



مكتب التنظيم والرقابة لقطاع الكهرباء و المياه  
**RSB** FOR ELECTRICITY & WATER

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**REGULATORY AND SUPERVISORY BUREAU  
FOR ELECTRICITY AND WATER SECTOR**

**ELECTRICITY GENERATION LICENCE**

**GRANTED**

**TO**

**AL KHALEEJ SUGAR L.L.C.**

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LICENCE # EG-01/2019

VERSION 2

GRANTED: 28 APRIL 2019

LAST AMENDED: 15 APRIL 2020

DUBAI, UAE

## CONTENTS

Clause	Page
SECTION 1 DEFINITIONS AND INTERPRETATION	3
1. Definitions	3
2. Interpretations	4
SECTION 2 LICENCE	5
1. Grant of Licence	5
2. Term of Licence	5
3. Amendments and revocation	5
4. Subcontracting	5
5. Miscellaneous	5
SCHEDULE 1 GENERATION CONDITIONS	6
Condition 1 Conditions and Derogations	6
Condition 2 Prohibited Activities	6
Condition 3 Compliance	6
Condition 4 Provision of Information	7
Condition 5 Health, Safety and Environment	7
Condition 6 Fees	7
Condition 7 Third party liability insurance	7
Condition 8 Revocation	8
Condition 9 Transfer of Licence	9
Condition 10 Subcontracting Licensed Activities	9
SCHEDULE 2 PLANT DESCRIPTION	10
SCHEDULE 3 AMENDMENT HISTORY	11

# ELECTRICITY GENERATION LICENCE

## SECTION 1 – DEFINITIONS AND INTERPRETATION

### 1. Definitions

The following words and expressions used in this Licence shall have the following meanings:

**"Affiliate"**, in relation to a person, means any person which Controls (directly or indirectly) that person, any other person which that person Controls (directly or indirectly) and any other person which is under common Control with that person (directly or indirectly), provided that the ultimate holding company of that person shall be deemed to be an Affiliate;

**"Control"** means, in respect of a person by another, that a person (whether alone or with its affiliates and whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise):

- (a) owns or controls (whether directly or otherwise) fifty-one per cent (51%) or more of the equity share capital, voting capital or the like of the controlled person; or
- (b) has the right, through ownership of equity share capital or voting capital, by contract, or otherwise, to control the compositions of, or the appointment of, a majority of the members of the board of directors, board of management, or other equivalent or analogous body of the controlled person;

**"Developer Shareholder"** means any person who own shares in the Licensee;

**"DEWA"** means the Dubai Electricity and Water Authority;

**"Licensed Activities"** has the meaning given in Paragraph 1 of Section 2;

**"Licensee"** has the meaning given in Paragraph 1 of Section 2;

**"Licensee's System"** means the electric lines owned or operated by the Licensee for the transport of electricity from the Plant to the electrical delivery point as agreed with DEWA;

**"Plant"** has the meaning given in Paragraph 1 of Section 2;

**"Related Undertaking"** means any undertaking in respect of which the Licensee, the Developer Shareholder and/or any of their Affiliates (whether alone or together with other Affiliates) has (i) a participating interest, amounting to thirty percent (30%) or more of such undertaking's equity share capital, or (ii) has the right to appoint a majority of the directors to that undertaking;

**"Resolution No 2"** The Executive Council Resolution No. (2) of 2010 on the establishment of a Regulatory and Supervisory Bureau for Electricity and Water Sector in the Emirate of Dubai;

**"Resolution No 43"** The Executive Council Resolution No. (43) of 2015 Concerning the fees of the Regulatory and Supervisory Bureau for the Electricity and Water Sector in the Emirate of Dubai;

**"RSB"** means the Regulatory and Supervisory Bureau established by Resolution No 2.

## 2. **Interpretation**

For the purpose of this Licence:

- (a) any reference to **"Paragraph"**, **"Section"** or a **"Schedule"** is a reference to a Paragraph or Section in, or the Schedule to, this Licence;
- (b) any reference to a **"Condition"** is a reference to a Condition in Schedule 1;
- (c) where any obligation of the Licensee is required to be performed within a specified time limit that obligation shall be deemed to continue after that time limit if the Licensee fails to comply with that obligation within that time limit;
- (d) in construing a Condition or Section, the heading or title of any Condition or Section shall be disregarded;
- (e) the word **"include"** shall be construed without limitation;
- (f) a reference to a law, by-law, code or document issued by the RSB shall be construed to refer to such law, by-law, code or document issued by the RSB as may have been modified or replaced from time to time; and
- (g) in the event of any inconsistency between any terms of this Licence and laws of Dubai and the United Arab Emirates the law shall prevail to the extent of such inconsistency.

## SECTION 2 – LICENCE

### 1. Grant of Licence

Pursuant to Resolution No 2 and Resolution No 43, and subject to the terms and conditions set out in this Licence and the Conditions in Schedule 1, the RSB grants a licence to Al Khaleej Sugar L.L.C. (the "**Licensee**") to carry out the following activities (the "**Licensed Activities**") at its generation facility located at Jebel Ali Free Zone, Dubai, as more specifically described in Schedule 2 (the "**Plant**"):

- (a) the generation of electricity employing the use of a combined cycle power plant (gas and steam turbines) up to a maximum of 20 MW; and
- (b) the delivery thereof into the Licensee's System.

### 2. Term of Licence

This Licence shall come into force on 28 April 2019 and, unless revoked in accordance with the provisions of Condition 8, shall continue until terminated by not less than 20 years notice in writing from the RSB to the Licensee.

### 3. Amendments and Revocation

This Licence is subject to (i) amendment in accordance with its terms, and (ii) revocation in accordance with Condition 8.

### 4. Subcontracting

The Licensee shall subcontract the operation and maintenance of the Plant to M/s Sterling and Wilson Middle East Electromechanical LLC.

### 5. Miscellaneous

All correspondence, notices, instructions, consents and other communications between the RSB and the Licensee shall be in English, in writing and shall be sent to the following addresses (or such other address as may be notified by one party to the other from time to time):

<b>The Regulatory and Supervisory Bureau for Electricity and Water Sector</b> Dubai Petroleum Complex Al Safa St. P.O. Box: 121555 Dubai, United Arab Emirates Attention: Executive Director	<b>Al Khaleej Sugar L.L.C.</b> Jebel Ali Free Zone P.O. Box: 14415 Dubai, United Arab Emirates Attention: General Manager Email 1: gas-ops@aksugar.ae Email 2: gas-com@aksugar.ae Fax : +971 4 881 5935
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**APPROVED BY: GRAEME SIMS, EXECUTIVE DIRECTOR**

## SCHEDULE 1 - GENERATION CONDITIONS

### CONDITION 1 CONDITIONS

1. The Conditions in this Schedule shall apply to the Licensed Activities forming the authorised business of the Licensee in the generation of electricity.
2. The Licensee may be relieved of its obligation under any Condition to such extent, and subject to such terms and conditions, as may be specified in directions issued by the RSB (following consultation with DEWA, other entities authorised to generate electricity by the RSB and other persons likely to be materially affected thereby).

### CONDITION 2 PROHIBITED ACTIVITIES

1. The Licensee shall not, and shall procure that no Affiliate or Related Undertaking (unless such Affiliate or Related Undertaking is specifically authorised to do so by the RSB) shall, on its own account (or that of the Licensee or of any Affiliate or Related Undertaking, as the case may be) within the Emirate of Dubai:
  - (a) purchase or otherwise acquire electricity for the purpose of sale or other disposition to third parties;
  - (b) transmit electricity or otherwise convey electricity by any other means, except to the extent necessary to deliver electricity into the Licensee's System;
  - (c) engage in the distribution or supply of electricity to any premises, except to any plant, building or facility owned by the Licensee, a Developer Shareholder or one of their Affiliates, via the Licensee's System and within the Licensee's premises. The generated electricity shall be used on site and there shall be no parallel operation with DEWA's supply;
  - (d) generate electricity in excess of the amount specified in Paragraph 1 of Section 2; or
  - (e) together with the Developer Shareholder (and the Licensee's and Developer Shareholder's respective Affiliates) and the Related Undertakings, have an aggregate capacity interest which exceeds 25% of the generation capacity of facilities which generate electricity in the Emirate of Dubai (where "**capacity interest**" means the percentage shareholding (whether direct or indirect) of the relevant Licensee, Developer Shareholder, Affiliate or Related Undertakings in entities which own generating capacity multiplied by the generating capacity of such entities).
2. The Licensee shall not without the prior consent of the RSB carry out any electricity generating activities other than the Licensed Activities.

### CONDITION 3 COMPLIANCE

1. In carrying out the Licensed Activity, the Licensee shall comply with the terms of this Licence at all times.

2. The Licensee shall comply with the applicable standards issued by the RSB from time to time pursuant to Article 2 of Resolution No 2 and approved by the Supreme Council of Energy established pursuant to Law No. (19) of 2009 Establishing the Supreme Council of Energy.

#### **CONDITION 4 PROVISION OF INFORMATION**

1. The Licensee shall notify the RSB of the date of commencement of Licensed Activities at least 3 months in advance.
2. The Licensee shall provide to the RSB, in such manner and at such times as the RSB may require, such documents, accounting information, estimates, returns or reports (whether or not prepared specifically at the request of the RSB) of any description, as the RSB may consider necessary in the light of the Conditions or as it may require for the purpose of performing the functions assigned or transferred to it by, or under, Resolution No 2.

#### **CONDITION 5 HEALTH, SAFETY AND ENVIRONMENT**

1. The Licensee shall, taking due account of any guidance issued to it by the RSB and any applicable health, safety and environmental standards prevailing in the Emirate of Dubai, establish and review, as and when appropriate, a written policy, and operational objectives and management arrangements to give effect to such policy, designed to protect from the effects of the Licensed Activities the environment, the health and safety of the general public, and the health and safety of persons employed by the Licensee (directly or indirectly) or allowed to access or work on the Plant or the Licensee's System (the "**HSE Policy**").
2. The Licensee shall, at least 3 months prior to the date of commencement of Licensed Activities, send to the RSB a copy of the HSE Policy and any revision thereof (together with a general description of the applicable operational objectives and management arrangements).
3. The Licensee shall perform the Licensed Activities in a manner consistent with the HSE Policy (and the applicable operational objectives) and shall use its reasonable endeavours to give effect to the management arrangements as described to the RSB.

#### **CONDITION 6 FEES**

In respect of the year beginning on 28 April 2019 and in each subsequent year, the Licensee shall, within thirty (30) days of the RSB giving notice to the Licensee of its fees, pay to the RSB the applicable fee as determined in accordance with Resolution No 43, identifying the fee structure and charges for all holders of RSB Licences, as from time to time revised and amended.

#### **CONDITION 7 THIRD PARTY LIABILITY INSURANCE**

1. The Licensee shall maintain during the term of this License insurance against third party liabilities, in respect of its Licensed Activities, on terms approved by the RSB (including with respect to the type, cover, level and identity of the insurer(s)). The RSB may, at any time, give notice to the Licensee requiring it to modify the terms of such insurance and the Licensee shall, by no later than sixty (60) days (or such longer

period as the RSB may approve) from the date of the notice, procure that such modification is made. Notwithstanding the foregoing, the Licensee shall not be required to maintain such insurance to the extent that the Licensee can demonstrate, to the reasonable satisfaction of the RSB, that it has the financial capacity to meet any liability to a third party in respect of which the Licensee does not otherwise have insurance.

2. The Licensee shall, except as the RSB may otherwise consent, procure that every insurance policy maintained pursuant to this Condition 7 shall bear an endorsement to the effect that thirty (30) days' notice shall be given to the RSB by the insurer or insurance broker of any lapse or cancellation of, or material change to, the policy.

## **CONDITION 8 REVOCATION**

1. The RSB may revoke this Licence by not less than thirty (30) days' written notice to the Licensee (unless the relevant breach is cured before the expiry of such thirty (30) day period):
  - (a) if the Licensee agrees in writing that this Licence should be revoked;
  - (b) if the Licensee in its performance of the Licensed Activities is in breach of any applicable law of Dubai or the United Arab Emirates;
  - (c) if any amount payable under Condition 6 is not paid within thirty (30) days after it has become due, and remains unpaid for a period of thirty (30) days after the RSB has given the Licensee notice that the payment is overdue;
  - (d) if the Licensee fails to comply with any notice issued by the RSB and such failure is not rectified to the satisfaction of the RSB within three (3) months of the date of issuance thereof;
  - (e) if the Licensee fails to comply with the terms of this Licence;
  - (f) if:
    - (i) the Licensee suffers a loss of 50% of the share capital and a resolution is passed, by shareholders representing at least 25% of the share capital of the Licensee, in relation to the bankruptcy, insolvency, winding-up, liquidation of, or similar proceeding against or relating to the Licensee; and/or
    - (ii) a trustee, liquidator, custodian or similar person is appointed in connection with any matter or proceeding referred to in (i) above, where the appointment is not set aside or stayed within sixty (60) days of such appointment; and/or
    - (iii) a court, which has jurisdiction, makes an order to wind up or otherwise confirm the bankruptcy or insolvency of the Licensee, where the order is not set aside or stayed within sixty (60) days;
  - (g) if any information provided by the Licensee pursuant to this Licence or in its application for the Licence is found to be false or misleading;



- (h) on expiry of the duration of the existence of the Licensee as specified in its memorandum and articles of association; or
- (i) on the dissolution of the Licensee by operation of law on its merger with another entity, unless the RSB consents (pursuant to Condition 9) to the transfer of the Licence to the entity with which the Licensee has merged.

#### **CONDITION 9 TRANSFER OF LICENCE**

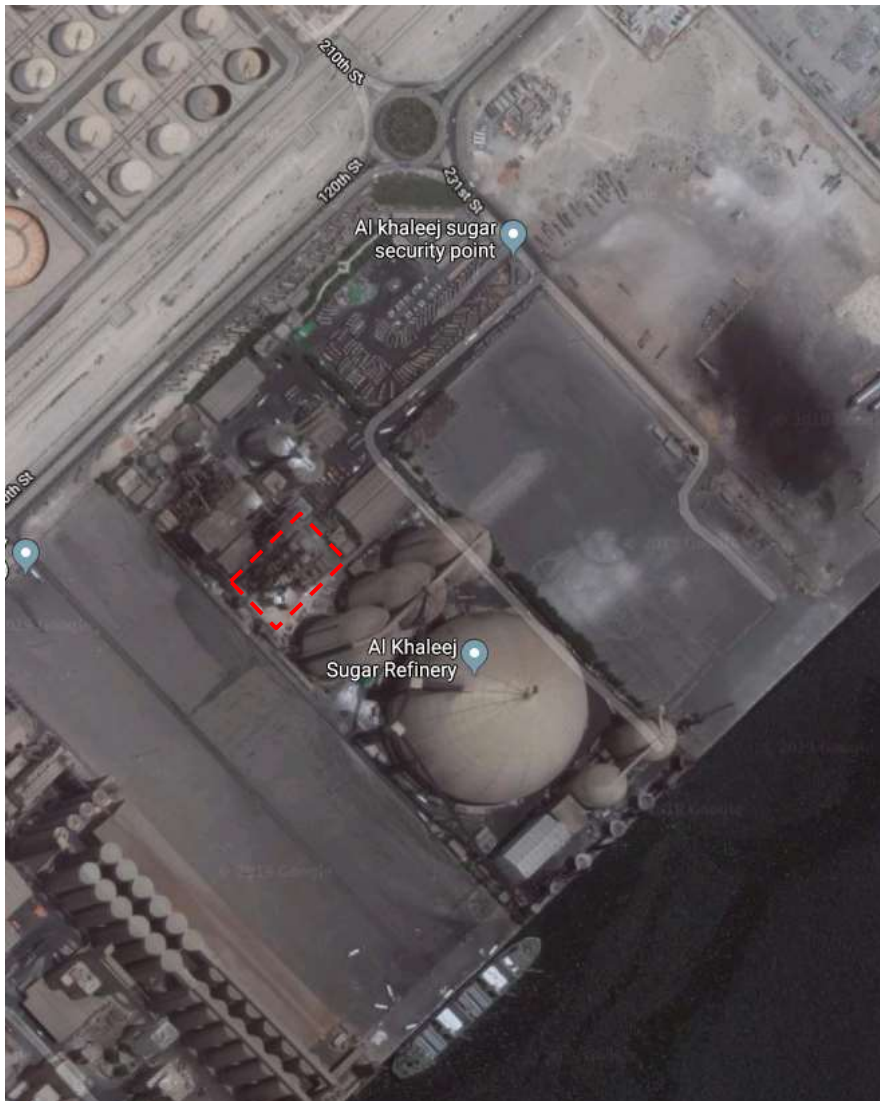
1. The Licensee shall not (nor shall any person (individual or corporate) acting on behalf of the Licensee pursuant to a power of attorney, security assignment or other security document) transfer the Licence without the written consent of the RSB. In giving such consent, the RSB shall apply the same criteria as it applies to new applicants for a Licence. Any purported transfer in breach of this Condition shall be null and void.
2. In deciding whether to give its consent under this Condition 9, the RSB shall apply the same criteria as it would apply if it were deciding whether to grant a Licence to the transferee and the RSB may require the transferee to provide the same information as it would require if the transferee were applying for a Licence.
3. The RSB may make any consent given under this Condition 9 subject to compliance with such (i) modifications or other conditions as the RSB considers necessary or expedient for the purpose of protecting the interests of consumers, and (ii) incidental or consequential modifications or conditions as it considers necessary or expedient.

#### **CONDITION 10 SUBCONTRACTING LICENSED ACTIVITIES**

To the extent that the Licensee is permitted to subcontract all or part of the Licensed Activities to a third party in accordance with Paragraph 4 of Section 2, the Licensee shall obtain the prior approval of the RSB to any change in the identity, or removal, of such third party and any material change in that subcontractor's scope of work.

## SCHEDULE 2 - PLANT DESCRIPTION

Location	Jebel Ali Free Zone, Dubai
Generation Capacity	20 MW
Fuel	Natural Gas
Expected Commissioning Date	October 2020



### SCHEDULE 3 – AMENDMENT HISTORY

<b>Date</b>	<b>Description of Amendment</b>
15 April 2020	Change of operation and maintenance subcontractor from <i>Altaaqa Alternative Solutions Projects-DWC LLC</i> to <i>Sterling and Wilson Middle East Electromechanical LLC</i> .