.	Issuance of Letter of Intent (LOI)	$T_0$
2.	Submission of complete Feasibility Study to AEDB, comprising of; <ul style="list-style-type: none"> <li>(i) Technical study including resource assessment, plant &amp; equipment details, layout and energy production analysis.</li> <li>(ii) Grid Interconnection Study (approved by NTDC)</li> <li>(iii) EIA / IEE study (approved by provincial Environmental Protection Agency)</li> </ul>	No later than 120 days prior to the expiry date of the LOI
3.	Verification fee	To be submitted within 07 days of written request by AEDB
4.	Final approval of feasibility study by Panel of Experts	Within 45 days after submission of feasibility study, provided any requisite modifications are timely made by the Sponsor(s) and the modified feasibility study is resubmitted within 15 days of a letter by AEDB requiring the modifications
5.	Submission of application to NEPRA for tariff determination and Generation License	Within 15 days of final approval of the feasibility study by AEDB
6.	Award of Tariff and Generation License by NEPRA	Within the validity of the LOI (as may be extended under clause 6)
7.	Acceptance of Tariff by IPP	Within the validity of the LOI (as may be extended under clause 6)
8.	Posting of Performance Guarantee for Issuance of Letter of Support (LOS)	At least 15 days before expiry of LOI
9.	Issuance of Letter of Support (LOS) by AEDB	at least 7 days before expiry of LOI

