

NORTH EASTERN REGIONAL POWER COMMITTEE
SHILLONG

Agenda for 25th Commercial Committee Meeting

Date & Time : 12th June 2015 at 10:00 Hrs

Venue : NEHU Campus, Shillong

1. Confirmation of the minutes of 24th CC meeting held on 10/03/2015 at Guwahati.

Minutes of the 24th CC Meeting held in Guwahati on the 10th March 2015 was circulated vide No.: NERPC/COM/CC_Min/2015/4888-927 dated 25th March 2015 & corrigendum issued vide NERPC/COM/CC_Min/2015/543-566 dated 29th April 2015.

No observation has been received and minutes may be confirmed.

2. Agenda items from NERPC

2.1 Tabulation of revenue earned through regulation of power to beneficiary states of NER:

Concerned utilities are to submit the required information in the format given below.

Financial Year : e.g. 2012 - 2013										
Regulating Entity:	Generating station from where regulation is done	Quantum of regulated power (in MWH)	Mode of sale of regulated power (through exchange or through traders or UI etc)	Total revenue earned from sale of regulated power (In Rs.)	Detail of expenditure incurred towards (a) adjustment of energy charges (b) registration fee for exchanges or traders' fee etc (c) Any other incidental expenses with detail (In Rs.)			Amount of outstanding dues of the Regulated Entity. (In Rs.)	Amount adjusted against the outstanding dues of the Regulated Entity (In Rs.)	Remaining amount, if any, to be passed on to the Regulated Entity (In Rs.)
(1)	(2)	(3)	(4)	(5)	(6)			(7)	(8)	(9)=(5)-(6)-(8)
					(a)	(b)	(c)			

NOTE: If (9) is negative, then it indicates that outstanding due has not been recovered fully.

NHPC is requested to submit the details of revenue earned through regulation of power supply on monthly basis.

2.2 Contribution to the Board Fund of NERPC:

Board Fund Contribution status/details of constituents (as on 03.06.15) are as given below:

Constituents	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
NTPC	Payment Received	Payment Received	Payment Received	Payment Received
NHPC	Payment Received	Payment Received	Payment Received	Payment Received
PTC	Payment Received	Payment Received	Payment Received	Payment Received
NVVN	Payment Received	Payment Received	Due	Due
OTPC	Payment Received	Payment Received	Payment Received	Payment Received
NEEPCO	Payment Received	Payment Received	Payment Received	Payment Received
PGCIL	Payment Received	Payment Received	Payment Received	Payment Received
Nagaland	Payment Received	Payment Received	Payment Received	Payment Received
MeECL	Payment Received	Payment Received	Payment Received	Payment Received
Mizoram	Payment Received	Due	Payment Received	Payment Received
Ar. Pradesh	Payment Received	Payment Received	Payment Received	Payment Received
TSECL	Payment Received	Payment Received	Payment Received	Payment Received
Manipur / MSPDCL	Payment Received	Payment Received	Payment Received	Due
Assam / APDCL	No Record/Due	No Record/Due	No Record/Due	Payment Received

No Record = Payment details not available with NERPC due to non intimation or nonpayment by constituents. Kindly intimate payment details if paid already (format given below), otherwise kindly contribute for the same under intimation to NERPC Secretariat.

Name of Constituents				
F.Y	Amount (in Rs.)	Mode of Payment (Cash/Cheque/DD/NEFT/RTGS etc)	Date	Remarks/Cheque No./DD No./UTR No./other details
2011-12				
2012-13				
2013-14				
2014-15				

2.3 Colony Consumption by CSGS and Provision of CERC Regulations' 2014 thereon :

The issue was deliberated in the 24th CCM held at Guwahati, where it was agreed that all the concerned constituents (NEEPCO, NHPC, OTPC, NTPC) will submit the schematic diagram for drawing auxiliary and colony consumption separately for each generating station within one month. NERLDC and NERPC will study the diagrams and necessary actions will be initiated accordingly which may be reviewed in the next CCM.

NERPC has sent letters to the above organizations vide NERPC/COM/Corr/1059-66 dated 29th May 2015 requesting them to submit schematic diagram for drawing auxiliary and colony consumption separately for each generating station. Only OTPC has sent the diagram so far.

On further studies by NERPC / NERLDC, the following points were observed: -

- a) Readings from Loktak GT 1 (NP-6952-A) and Loktak Stationery transformer (NP-5317-A) are never received.
- b) While cross checking the gross generation of AGBPP and net generation (ex-bus), mismatch of around 1.5 % to 2 % is observed.

Healthiness of the meters installed at generator terminals and station transformers should be ensured. Signed schematic diagram of CT/PT connected to corresponding SEMs should be submitted.

Members may like to deliberate.

2.4 Charging of 33 KV APDCL Line from Khandong HEP to 33/11KV Umrangsu S/S of APDCL:

The issue was deliberated in the 24th CCM held at Guwahati, where it was agreed that Assam, NEEPCO and NERPC will jointly visit the site to find a solution for resolving the issue. Since the joint visit to site could not be made, NERPC Secretariat vide NERPC/COM/Corr/1067-71 dated 29th May 2015 requested APDCL, AEGCL, APGCL and NEEPCO to submit the schematic diagrams / single line diagrams to NERLDC/ NERPC for further studies. However, no reply is received till date.

Members may like to deliberate.

2.5 Methodology adopted for Reactive Energy Accounting:

The following methods have been adopted while calculating reactive energy accounts of NERPC :-

- 1) As per provision of IEGC, state owned lines emanating directly from an ISGS are excluded from the reactive energy accounts.
- 2) In case of Reactive Energy Drawal / Injection By Beneficiaries to the Pool:
 - * Meter installed at last connecting node to ISTS is considered as first preference.
 - * Meter installed at generating station is normally not considered unless there is a problem with other end meter.
- 3) In case of Reactive Energy Drawal / between states:
 - * Provision of IEGC is followed.

Members may like to note and deliberate.

2.6 ***Inclusion of non-ISTS lines in the Point of Connection tariff:***

The following lines have been agreed by 10th RPC meeting to include in the list of RPC certified lines:-

SI No.	From	To	Voltage (kV)	Length (KM)	Ckts	Total (ckt km)	Ownership
1	Umtru	Sarusajai I & II	132	37	2	74	Assam - Meghalaya
2	Kahelipara	Umtru I & II	132	9	2	18	Assam - Meghalaya
3	Jiribam	Pailapool	132	15	1	15	Assam - Manipur
4	Kohima	Karong	132	50	1	50	Nagaland - Manipur
5	Dimapur	Bokajan	132	26.4	1	26.4	Nagaland - Assam
6	Dullavcherra	Dharmanagar	132	29	1	29	Assam - Tripura
7	Panchgram	Lumshnong	132	23.4	1	23.4	Assam - Meghalaya
8	Mokokchung	Mariani	132	50	1	50	Nagaland - Assam
9	Kathalguri	Deomali	220	19	1	19	Arunachal Pradesh
10	Agia	Sarusajai	220				Assam

As per the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) (Third Amendment) Regulations, 2015, RPC Secretariat, in consultation with RLDC, using WebNet Software will examine the proposal put up by STU to respective RPC Secretariat. The results of the load flow studies and participation factor indicating flow of Inter State power on these lines shall be used to compute the percentage of usage of these lines as inter State transmission.

Members may like to deliberate.

3. ***Agenda items from NHPC***

3.1 ***Outstanding dues of NHPC for more than 60 days:***

MeECL, Meghalaya: - As on date, an amount of ` **20.80 Crs** (Including surcharge of ` **4.65 Crs**) is outstanding for more than 60 days. Meghalaya is not liquidating the outstanding dues even after regulation of power w.e.f 23.01.2014. A MOM was signed between MeECL & NHPC on 07.08.2014 and MeECL made a commitment for liquidation of outstanding dues including surcharge in installments but MeECL did not adhere to its commitment.

Due to this prolong default, NHPC may request to MOP for reallocation of Meghalaya's power.

MeECL, Meghalaya may be impressed upon to liquidate their outstanding dues.

3.2 ***Signing of PPA & BPSA***

(i) Signing of Power Purchase Agreement (PPA) in respect of Tawang-I & II H.E. Projects in Arunachal Pradesh:-

Draft PPA have been sent to Assam, Manipur, Meghalaya, Tripura, Arunachal Pradesh & Mizoram on 24.09.2014 for early signing of PPA in respect of Tawang-I & II H.E. Projects, in

Arunachal Pradesh. All concerned beneficiaries are requested to give consent for signing of PPA at the earliest.

(ii) Signing of BPSA in respect of Loktak Power Station with APDCL, Assam:-

NHPC had requested APDCL vide letter dated 03.11.2014, 01.12.2014 and 26.02.15 for extending the existing BPSA on same terms & conditions up to 31.10.2016 (till validity of tripartite agreement). Vide letter dated 05.05.2015, APDCL had asserted that existing BPSA signed on 10.09.2002 is to expire on 31.03.2016 on the basis of TPA signed at the time of Reforms. APDCL is not in favour of signing the new draft BPSA before expiry of the existing TPA. As such, APDCL may give consent for continuation of existing BPSA on same terms & conditions up to expiry of tripartite agreement i.e. 31.10.2016.

So, it is again requested that intervention of NERPC is required in this regard for early signing/extension of PPA/BPSA.

3.3 Opening/maintaining of Letter of Credit (LC):

MeECL: - MeECL, Meghalaya has not provided Letter of Credit (LC) of requisite amount in spite of our regular follow up. As on date, requisite amount of LC is ` **1.42 Crs** based on 105% of average monthly billing of preceding 12 months i.e. January 2014 to December 2014.

Mizoram: - Mizoram has not provided Letter of Credit (LC) in spite of our regular follow up. **Previous LC has expired on 24.03.2015.** As on date, requisite amount of LC is ` **57 Lacs** based on 105% of average monthly billing of preceding 12 months i.e. January 2014 to December 2014.

Arunachal Pradesh: - Arunachal Pradesh has not provided Letter of Credit (LC) in spite of our regular follow up. **Previous LC has expired on 31.03.2015.** As on date, requisite amount of LC is ` **57 Lacs** based on 105% of average monthly billing of preceding 12 months i.e. January 2014 to December 2014.

Above beneficiaries may be requested to furnish the Letter of Credit (LC) of requisite amount on top priority.

4. Agenda items from APDCL (ASEB)

4.1 Re-import of Kurichhu energy by Bhutan from Assam grid during pre-ABT period.

Assam has written to NERPC regarding Re import of Kurichhu energy by Bhutan from Assam grid during Pre-ABT period. The letter is reproduced below:

Sir,

This has reference to our earlier correspondences on the subject of re-import of Kurichhu energy by Bhutan. With your full co-operation and guidance the accounting anomaly relating to post ABT period of ERPC with effect from 1ST April' 2003 has been identified and actions are also initiated on the basis of joint discussion with ERPC. However, on internal audit of APDCL it appears that the same accounting anomaly existed during pre-ABT period also. The adjustment system was started from January' 1999. During January'1999 the quantum of re-import of Kurichhu energy exported to Bhutan through Assam grid was adjusted as per agreed guidelines by adding with NTPC

import of Assam from ER grid. However, it is observed as per records that the monthly adjustment of Assam export to Bhutan was not taken care of in the monthly energy accounting of EREB/ ERPC.

Therefore, you are now requested to take up the matter with ERPC and arrange a joint reconciliation under your guidance of energy adjustment of Bhutan export by Assam for the pre-ABT period with effect from April' 1999 to March'2003 involving all concerned.

Yours faithfully

S/D – M. K. Adhikary.
General Manager (Comml-Tariff).

Memo No. APDCL/CGM (COM)/NERPC/CC-OCC/ PT-3/2014/ (A) Dated 02.06.2015.

Members may like to deliberate.

5. Agenda items from PGCIL

5.1 Outstanding dues:

The total outstanding of POWERGRID's NER beneficiaries is as under-

As on : 01/06/2015

CONSTITUENTS	` in Crores				
	Outstanding against Non PoC bills	Outstanding against PoC bills	Outstanding more than 60 days	Surcharge	Total Outstanding (including surcharge)
Ar. Pradesh	0.33	5.17	0.32	0.00	5.50
ASEB (Assam)	-0.09	0.00	0.00	0.91	0.82
Manipur	-0.16	5.49	0.00	0.00	5.33
MeECL (Meghalaya)	-0.31	14.31	5.60	0.06	14.06
Mizoram	-0.10	1.56	0.00	0.00	1.46
Nagaland	-0.04	0.00	0.00	0.00	-0.04
TSECL (Tripura)	0.01	0.00	0.00	0.00	0.01
TOTAL	-0.37	26.53	5.92	0.97	27.13

The total outstanding as on 01/06/2015 is ` **27.13 Crore**. Out of total outstanding, ` **5.92 Crore** is beyond 60 days. **MeECL has ` 5.60 Crore beyond 60 days. It may be seen that outstanding against MeECL is on much higher side. MeECL is requested to liquidate the outstanding.**

Constituents are requested to clear the outstanding dues in time to avail attractive graded rebate offered by POWERGRID. Considerable amount of surcharge are also due for liquidation as shown above. Constituents are requested to clear the surcharges early. If the outstanding dues over 60 days are not cleared by the Constituents at the earliest, POWERGRID may not have any other alternative, but to resort to regulation as per CERC norms.

5.2 LC requirement against PoC billing as per Cl. No. 3.6 of BCD (Billing Collection and Disbursement) Procedures of CERC order No. L-1/44/2010-CERC, Dtd. 29.04.11

Cl. No. 3.6 of BCD states that, The Letter of Credit shall have a term of twelve (12) Months and shall be for an amount equal to one point zero five (1.05) times the average of the First Bill Amount for different months of the Application Period, as computed by the Implementing Agency (IA) for the DIC, where tripartite agreement for securitization on account of arrears against the transmission charges with the Government of India exist.

Sl	Beneficiary	Average first bill amount for (Apr-Dec'14) of application period (` in Lakh)	LC required (Avg. first bill amount X MF 1.05) (` in lakh) TPA exists	LC AVAIL ABLE (` in Lakh)	VALIDITY UPTO	Due date of enhancement and renewal (for one year)	Tota LC Amount to be renewed including enhanced value (` in Lakh)		
							Existing	Enhancement	Total
1	Arunachal Pradesh	228.45	1.05	252.00	31.03.15	31.03.15	252.00	0.00	239.87
2	AEGCL (Assam)	1690.08	1.05	1591.80	26.03.16	26.03.16	1591.80	0.00	1774.58
3	Manipur	228.87	1.05	213.13	11.06.15	11.06.15	213.13	27.18	240.31
4	MeECL	402.41	1.05	344.00	10.12.10	10.12.10*	250.00	422.53	422.53
5	Mizoram	161.22	1.05	152.25	04.05.15	04.05.15	152.25	17.03	169.28
6	Nagaland	191.97	1.05	201.57	21.03.16	21.03.16	201.57	0.00	201.57
7	Tripura	328.81	1.05	183.00	14.02.16	14.02.16	183.00	162.25	345.25

REQUIREMENT AND STATUS OF LC AS ON DATE (01.06.15) OF NER BENEFICIARIES

Note – 1. LC shall be operated as laid down procedures of CERC order.

2. Tripartite agreement (TPA) for securitization on account of arrears against the transmission Charges with the Government of India exist for all the constituents.

* MeECL has not renewed LC for last 4 years.

The constituents who are yet to renew LC are requested to enhance/renew LC as required to get the benefit of rebate scheme as per CERC norms.

6. Agenda items from NERLDC.

6.1 Deviation charges outstanding:

Status of Deviation charges outstanding as on 28.05.2015 is attached (Annexure-I). From the same it can be seen that Assam (Rs. 30.4 Crores), Tripura (Rs. 12.5 Crores), Ar. Pradesh (Rs. 11.3 Crores) and Meghalaya (Rs. 8.4 Crores) are major defaulters. Such payment default is creating serious constraint in timely settlement of pool account.

Commercial Committee may discuss.

6.2 Non-payment of NERLDC fees and charges bills:

NERLDC is raising the bills on monthly basis on the 1st working day of every month in Terms of the CERC (fees and charges of RLDC and other related matters) Regulation, 2009.

The status of latest outstanding is as below :

ENICL : Rs. 1,46,913/- (3 months charges due)
Ar. Pradesh : Rs. 14,60,067/- (2 months charges due)
Mizoram : Rs. 14,62,205/- (2 months charges due)

Defaulting constituents may liquidate outstanding dues at the earliest.

6.3 Outstanding dues for AMC of SCADA-EMS:

Outstanding charges - dues as on 31/05/2015 are as below:

	Overhead charges	AMC
AEGCL	1082895/-	2011077/-
MeECL	128149/-	1601865/-
TSECL	128562/-	1607028/-

AEGCL, MeECL and TSECL may liquidate the outstanding dues at the earliest.

6.4 Non-submission of weekly SEM readings by Mokokchang (Nagaland) and Deomali (AP).

Long pending issue needs to be addressed by Nagaland and AP.

6.5 Status of Procurement of SEMs / Spare availability:

Following are to be done as per earlier decisions -

1. Urgent procurement of 50 Nos. SEMs and 10 DCDs of L&T make on single tender basis as approved in the 24th CCM.

On procurement of these meters, meters should be there at all locations as identified by NERLDC. Further, meters should be replaced in all locations where there are errors.

2. Procurement of 250 SEMs and 40 DCDs/LAPTOPS.

NERTS may furnish status of procurement.

6.6 Meter Time Drift:

High time drifts exist in various locations resulting in erroneous computation and loss spikes. It was proposed that whenever time drift is detected efforts should be made to reset [making the time drift zero] the same immediately and if due to any reason resetting could not be done then wherever time drift is more than 5 minutes the meter may be replaced.

All agencies in whose premises meters are located may give details on action taken so far.

NERTS may give details on action taken so far.

6.7 Collection of weekly SEM data – AMR

AMR scheme was agreed in principle by Commercial Committee. NERTS had issued draft TS for comments of all constituents. NERLDC furnished the comments.

It is necessary to expedite the AMR project for smooth collection of SEM reading.

Commercial Committee may discuss and decide the action plan for implementation of AMR.

6.8 Erroneous SEM reading

While carrying end1-end2 check, errors have been observed in following cases and needs to be attended/rectified :

1. 132 kV Imphal-Ningthoukong (very low reading at Ningthoukong end)
2. 220 kV Kathalguri-Tinsukia line-2 (Tinsukia end reading half)
3. 132 kV Silchar-Badarpur D/C (Badarpur end reading half)
4. 132 kV Agia-Nangalbibra (Nangalbibra reading half of other end)

The issues need to be addressed urgently.

6.9 Tabling quarterly figures of Deviation and Reactive Pool Account in Commercial Committee:

The figures will be tabled in Commercial Committee meeting.

7. Agenda items from NEEPCO.

7.1 Certification of Open Cycle Generation of AGBPP:

In compliance to the CERC order dated 09.09.2013 on petition no. 257/MP/2012 as well as decision during the 20th and 21st C.C. meeting of NERPC, NEEPCO have received "Open cycle certificate" in respect of Assam Gas Based Power Plant (AGBPP) for the period of Apr'09 to Mar'15.

As decided during the 21st C.C. meeting, NERPC is requested to arrange for incorporation of "Open cycle generation by AGBPP" in monthly REA with immediate effect. In case there is no such open cycle generation in any particular month, the same may be recorded as "Nil". Non incorporation of Open Cycle Percentage in REA leads to issue supplementary bills which are not desirable.

The above is for deliberation to the NERLDC and NERPC.

7.2 Huge outstanding dues of MeECL, TSECL and APDCL:

Beneficiary outstanding status as on 03.06.2015 are as follows

₹ in crore

Beneficiary	Monthly energy bills (incl. supp. Bills)	Arrear bills (incl. Interest thereon)	Others (Reimbursement bills – NERLDC fees & Charges, CERC Appl. Fee, MAT etc)	Total dues (excl. "Late payment surcharge")	"Late payment surcharge" due till 31.03.2015	Total dues (incl. "Late payment surcharge")
Ar. Pradesh	24.68	0.00	0.27	24.95	0.71	25.66
APDCL	268.96	0.00	3.91	272.87	272.88	545.75
Manipur	18.80	4.35	0.46	23.61	35.06	58.67
MeECL	224.55	62.44	0.76	287.75	141.12	428.87
Mizoram	11.73	0.00	0.96	12.69	17.88	30.57
Nagaland	0.02	0.00	0.03	0.05	0.00	0.05
TSECL	53.62	16.59	0.51	70.72	19.57	90.29
Total	602.36	83.38	6.90	692.64	487.22	1179.86

The above outstanding status shows that there is huge accrual of dues for Meghalaya Energy Corporation Ltd (MeECL), Tripura State Electricity Co. Ltd (TSECL) and Assam power Distribution Co. Ltd (APDCL). Dues outstanding for more than 60 (sixty) for MeECL, TSECL and APDCL as on 03.06.2015 are ₹ 384.75 crore, ₹ 68.51 crore and ₹ 371.58 crore respectively.

NEEPCO is facing acute financial crunch due to enhancement of operational expenses for its generating stations as well as projects under construction. Continuation of delay in settlement of dues by the beneficiaries have definite negative impact on its Plants operating efficiency.

The above is for deliberation to the representatives from MeECL, TSECL and APDCL requesting them to settle their outstanding dues immediately as well as for regular settlement of current dues billed henceforth.

7.3 Reconciliation of accounts:

NEEPCO is sending the quarterly statements on regular basis to all of its beneficiaries furnishing detail of bills as well as the related financial transactions for the period under consideration on account of sale of electricity. But immediate confirmation/communication are not received from beneficiaries, particularly, APDCL, TSECL, MSPDCL and MeECL. Though in absence of any dispute communicated by the beneficiaries, it is presumed that the transaction details sent by NEEPCO have been accepted by them, however, it is suggested that the beneficiaries should either convey their confirmation in writing accepting the reconciliation statements or shall propose for meeting with NEEPCO for further discussion on the same.

The matter was deliberated during the 22nd CC meeting, but no further action from MSPDCL, TSECL and APDCL, as decided during the said meeting, on the matter could be noticed.

Since the said reconciliation of accounts between NEEPCO and its beneficiaries are essential for closing of accounts as well as to initiate appropriate action against disputed transactions, if any, it is suggested that the same should be done henceforth on quarterly basis. In addition, an action plan for reconciliation of the old statement till Mar'15 may be decided.

The above is for deliberation to the beneficiaries

8. **Any other item with permission of the Chair**

9. **The next Commercial Coordination Sub-Committee meeting will be held in the month of Aug/Sept' 2015. The date and venue will be intimated separately.**