

# पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

## POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय: "सौदामिनी" प्लॉट सं. 2, सैक्टर-29, गुडगाँव-122 001, (हरियाणा) दूरभाष: 0124-2571700-719, फैक्स : 0124-2571762,  
"Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, (Haryana) Tel.: 0124-2571700-719, Fax: 0124-2571762, Web.: www.powergridindia.com

Ref: CC/Comml./ROP-AEGCL/2016

CIN : L40101DL1989GOI038121

Dt.: 04.11.2016

To,  
The Chairman,  
M/s Assam Electricity Grid Corporation Limited,  
Bijulee Bhawan; Paltan Bazar,  
Guwahati -781001

(WITHOUT PREJUDICE)

Fax: +91361-2739513

Dear Sir,

**Sub: "Notice for Regulation of power supply" for default of Assam Electricity Grid Corporation Limited (AEGCL), Assam in making payment of dues and opening of requisite Letter of Credit**

- Ref:
1. Our Letter no. NESH/COMML/N-04/13 dtd 07.04.2016
  2. Our Letter no. NESH/Coml/N-04/43 dtd 22.04.2016
  3. Our Letter no. NESH/COMML/N-04/78 dtd 18.05.2016
  4. Our Letter no. NESH/COMML/N-04/86 dtd 30.05.2016
  5. Our Letter no. NESH/COMML/N-04/120 dtd 17.06.2016
  6. Our Letter no. NESH/COMML/N-04/137 dtd 06.07.2016
  7. Our Letter no. NESH/COMML/N-04/137 dtd 08.07.2016
  8. AEGCL Letter no. APDCL/GM(TRC)PGCIL/./22 dtd 08.07.2016
  9. NESH/COMML/N-04/160 dtd 25.07.2016
  10. NESH/COMML/N-04/184 dtd 03.09.2016
  11. NESH/COMML/N-04/188 dtd 07.09.2016
  12. Transmission Service Agreement dtd 31.07.2014.

1. AEGCL is a Designated Inter-State Transmission System Customer (DIC) which is availing Inter-state Transmission System (ISTS) network for transfer of power from various power plants located in different parts of country to AEGCL and is under obligations to make timely payment of transmission tariff and to open requisite Letter of Credit (LC) towards Payment Security Mechanism (PSM) in line with Electricity Act 2003 read with relevant contractual provisions and CERC Regulations.
2. It is, however, a matter of serious concern that AEGCL is consistently failing to make payment of monthly bills raised on it towards transmission tariff despite various commitments and regular follow-up by CTU. As a consequence, total dues of AEGCL have accumulated to **Rs 221 Cr** as on 04.11.2016, which includes an amount of **Rs 86 Cr.** outstanding for more than 60 days as on date (*which would grow to Rs 123 Cr. on 05.11.2016*) based on the bills already raised by CTU.

3. Further, AEGCL has established an LC for an amount of **Rs 20 Cr.** only as against the requirement of **Rs 32 Cr.** as per the provisions of CERC Regulations. Enhancement of LC has not been done by AEGCL despite regular follow up and reminders from CTU.
4. CTU has been mandated with the responsibility of Billing, Collection and Disbursement of transmission charges towards ISTS licences from all the DICs. Such huge outstanding dues as brought out above are seriously affecting the cash flows of all the ISTS Licensees and causing adverse impact on the ability to carry on as a business enterprise and to fulfil loan repayment liabilities towards creation of transmission assets.
5. Regulation 4 of CERC (Regulation of Power Supply), 2010 reads as under:-

*"In case of outstanding dues or in case the letter of credit or any other agreed Payment Security Mechanism is not maintained as per the Agreement, the generating Company or the transmission licensee, as the case may be, may serve a notice for regulation of power supply, on the Defaulting Entity, for reducing the drawl schedule in the case of the generating company or withdrawal of open access / access to Inter-State Transmission System in the case of the transmission licensee. ...."*

6. In above regard, attention is invited to various correspondence issued by CTU, as referred above, which demonstrates the default of AEGCL in payment of legitimate dues. As per the provisions of **Regulation 4 of CERC (Regulation of Power Supply) Regulation 2010, provisions of BCD procedure** approved by CERC and terms of TSA, the CTU is constrained to issue this "Notice for Regulation of Power Supply" .
7. Accordingly, in case of failure of AEGCL to clear the outstanding dues latest by **14.11.2016**, the regulation of power supply of AEGCL through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	<b>200 MW</b> of power drawl of AEGCL from ISTS network
• Commencement of Regulation of supply	:	From <b>00.00 Hrs of 18.11.2016</b>
• Period of Regulation of Power supply	:	Initially for 4 months or till clearing of the dues outstanding for more than 60 days
• Source of regulation of Power Supply	:	To be regulated from various Power plants of NEEPCO as per <b>Annexure-1.</b>
• The regulation of power shall be carried out through North Eastern Region Transmission Corridor.		
• All other liabilities of AEGCL shall be as per the provisions of CERC Regulations		

8. Further, it may be informed that the dues for an amount of Rs 47 Crore are exceeding 120 days on 04.11.2016 (included in the dues mentioned at Para 2 above) and as per Para 59 (c) of CERC Order dtd 02.09.2015 under Pet. no. 142/MP/2012, this calls for curtailment of Short Term Open Access (STOA). The relevant portion of the said CERC Order dtd 02.09.2015 is reproduced below:-



*"During the period of regulation of power supply, for defaults in payment of transmission charges, STOA to the regulated entity shall be denied by NLDC/RLDCs under Regulation 25A of Open Access Regulations from the date of commencement of regulation of power supply. When Regulation 25A is invoked independent of regulation of power supply, default trigger date for invoking Regulation 25A of Open Access Regulations shall be 90 days from the due date of payment of various charges covered under the respective Regulations. NLDC/RLDCs shall deny short term open access to the defaulting entity on occurrence of the default trigger dates as mentioned above without having to approach the Commission on the basis of the request of concerned RLDC or Central Transmission Utility, as the case may be."*

Thus as per the above, in case the dues >120 days is not liquidated by AEGCL latest by 09.11.2016, the STOA transactions shall be liable to be curtailed w.e.f. 11.11.2016, prior to resorting to Regulation of Power supply as stated at Para 7 above.

9. Through a copy of this Notice, NERLDC is being requested to:
- Take necessary action to curtail the STOA transactions of AEGCL with effect from 11.11.2016.
  - Prepare implementation plan for Regulation of Power Supply of AEGCL & implement the same w.e.f. 00:00 Hrs. of 18.11.2016.
10. In view of above, it is advised to liquidate the outstanding dues greater than 120 days by 09.11.2016 and clear dues greater than 60 days and enhance the LC as per above by 14.11.2016 failing which regulation of power supply shall be enforced as stipulated above.

Thanking You,

Yours Faithfully,

*H.K. Mallick*  
4.11.2016

(H.K.Mallick)

GM (Commercial & RC)

CC.

1. General Manager,  
North Eastern Regional Load  
Dispatch Centre, Dongtiah, Lower  
Nongrah, lapalang, Shillong -  
793006  
(FAX- 0364- 2537470, 2537427)
- With a request to implement the STOA curtailment of AEGCL w.e.f 11.11.2016 in line with Para 59(c) of CERC Order dtd 02.09.2015 under Pet.no. 142/ MP/2012, upon confirmation by us on 09.11.2016.
  - With a request to prepare the implementation plan for Regulation of power supply of AEGCL and implement the same as per CERC Regulation, 2010. The proposed regulation of power from various generators as per Annexure-1 may be reviewed and finalised. Indemnification bond furnished earlier holds good for subject Regulation of power of AEGCL.
2. With a request to take necessary action for

Executive Director (Comml.),  
NEEPCO, Brookland Compound,  
Lower New Colony, Shillong- 793  
003, Meghalaya (FAX-0364-2225035

implementation of Regulation of power supply  
of AEGCL from NEEPCO HEP Projects, as per  
CERC Regulation, 2010.

Copy of Notice dtd 04.11.2016 for Regulation of Power supply issued to AEGCL, Assam  
is enclosed for kind information of :

1. Secretary (Power), MoP, GOI, Shram Shakti Bhawan, Rafi Marg, New Delhi.  
Fax : 011-23721487
2. Chief Secretary, Govt. Of Assam, Block- C, 3rd Floor, Assam Sachivalaya, Dispur-  
781006, Guwahati. Fax No: 0361-2260900
3. Secretary, CERC, 3rd & 4th Floor, Chandra Lok Building, 36, Janpath, New  
Delhi, 110 001.  
Fax: 011-23753923
4. Chairperson, Assam Electricity Regulatory Commission A.S.E.B. Campus,  
Dwarandhar, G. S. Road, Sixth Mile, Guwahati - 781 022.  
Fax No: 0361- 2234432
5. Member Secretary, North Eastern Regional Power Committee, Meghalaya State  
Housing Finance Cooperative Society Ltd Bldg, Nongrim Hills, Shillong - 793 003,  
Meghalaya Fax : 0364-2520030
6. Member Secretary, Eastern Regional Power Committee, 14, Golf Club Road,  
Tollygunje, Kolkatta - 700 033. Fax No: 033- 24221802
7. CEO, POSOCO, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.  
Fax : 011-26524525
8. Asst. General Manager, SLDC Division, Assam Electricity Grid Corporation Ltd.,  
ASEB Colony, Power House Kahilipara, Guwahati-781 019.  
Fax:- 0361-2387929
9. ED, NER, POWERGRID, Shillong.



Annexure-1

Regulation of Power Supply of Assam Electricity Grid Corporation Limited,  
(AEGCL) Guwahati -Quantum of Power to be regulated

S. No	Generating Company	Generating Station	Station Capacity	Share Allocation of AEGCL	Quantum of Power to be regulated to AEGCL under this Notice
1	NEEPCO	Kopili-I	200 MW	105 MW	80 MW
2	NEEPCO	Khandong	50 MW	27 MW	20 MW
3	NEEPCO	Kopili-II	25 MW	12 MW	10 MW
4	NEEPCO	Ranganadi	405 MW	173 MW	90 MW
	<b>Total</b>		<b>680 MW</b>	<b>317 MW</b>	<b>200 MW</b>

