

FIRST AMENDMENT TO THE PPA SUPPLEMENTAL AGREEMENT-2

BY AND BETWEEN
BANGLADESH RURAL ELECTRIFICATION BOARD
And
SUMMIT POWER LIMITED

- Relating to -

**Madhabdi 24.30 MW Gas Based Power Plant at
MADHABDI, NARSINGDI, BANGLADESH**



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FIRST AMENDMENT TO THE PPA SUPPLEMENTAL AGREEMENT-2

THIS FIRST AMENDMENT TO THE PPA SUPPLEMENTAL AGREEMENT- 2 is made in Dhaka, Bangladesh on this the 08th day of November, 2023

BY AND BETWEEN

- 1) Bangladesh Rural Electrification Board (BREB) constituted under Rural Electrification Board Ordinance, 1977 (Replaced by Rural Electrification Board Act, 2013) ("BREB" as hereinafter defined).

AND

- 2) Summit Power Limited (SPL) a public limited company incorporated under the laws of Bangladesh, with its principal office located at Summit Centre, 18 Karwan Bazar C/ A, Dhaka 1215, Bangladesh (the "Company").

WHEREAS:

(A) BREB and the Company signed a Power Purchase Agreement on 10 February 2000 to build, own and operate a Gas based power generation facility with a capacity of 10±10% MW at Madhabdi, Narsingdi, Bangladesh (Original PPA). Later on request of BREB and approval from the Cabinet Committee for Government Purchase (CCGP) the capacity of existing power generation facility increases with an additional capacity of 18±10% MW. BREB signed a PPA Supplemental Agreement-2 of original PPA on 28 June 2005 to build, own and operate a Gas based power generation facility with an additional capacity of 18±10% MW at the same premise (the PPA Supplemental Agreement - 2). The Ministry of Power, Energy and Mineral Resources (MPEMR) approved to increase the capacity of Expanded Complex by a further 25%, i.e. 4.5 MW by a letter No. বিজ্ঞানস/বিঃউঃ-১/আর এম-৫/ ৯৭(ভলিউম-২)/৫২২, তারিখঃ ২০.০৮.২০০৫. Accordingly, the Company installed a 24.30 MW gas based power plant [18MW + 1.8MW (10% of 18MW) + 4.5MW(25% of 18MW)]= 24.30MW. The date of Commercial Operations of the Complex was 16 December 2006 with a tested and accepted declared capacity of 24.3 MW. The Company has successfully operated the power plant for 15 years and the Term of the Agreement expired on 15 December 2021.

(B) Pursuant to approval from Cabinet Committee for Government Purchase (CCGP) and instruction forwarded by Power Division, Ministry of Power, Energy and Mineral Resources, Government of the People's Republic of Bangladesh (hereafter referred to as the "GOB") on the extension of Term of the Agreement for another 5 years by re-fixing the tariff vide its memo no. ২৭.০০.০০০০.০৭১.১৪.০০৫.৯৭ (অংশ-৪) - ৩১৯/ক, তারিখঃ ২০ আগস্ট ২০২৩ (Annexure-III) the Parties have agreed to enter into this amendment agreement to the PPA Supplemental Agreement - 2, hereinafter referred to as the Amendment Agreement.



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NOW, THEREFORE, the Company and BREB hereby agree as follows:

1. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the original PPA and the PPA Supplemental Agreement-2. This Amendment Agreement will be executed on No Electricity, No payment basis.
2. The extended period of the Amendment Agreement shall be effective from 07-02-2022 (the "Effective Date") and shall be terminated on 06-02-2027, unless extended by mutual agreement or terminated earlier pursuant to provision of this Amendment Agreement. The termination of this Amendment Agreement shall be without prejudice to all rights and obligations of the Parties accrued under this Amendment Agreement prior to such termination.
3. The existing Clause VII and VIII in respect to Reference Tariff is to be replaced by the following:

| Capacity (MW) | Effective Date | Contract Year | Non-Fuel Component Price(Tk/Kwh) | Fuel Component Price(Tk/Kwh) | | Levelized Tariff (Tk/ Kwh) | Levelized Tariff (Tk/ Kwh) |
|----------------------|-------------------|------------------|----------------------------------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | | | Fuel Price 4.45 Tk/SCM | Fuel Price 14.00 Tk/SCM | Fuel Price 4.45 Tk/SCM | Fuel Price 14.00 Tk/SCM |
| A | B | C | D | E | F=14/4.45 | G=(E+D) | H=(F+D) |
| Madhabdi 24.30 MW | 07.02.2022 | 5 | 1.69 | 1.26 | 3.96 | 2.95 | 5.65 |

4. Article VIII of the PPA Supplemental Agreement-2 shall be replaced by the following:

From the Effective Date as mentioned above BREB shall pay the Company Non-Fuel and Fuel Components on each month in accordance with Net Electrical Output delivered during that billing month after deducting import energy bill of the plant for that billing month.

(i) Non-Fuel Payment (No indexation during entire period of Amendment Agreement)

Non-Fuel Payment in a billing month shall be calculated for entire period of the Amendment Agreement as follows:

NFP_m = Non-Fuel payment in Taka in month "m"

NFP_m = 1.69 X NEO_m

Where, NEO_m = Net Electrical Output delivered in kWh in month "m"



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(ii) Fuel Payment

Fuel Payment in a billing month shall be calculated as follows;

FP_m = Fuel Payment in Taka in month "m"

FP_m = $1.26 \times NEO_m \times FP_n$

Where,

FP_n = Fuel Price indexation factor for the billing month and calculated as follows:

FP_n = Fuel Price_n / Fuel Price_b

Fuel Price_n = The Price of natural gas expressed in Tk./SCM during the billing month for which the invoice is prepared.

Fuel Price_b = The reference fuel price 4.45 Tk./SCM "Standard Cubic Meter" (As per BERC order the effective date 30-06-2019).

5. No indexation will be applicable for Non Fuel component.

6. In case of Fuel Component, i.e 1.26 Tk/kWh will be indexed according to the change in gas price as published by BERC/GOB from time to time.

7. In future, if Higher Heating Value (HHV) indexation is imposed by the gas company with the approval of concerned authority then it will be adjusted by BREB subject to signing of the Gas Supply Agreement.

8. (i) As BREB is the Gas Supplier in the power plant, the monthly gas bill (with demand & other charges) of Titas Gas Transmission & Distribution Company Limited (TGTDCL) will be paid by BREB to TGTDCL as per stipulated time mentioned in original PPA and the PPA Supplemental Agreement-2.

(ii) The Gas bill paid to TGTDCL by BREB will be deducted from the monthly invoice submitted by SPL.

(iii) In each month, the total gas bill paid to respective gas companies on account of 33.75MW Ashulia Power Plant, 24.30MW Madhabdi Power Plant and 13.5MW Chandina Power Plant of SPL and the total amount deducted from SPL in this respect in fuel component (based on 1.26 Tk. /kwh with applicable indexation) will be compared for adjustment as follows:

(a) If the total actual gas bill at any billing month/period for these three plants become less than the total gas bill claimed by SPL as per clause 4(ii) to this Amendment Agreement, then this surplus amount shall be paid by BREB to SPL after payment of gas bill to the concerned gas company of these three plants. This surplus amount will be adjusted in the plants bill where the fuel component bill of SPL is less than the concerned gas companies gas bill.

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(b) If the total actual gas bill at any billing month/period for these three plants become greater than the total gas bill claimed by SPL as per clause 4(ii) to this Amendment Agreement, then payment of this actual gas bill to the gas company will be made after necessary deduction from non-fuel component of the Company. This amount will be adjusted in the plants bill where the fuel component bill of SPL is more than the concerned gas companies gas bill.

(iv) If the plant shuts down for any reason, the demand charge of gas will be adjusted from the SPL invoice.

9. BREB has no obligation under the Amendment Agreement if the plant operates partially or shuts down due to Gas shortage. The Company cannot make any change in the allocation of Gas without the consent of BREB.



10. The annual allowable outage of the plant shall be 876 hours. If the plant is completely shut down for more than 60 consecutive days without any specific technical reason(s) other than this outage, then BREB shall have the right to terminate the Amendment Agreement.

11. In this extended term of the PPA Supplemental Agreement-2, all types Tax, VAT, duties/Charges/any sort of levies fixed by the National Board of Revenue (NBR) or Government of Bangladesh from time to time required to be deducted at source pursuant to the prevailing laws of Bangladesh will be deducted at source from the monthly invoice/bill submitted by SPL. Deducted amount will be deposited in the treasury as per Government rules. SPL will not demand any amount of Taka for Tax, VAT, duties/Charges/any sort of levies from BREB for this purpose.

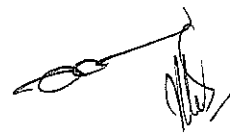
12. In case of any ambiguity, inconsistency, discrepancy or conflict between the specific amendments and replacements made hereby and any relevant provisions of the original PPA and the PPA Supplemental Agreement-2, this Amendment Agreement shall prevail.

13. This Amendment Agreement shall be governed by and construed in accordance with the Laws of Bangladesh.

14. All other terms and conditions of the Original PPA, subsequent amendment(s) of the Original PPA and the PPA Supplemental Agreement-2 that are not hereby amended shall remain unchanged.





15. The minutes of the negotiation committee (Annexure-I) construed by the Power Division vide memo no. ২৭.০০.০০০০.০৭১.১৪.০০৫.৯৭ (ডলিউম-৪).১৪৯, তারিখঃ ০৬ মার্চ ২০২২ (Annexure-II) will be treated as the part of this Amendment Agreement.

16. The vide memo no. ২৭.০০.০০০০.০৭১.১৪.০০৫.৯৭ (অংশ-৪) - ৩১৯/ক, তারিখঃ ২৩ আগস্ট ২০২৩ (Annexure-III) also will be treated as the part of this Amendment Agreement.

IN WITNESS WHEREOF the Parties have executed and delivered this Amendment Agreement as of the date written below.

Summit Power Limited:

Name: Engr. Md. Mozammel Hossain

Title: Managing Director

Summit Power Limited

Witness:



Bangladesh Rural Electrification Board:

Name: Nargis Sultana

Title: Secretary (Additional Charge)

BREB, Dhaka.

Witness:



Abu Bakar Shiblee
General Manager
Narsingdi Palli Bidyut Samity-1

বিপ্লব বাঈটা
তত্ত্বাবধায়ক প্রকৌশলী
জল্লাহ প্রকৌশল (এসআরএস) এর দপ্তর
বাংলাদেশ পল্লী বিদ্যুতায়ন বোর্ড, ঢাকা।