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PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN
MINISTRY OF ENERGY
(Power Division)

NOTIFICATION

Islamabad, the 8th March, 2019

S.R.O. 406(I)/2019.—In exercise of the powers conferred by section 23 read with section 5 of the Private Power and Infrastructure Board Act, 2012 (VI of 2012), the Private Power and Infrastructure Board is pleased to make the following rules, namely:—

1. **Short title and commencement.**—(1) These rule. shall be called the Private Power and Infrastructure Board (Fee and Charges) Rules, 2018.

(2) These rules shall come into force at once.

2. **Definitions.**—(1) In these rules, unless there is anything repugnant in the subject or context,—

(691)

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- (a) "Act" means the Private Power and Infrastructure Board Act, 2012 (VI of 2012);
- (b) "affiliate" includes direct or indirect affiliate of the power companies or sponsors;
- (c) "commercial operations date" or COD means formal commissioning under relevant agreements of the generation, transmission and distribution power projects processed or facilitated by PPIB pursuant to the provisions of the power policies and the Act;
- (d) "fee" means fee and charges payable by the sponsors, power companies and other persons to the PPIB pursuant to the terms of these rules;
- (e) "financial closing" means a formal declaration by PPIB of achievement of financial closing by power companies and sponsors in relation to power projects pursuant to the provisions of letter of support and implementation agreement;
- (f) "international competitive bidding" or "ICB" means international competitive bidding conducted or to be conducted by PPIB in relation to power generation, transmission and distribution projects;
- (g) "implementation agreement" means the agreement so entitled, entered or to be entered into by and between a power company and the President of the Islamic Republic of Pakistan in relation to a power project processed or facilitated by PPIB;
- (h) "letter of award" or "LOA" means a letter of award issued or to be issued by PPIB to a successful bidder after having been so declared in ICB of a power project;
- (i) "letter of intent" or "LOI" means a letter of intent issued or to be issued by PPIB in relation to a power project;
- (j) "letter of support" or "LOS" means a letter of support issued or to be issued by PPIB in relation to a power project;
- (k) "power companies" include the generation, transmission and distribution companies which intend to invest or have already invested in the power sector as per provisions of power policies;

- (l) "power policies" means the policies in relation to power and infrastructure projects pronounced by relevant entities of the Federation of Pakistan;
- (m) "power project" includes generation, transmission and distribution project processed, to be processed or facilitated by PPIB pursuant to provisions of the power policies; and
- (n) "Schedule" means the Schedule to these rules.

(2) The words and expressions used in these rules, but not herein defined shall have the same meaning as are respectively assigned thereto in the Act.

3. **Payment of fees.**—(1) All power companies, sponsors or affiliates thereof shall pay to PPIB such fees and charges, on the due date, calculated in the amount, manner and for the purpose specified in the Schedule from time to time. The obligations to pay such fees and charges under these rules by power companies, their sponsors and affiliates shall be joint and several.

(2) All fee and charges payable by the power companies, sponsors or affiliates, as the case may be, shall be paid within due date in one or more accounts so designated by PPIB for the purpose.

(3) The fees and charges shall be considered paid to the PPIB only when the amount is credited to the designated account of the PPIB.

(4) All fees and charges payable under these rules may be paid in equivalent Pak Rupee on interbank closing exchange rate of National Bank of Pakistan on the day preceding the due date of payment.

(5) Payment of fees and charges under these rules shall not be construed as having entitled the power companies, sponsors or affiliates thereof or any person claiming through them that their applications shall be accepted or approved by PPIB.

(6) The Board may from time to time, by notification in the official Gazette, alter or modify the manner, time, calculation or the amount of fee specified in the Schedule and for that purpose may amend the Schedule.

(7) All fees and charges paid by power companies, sponsors or persons and received by PPIB from time to time as of the date hereof after the date of commencement of the Act shall be deemed to have been validly paid and received under the Act.

4. **Late payment charge.**—In case of late payment of fee or charges as and when become due and payable under these rules, an additional fee at the rate of two percent per month on the outstanding amount shall be charged.

5. **Refund of fee and charges.**—PPIB may allow refund of fee or charges, other than annual fee paid or to be paid on each anniversary of COD, paid by a power company, sponsor, affiliate or any person on behalf thereof on an application in writing made in this behalf, in case of withdrawal of relevant application before any formal process thereon has been commenced by PPIB.

6. **Recovery of fee and charges as arrears of land revenue.**—Without prejudice to any other remedy available to PPIB under any law for the time being in force and these rules, the fees and charges due and payable under these rules shall be recoverable from any person including power companies, sponsors or affiliates thereof as arrears of land revenue.

SCHEDULE

[see rules 2 and 3]

FEE AND CHARGES PAYABLE

| Sr # | Instances of payment | Fee and charges | Timing |
|------|---|---|--|
| (1) | (2) | (3) | (4) |
| 1. | Registration | US\$ 300 | On or before registration of application |
| 2. | Unsolicited Proposals: Issuance of Pre-Qualification Documents Solicited Proposals : Issuance of Request for Proposals (RFP) documents | US\$ 300 US\$ 500 | On or before issuance of PQDs/RFP |
| 3. | Bid Processing Fee for ICB Projects from each Bidder | US\$ 500/MW Min US\$ 10,000 Max US\$ 50,000 | On or before submission of bids date |
| 4. | Proposal Processing Fee for Solicited (Non ICB) Projects | US\$ 300/MW Min US\$ 7,000 Max US\$ 50,000 | Before submission of proposal |
| 5. | Issuance of LOI Extension in any of the milestones under LOI (for each extension) | US\$ 500/MW Min US\$ 10,000 Max US\$ 300,000 US\$ 250/MW Min US\$ 5,000 Max US\$ 150,000 | Before due date of issuance of LOI With application for extension |

| | | | |
|-----|--|--|---|
| 6. | Issuance of LOS | US\$ 800/MW Min US\$ 20,000 Max US\$ 400,000 | Before due date of issuance of LOS |
| | Issuance of LOS/LOA for ICB Projects | Same as above | Before due date of issuance of LOS or LOA |
| | Extension in Financial Close under LOS (for each extension) | US\$ 500/MW Min US\$ 10,000 Max US\$ 300,000 | Before due date of issuance of extension |
| 7. | Upon achievement of Financial Closing | US\$ 1,000/MW Min US\$ 20,000 Max US\$ 500,000 | On or before financial closing date |
| 8. | Upon achievement of Commercial Operation Date (COD). | US\$ 300/MW | On or before COD |
| | Payable on each anniversary of COD starting from past anniversary (a) | US\$ 300/MW | On or before each anniversary of COD |
| 9. | Design Change Fee per MW | US\$ 250 Max US\$ 150,000 | With application for change in design |
| 10. | Fee upon any change in direct, indirect or beneficial shareholding of the power companies and their affiliates, as the case may be, where PPIB approval is required either under the Act, LOI, LOS or Implementation Agreement | As listed below (US\$) | |
| | | Rate per % change | Max Cap |
| | | 300 | 20,000 |
| | | 400 | 25,000 |
| | | 500 | 32,000 |
| | | 750 | 50,000 |
| | | 1,500 | 100,000 |
| | | 1,800 | 120,000 |
| | | 4,500 | 300,000 |
| | | 6,000 | 400,000 |
| | Capacity MW | | |
| | Upto 25 | | |
| | From 26-50 | | |
| | From 51-100 | | |
| | From 101-200 | | |
| | From 201-300 | | |
| | From 301-400 | | |
| | From 401-500 | | |
| | Above 500 | | |

[F. No. IPPs-3(6)/2017-PPIB.]

MUHAMMAD SAULAT ALI,
Section Officer (IPPs).