

NORTH EASTERN REGIONAL POWER COMMITTEE
SHILLONG

Agenda for 27th Commercial Committee Meeting

Date & Time : 1st December 2015 at 09:30 Hrs

Venue : State Guest House, Aizawl

1. Confirmation of the minutes of 26th CC meeting held on 07/08/2015 in Guwahati

Minutes of the 26th CC Meeting held at Hotel Nandan, Guwahati on the 7th August 2015 was circulated vide No.: NERPC/COM/CC_Min/2015/2793-832 dated 14th August 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 upto September 2015.

2.2 Contribution to the Board Fund of NERPC:

Board Fund Contribution status/details of constituents (as on 24.11.15) are as given below:

Constituents	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
NTPC	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
NHPC	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
PTC	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
NVVN	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
OTPC	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
NEEPCO	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
PGCIL	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
Nagaland	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
MeECL	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
Mizoram	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
Ar. Pradesh	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
TSECL	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
Manipur / MSPDCL	Payment Received	Payment Received	Payment Received	Payment Received	Payment Received
Assam / APDCL	No Record /Due	No Record /Due	No Record /Due	Payment Received	No Record /Due

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 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				
etc				

Ar. Pradesh & Assam are requested to make their respective contribution for financial years which are due as indicated above.

3. **Agenda items from NHPC**

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

MeECL, Meghalaya: - Due to prolong default, MOP, GOI re-allocated the total share of Meghalaya (including unallocated share) from Loktak Power Station to MSPDCL, Manipur w.e.f 00:00 Hrs of 16.10.2015.

As on date, total an amount of ` **24.74 Crs** (Including surcharge of ` **5.80 Crs up to 31.10.2015**) is due against MeECL, Meghalaya. Amount outstanding beyond a period of 60 days shall continue to attract late payment surcharge at the rate of 1.50% per month as per CERC (Terms & Conditions of Tariff) Regulations, 2014.

As such, MeECL, Meghalaya may be impressed upon to liquidate their total dues.

3.2 ***Signing of PPA***

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

Drafts PPA have been sent to Assam, Manipur, Tripura, & Mizoram on 24.09.2014 for early signing of PPA in respect of Tawang-I & II H.E. Projects, in Arunachal Pradesh. Further, modified draft PPA incorporating the recovery methodology of advance of ` **225 Crs** given to Arunachal Pradesh State has also been sent to Arunachal Pradesh on 06.07.2015 for signing of PPA of Tawang-I & II H.E. Projects. All concerned beneficiaries are requested to give consent for signing of PPA at the earliest.

(ii) Signing of Power Purchase Agreement (PPA) in respect of Subansiri Lower H.E. Projects in Arunachal Pradesh.

As per the request of Govt. of Arunachal Pradesh, NHPC modified clause No. 11 (Free Power) & revised draft PPA sent on 23.06.2015. Despite regular follow –up, NHPC has not received consent for signing of PPA by Govt. of Arunachal Pradesh.

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

Arunachal Pradesh: - Arunachal Pradesh has opened the Letter of Credit (LC) of ` **33.50 lacs** instead of ` **57 Lacs valid up to 31.03.2016** in spite of our regular follow up. As on date, requisite amount of LC is ` **57 Lacs** based on 105% of average monthly billing.

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

3.4 ***Furnishing of details of payment released on a/c of principal and interest of Deviation Charges.***

As per reconciliation statement for 2nd Qtr of FY 2015-16 we came to know that NERLDC has released ` **4,91,347/-** dated 03.08.2015 on a/c of interest on delayed payment of Deviation

charges as foot note. We have accounted this amount as payment against principal dues and couldn't be accounted for as an interest income for 2nd Qtr of FY 2015-16.

In this regard following is requested to NERLDC:-

“Detail of payment released by NERLDC may be intimated as and when released with the detail of payment. If payment is released on account interest than detailed calculation of interest may also be provided.”

4. **Agenda items from PGCIL**

4.1 **Outstanding dues:**

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

As on : 20/11/2015

					` in Crores
CONSTITUENTS	Outstanding against Non PoC bills	Outstanding against PoC bills	Outstanding more than 60 days	Surcharge	Total Outstanding (including surcharge)
Ar. Pradesh	-0.42	5.38	0.37	0.00	4.90
ASEB (Assam)	0.16	102.28	44.90	0.91	103.72
Manipur	-0.18	0.00	0.00	0.00	-0.18
MeECL (Meghalaya)	-0.17	26.36	12.66	0.00	26.19
Mizoram	-0.09	12.28	6.64	0.00	12.20
Nagaland	-0.03	0.00	0.00	0.00	-0.03
TSECL (Tripura)	0.00	-0.58	0.00	0.00	-0.58
TOTAL	-0.73	145.67	64.57	0.91	146.22

Concerned constituents are requested to clear the outstanding dues in time to avail attractive graded rebate offered by POWERGRID.

4.2 **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.

REQUIREMENT AND STATUS OF LC AS ON DATE (20.11.15) OF NER BENEFICIARIES

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	Total LC Amount to be renewed including enhanced value (` in Lakh)		
						Existing	Enhancement	Total
1	Arunachal Pradesh	228.45	239.87	252.00	31.03.16	252.00	0.00	252.00
2	AEGCL (Assam)	1690.08	1774.58	1774.58	26.03.16	1774.58	0.00	1774.58
3	Manipur	228.87	240.31	213.13	15.09.16	213.13	27.18	240.31
4	MeECL	402.41	422.53	344.00	10.12.10	250.00	422.53	422.53
5	Mizoram	161.22	169.28	169.28	04.05.16	169.28	0.00	169.28
6	Nagaland	191.97	201.57	201.57	21.03.16	201.57	0.00	201.57
7	Tripura	328.81	345.25	183.00	14.02.16	183.00	162.25	345.25

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

5. **Agenda items from NERLDC**

5.1 ***Deviation charges outstanding:***

Status of Deviation charges outstanding as on 19.11.2015 is attached (**Annexure-7.1**). From the same it can be seen that Assam (Rs. 41.4 Crores), Manipur (Rs. 6.9 Crores), and Ar. Pradesh (Rs. 3.8 Crores) are major defaulters.

Commercial Committee may discuss.

5.2 ***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, 2015.

The status of latest outstanding is as below :

ENICL : Rs. 1,46,454/- (3 months charges due)
Mizoram : Rs. 19,07,825/- (3 months charges due)
Manipur : Rs. 13,51,721/- (2 months charges due)

Defaulting constituents may liquidate outstanding dues at the earliest.

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

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

5.4 Status of Installation of SEMs at locations with Time drift > 5 mins

Details of new meters installed at R.C. Nagar & Misa end have been received at NERLDC.

NERTS may intimate status of other locations.

5.5 Status of Spare SEMs in NER

NERTS may intimate status of spare SEMs in NER.

5.6 Meter Time Drift

It was decided in 10th. Metering Committee that all utilities in whose premises meters are located will carry out time correction activity through DCD as and when needed.

In view of time drift in SEMs of many locations as observed by spikes in loss, it was felt that a record of time drift in all SEMs of the Region is required. On request, NERTS agreed to compile Meter Time vs Standard time of all meters of the Region as per simple format below:

Meter No.	Location	Meter Time	Standard Time	Drift in minutes
------------------	-----------------	-------------------	----------------------	-------------------------

The time can be recorded while collecting weekly SEM data and it can be a handwritten report also. The objective is to get a status of time drift in all SEMs.

NERTS stated that the activity would be completed by 30.11.2015. Metering Committee decided that, after this activity, large drifted SEMs will be sent to L&T in batches and as decided in Item no.1, these meters would be made "Software based time synchronisation" enable.

Commercial Committee may like to discuss.

5.7 Installation of SEMs at Surjyamaninagar and South Comilla for export to Bangladesh

NERTS may intimate status of installation.

5.8 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. 132 kV Silchar-Badarpur D/C (Badarpur end reading half)
3. 132 kV Agia-Nangalbibra (Nangalbibra reading half of other end)
4. 132 kV Badarpur-Kolasib (Kolasib reading 2/3rd of other end)

5. 400 kV Bongaigaon-Binaguri line-3 (error in Bongaigaon end)
6. 132 kV Palatana-Udaipur (Udaipur end reading 2/3rd of other end)

In 10th Metering Committee meeting, Manager, NERTS informed the forum that the above discrepancies would be rectified by 30/11/2015.

Status may be intimated and Commercial committee may discuss.

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

The figures will be tabled in Commercial Committee meeting.

6. Agenda items from NEEPCO

6.1 *Certification of Open Cycle Operation of AGBP in monthly REAs*

In compliance of 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.

Further, it was decided at the 21st CC Meeting that the monthly open cycle operation of AGBP from April 2015 onwards would be incorporated in the REAs. It was also agreed that in the absence of open cycle operation during any month, the same would be recorded as "NIL" in the corresponding REA.

However, it is seen that the open cycle operation of AGBP is not being reflected in the REAs since April 2015. It may kindly be appreciated that this would necessitate raising of supplementary bills on beneficiaries, which gives rise to complications and is undesirable.

Therefore, it is requested that the monthly open cycle operation be reflected in the REAs on regular basis.

Placed before the house for deliberation and decision.

6.2 *Disconnection of Green Bazar tapping of APDCL from 33 KV Khandong - Umrongso line of NEEPCO*

As decided earlier, APDCL has disconnected the tapping from NEEPCO's 33 KV Khandong – Umrongso line to their 33 KV Umrongso substation on 12.08.2015 and the related commercial issues have been sorted out.

With this disconnection, there remains only one more tapping from this line by APDCL i.e at 11 KV Green Bazar load point.

Therefore, it is desirable that this tapping too should be disconnected at the earliest so that all pending commercial / metering / billing issues of KHEP are finally settled.

APDCL is requested to expedite the matter.

Placed before the Committee for deliberation and decision.

6.3 **Settlement of outstanding due.**

Beneficiary wise outstanding status as on 31.10.2015 is as follows:

(Rs. in Crore)

Beneficiary	Principal dues	Late payment surcharge as on 30.09.2015	Total Dues	Principal Dues pending for more than 60 days
APDCL, Assam	211.11	292.88	503.99	68.56
P&E, Mizoram	9.86	20.67	30.53	0.00
DOP, Manipur	44.51	40.53	85.04	20.42
TSECL, Tripura	91.35	26.33	117.68	76.73
DOP, Arunachal Pradesh	29.06	1.05	30.11	11.16
DOP, Nagaland	-0.05	0.00	-0.05	0.00
MeECL, Meghalaya	300.27	176.59	476.86	266.38
Total	686.11	558.05	1244.16	443.25

NEEPCO requests the members to kindly appreciate the problems faced in meeting its O&M expenses due to the huge amount of unrealized revenue as seen above. Therefore, in the interest of proper and timely O&M of its plants NEEPCO requests the house to kindly clear the dues at the earliest.

NEEPCO takes this opportunity to thank Nagaland for clearing all dues, both principal and late payment surcharge.

Placed before the house for deliberation.

7. **Agenda items from TSECL**

7.1 **Provisional Fixed Cost and Energy charge of NTPC Bongaigaon**

It is expected that within a short period of time, Bongaigaon of NTPC will start generation as infirm power & after that COD will be expected in any time. NTPC is requested to kindly confirm the provisional fixed cost as well as energy charge for the beneficiary.

8. **Agenda items from OTPC**

8.1 **Sale of Un-Requisitioned Surplus (URS) Power of Discoms/Beneficiaries by Respective Generators**

During 26th CC Meeting, the issue of sale of URS was discussed, & referred to TCC for discussion. The matter was then discussed in the 15th TCC & 15th NERPC Meeting, where the following was resolved:

Quote:

- 1) Ancillary service regulation has been notified by CERC which will take care of ISGS URS.
- 2) OTPC may take up bilaterally with beneficiaries about the proposal.
- 3) To implement the proposal there would be need to amend scheduling & dispatch procedure.

Beneficiaries appreciated the proposal & agreed in principle. TCC recommended the proposal for approval of NERPC & OTPC will approach CERC subsequently for operationalizing it."

Unquote:

In the meantime, CERC has allowed generators to sale its URS power to third party vide its order dtd. 05.10.15 on the Petition filed by Sasan Ultra Mega Power Project & RLDC/NLDC has been directed by CERC to implement the procedures enumerated in the order.

Accordingly OTPC has approached NERLDC & NERPC for sale of URS to third party & NERLDC has confirmed that intra-day Sale of URS power to third party on STOA basis can be done.

Therefore, it is proposed that, as and when the URS is available, OTPC will explore to sale the URS power through Power Exchange/Trader to third parties and continue to bill the Capacity Charges to the original beneficiaries, while the sale realization in excess of variable charges plus other operating charges like open access charges, trading margin, etc. shall be equally shared with the procurer.

This sharing mechanism is as per the Guidelines by Ministry of Power for Determination of Tariff by Bidding Process for Procurement of Power by Distribution Licenses, it is mentioned here in Article 4.6, "The seller (successful bidder) shall declare availability on a daily basis in accordance with the scheduling procedure as stipulated in the Indian Electricity Grid Code (IEGC) from time to time. Further, the seller and procurer shall comply with all relevant provisions of the IEGC. **If the procurer does not avail generation up to declared availability, the same can be sold in market by the seller, and the sale realization in excess of variable charges shall be equally shared with the procurer."**

The Sub-Committee may like to deliberate.

8.2 *Opening of Letter of Credit (LC) by MeECL*

As per Power Purchase Agreement (PPA), the Meghalaya Energy Corporation Limited is required to open LC for an amount of Rs. 29.78 Cr. as payment security mechanism. However, even after repeated requests, MeECL is yet to open the LC.

The sub-committee may like to discuss.

8.3 *Liquidation of Outstanding Dues by TSECL:*

The total outstanding dues of TSECL against purchase of power from OTPC is 104.822 Crore, which includes the dues of Rs. 59.761 Cr for over 60 days. The beneficiary has continuously failed to clear the dues and this is resulting in operational problems for the Plant. If the dues are not liquidated at an early date, OTPC will not have any other option but to regulate power supply to TSECL.

The sub-committee may like to discuss.

9. *Any other items with permission of the Chair*

10. *The next Commercial Coordination Sub-Committee meeting will be held in the month of Feb' 2016. The date and venue will be intimated separately.*