



NIGERIAN ELECTRICITY REGULATORY COMMISSION

BEFORE THE NIGERIAN ELECTRICITY REGULATORY COMMISSION

**IN THE MATTER OF THE APPLICATION FOR A GENERATION LICENCE BY
BRESSON NIGERIA LIMITED**

**ORDER FOR THE GRANT OF A GENERATION LICENCE TO LOTUS AND
BRESSON POWER COMPANY LIMITED**

Bresson Nigeria Limited (the Company) submitted its application for a Generation Licence in respect of a 60MW IPP to be sited at Magboro, Ogun State on September 20, 2006. The Company also paid a licence application fee of One Hundred Thousand Naira (N100, 000.00).

In order to ascertain the completeness of the application, an initial evaluation was carried out by representatives from Legal Support & Licensing, Market Competition & Rates, and Engineering, Standards & Safety Divisions.

Following the initial evaluation, it was observed that the application was not complete, thus, the Company was requested to submit additional information to the Commission. The Company has since complied with this request and the additional documents were submitted on October 12, 2006.

Following the approval of the Commission on the completeness of the application, a letter dated October 16, 2006 was issued by the Commission to the Company requesting it to publish the mandatory Statutory Notice in two newspapers.

The notices were published in The Westerner Newspaper of November 4, 2006 and the Nation Newspaper of October 26, 2006. Following the publications, the Commission received no objection to the application.

The Commission (in consultation with Consultants) conducted a legal, financial and technical evaluation of the licence application. The legal review highlighted the fact that the proposed project is a joint venture between Bresson a.s. Nigeria Limited and Lotus S.W. Inc., a company incorporated in the United States of America. The project company, **Lotus & Bresson Power Company Limited** is expected to build, own and operate the power plant. Further to this, the Commission requested that the project Company, Lotus & Bresson Power Company Limited continue the licence application process. Bresson Limited forwarded a letter to the Commission requesting that the licence be issued in the name of the project Company.

UPON due consideration of the Legal, Technical and Financial Evaluation Report of the application filed by Bresson Nigeria Limited for a 60MW power plant at Magboro,

Ogun State, and acting on the recommendation of the Legal Support and Licensing Division of NERC dated April 11, 2007,

IT IS HEREBY ORDERED that a generation licence be issued to Lotus & Bresson Power Company Limited for a 60 MW IPP at Magboro, Ogun State subject to the payment of licence fee of US\$ 25,000 (Twenty Five Thousand US Dollars).

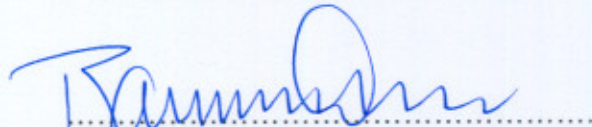
IT IS FURTHER ORDERED that a generation licence be issued to Lotus & Bresson Power Company Limited subject to completion and filing of the following documentation with the Commission:

- i) An approved Environmental Impact Assessment report within the next one (1) year from date of grant of the licence
- ii) Properly registered land documentation in the Applicant's name within the next six (6) months from date of grant of licence
- iii) Completion of milestones attached herein as 'Annexure A'

IT IS FURTHER ORDERED that tariffs chargeable to captive customers shall be as approved by NERC.

BY ORDER OF THE COMMISSION

Signed this 11th day of April 2007.



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Dr. Ransome Owan
Chairman/CEO