



North Eastern Regional Power Committee

Agenda

For

33rd Commercial Sub-Committee Meeting

Time : 10:30 Hrs.
Date : 25th August 2017 (Friday)
Venue : "Spring Valley Resort", Sonapur, Guwahati
Host : NEEPCO Limited

CONFIRMATION OF MINUTES

1. CONFIRMATION OF MINUTES OF THE 32nd COMMERCIAL SUB-COMMITTEE MEETING OF NERPC.

Minutes of the 32nd CC Meeting held at "Toshali Sands, Puri", Odisha, on the 22nd February 2017 was circulated vide No.: NERPC/COM/CC_Min/2016/4973-5019 dated 15th March 2017.

As no observation has been received from any of the constituents, the minutes of the 32nd CCM may be confirmed.

ITEMS FOR DISCUSSION

2. AGENDA ITEMS FROM NERPC

2.1 Board Fund Contribution for FY 2017-18:

NERPC has requested all the constituents of NERPC for depositing the Board Fund contribution for Financial Year 2017-18 to designated Account No. of Member Secretary, NERPC vide NERPC letter No. NERPC/SE (O)/Committee/Board Fund/2015/ dated 18.08.2017. As per decision of the 17th TCC/RPC meeting, annual contribution towards board fund of NERPC w.e.f FY 2016-17 is Rs 1, 00,000/- for states and Rs 4, 00,000/- for CPSUs.

All constituents are requested to kindly deposit respective amount for FY 2017-18 at the earliest.

Ar. Pradesh has not contributed yet for FY 2016-17 also. Ar. Pradesh is requested to make payment for FY 2016-17 also as soon as possible.

2.2 Contribution for NERPC App and CDAC Real Time Energy Assessment Project:

Letter for contribution of fund towards design & development of NERPC Mobile App etc was sent to all constituents vide NERPC letter No. NERPC/SE(O)/Committee/Board Fund/2015/3751-3764 dt. 13/01/2017. CPSUs are to contribute Rs 8 lacs each whereas states & traders are to contribute Rs 1.1 Lacs

each. All CPSUs, traders, states of Meghalaya, Mizoram & Tripura have contributed towards NERPC Mobile App.

Further, the request letter for contribution of fund towards CDAC Real Time Energy Assessment project was sent to all concerned states namely, Ar. Pradesh, Assam, Manipur, Mizoram, Nagaland & Tripura. All the 6 beneficiary states are to pay an amount of Rs 7 Lacs each for the project. This project is meant for the 6 states only.

The status of payment towards Mobile App & CDAC project is as given below:

SI No.	Constituents	Payment status	
		NERPC Mobile App (Rs 1.1 Lacs)	CDAC Project (Rs 7 Lacs)
1	Ar. Pradesh	<i>DUE</i>	<i>DUE</i>
2	Assam	<i>DUE</i>	Payment Received
3	Manipur	<i>DUE</i>	<i>DUE</i>
4	Meghalaya	Payment Received	-not applicable-
5	Mizoram	Payment Received	Payment Received
6	Nagaland	<i>DUE</i>	Payment Received
7	Tripura	Payment Received	Payment Received

Concerned states above are requested to kindly make payment as indicated at the earliest.

2.3 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. 2015 - 2016										
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 DSM 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.

Presently, NTPC is regulating Power to MeECL wef 03.03.2017. NTPC is required to furnish details as above.

2.4 Roster for Host of the Commercial Subcommittee Meeting of NERPC.

As per Conduct of Business Rule, the Commercial Sub Committee Meeting is being held on quarterly basis. The meeting is held within NER and sometime outside NER depending upon the feasibility and convenience of the host and also to encourage more participation from delegates/constituents. From 14th CCM till 32nd CCM, all CPSUs have hosted twice and all the states have hosted once (excluding two meetings which was conducted by NERPC without host) during the period from November 2010 to February 2017. Fresh roster has now been prepared for hosting of CCM (Annexure-2.4). The same may please be approved.

3. AGENDA ITEMS FROM NHPC

3.1 *Signing of PPA:*

(i) Signing of Power Purchase Agreement (PPA) in respect of Subansiri Lower HE Project (2000 MW) in Arunachal Pradesh :-

Signing of PPA with Deptt. of Power, Govt. of Arunachal Pradesh in respect of Subansiri Lower H.E Project is pending since long. Modification sought by Arunachal Pradesh in PPA has already been agreed & conveyed vide this office letter dated 10.11.2016. The issue was also raised in 32nd CCM of NERPC held on 22.02.2017. Thereafter, we have sent various reminders on 04.05.2017, 19.05.2017, 13.06.2017, 29.06.2017, 19.07.2017 & 10.08.2017. Even ED (Comml.), NHPC visited Arunachal Pradesh on 29/30 May, 2017 specific on this purpose but we have not received any assurance from Arunachal Pradesh.

In view of above, Deptt. of Power, Govt. of Arunachal Pradesh is requested to give their consent at the earliest please. PPA of Tawang - I & II will also be signed on similar lines.

(ii) Signing of Power Purchase Agreement (PPA) in respect of Tawang HE Project, Stage - I & II with MSPDCL:-

Signing of PPA in respect of Tawang H.E Project, Stage-I & II is pending with Manipur & Arunachal Pradesh. The matter was also discussed in 32nd CCM of NERPC held on 22.02.2017 in which representative of MSPDCL informed that matter has been put up to the Electricity Deptt., Govt. of Manipur & also assured that matter shall be taken up again with the Government after the assembly election in March, 2017.

In this regard, it is informed that after 32nd CCM of NERPC, we have sent various reminders on 18.04.2017, 22.05.2017, 13.06.2017, 29.06.2017, 19.07.2017 & 10.08.2017 but till date, we have not received any reply/response from MSPDCL.

In view of above, MSPDCL, Manipur is requested to give their consent for signing of PPA at the earliest please.

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

(i) MeECL, Meghalaya: - MeECL assured vide their letter dated 31.01.2017 that Principal outstanding of NHPC will be cleared in installment latest by August,

2017. But till date, we have received only Rs 5.5 Crores against principal outstanding dues of Rs 21.53 Crores. As on date, an amount of **Rs 28.33 Crs** (Including surcharge of **Rs 12.30 Crs** up to 31.07.2017) is payable by Meghalaya. The matter was also discussed in 32nd CCM of NERPC. After that, we have requested MeECL vide letter dated 31.03.2017, 18.04.2017, 04.05.2017, 18.05.2017, 01.06.2017, 19.06.2017, 29.06.2017, 12.07.2017, 25.07.2017 & 10.08.2017 to release the outstanding dues of NHPC as per their commitment but MeECL has not fulfill its commitment.

During the recent meeting called by Joint Secretary (Hydro), Ministry of Power, Govt. of India on 04.08.2017, representative of Meghalaya assured that they will release 50% of their dues of NHPC in the month of August, 2017.

In view of above, Meghalaya is requested to release at least 50% dues of NHPC as per commitment of Meghalaya in August, 2017.

(ii) MSPDCL, Manipur: - An amount of **Rs 21.99 Crores** (including surcharge of **Rs 1.03 Crores** up to 31.07.2017) is due for payment from MSPDCL. Out of which principal amount of **Rs 7.04 Crores** is outstanding for more than 60 days. It is observed that MSPDCL is continuously defaulting in timely payment of energy bills since November, 2016 due to which late payment surcharge is increasing continuously which is also payable as per regulation.

In view of above, MSPDCL is requested to clear their outstanding dues of more than 60 days including surcharge i.e. Rs 8.07 Crores immediately and ensure timely payment of energy bills in future.

(iii) Power & Electricity Department, Govt. of Mizoram: - An amount of **Rs 2.77 Crores** (including surcharge of **Rs 23,430/-** up to 31.07.2017) is due for payment from Mizoram. Out of which principal amount of **Rs 47,29,383/-** is outstanding for more than 60 days.

In view of above, Power & Electricity Deptt. Govt. of Mizoram is requested to clear their outstanding dues of more than 60 days including surcharge i.e. Rs 47,52,813/- immediately and ensure timely payment of energy bills in future.

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

In spite of our regular follow up, Arunachal Pradesh, Manipur & Mizoram has not provided LC of requisite amount till date. The matter was also discussed in 32nd CCM of NERPC held on 22.02.2017 and it was requested from all the beneficiaries of Loktak Power Station to open LC of requisite amount up the period 31.03.2018. Existing LC has already expired. Details of LC's are as under:-

Name of beneficiary	Requisite amount	Validity already expired on
Arunachal Pradesh	Rs 0.84 Crs	31.03.2016
Manipur	Rs 5.23 Crs	15.09.2016
Mizoram	Rs 0.86 Crs	24.03.2017

So, Deptt. of Power, Govt. of Arunachal Pradesh, MSPDCL, Manipur and Power & Electricity Deptt., Govt. of Mizoram are requested to pursue with your bank and provide "Letter of Credit" of requisite amount on priority.

4. AGENDA ITEMS FROM NERTS/POWERGRID

4.1 *Outstanding dues:*

The total outstanding of POWERGRID's NER beneficiaries as on 16.08.2017 is as under-

All Figures in INR Crores

DIC	Total Outstanding	Outstanding more than 60 days	Average billing	Remarks
Ar. Pradesh	3.11	0.00	3.45	-
AEGCL (Assam)	66.90	0.00	37.00	-
Manipur	14.46	7.31	3.75	04 months receivables
MeECL (Meghalaya)	18.51	7.01	6.30	03 months receivables
Mizoram	4.90	-	3.80	-
Nagaland	-0.03	0.00	2.85	-
TSECL (Tripura)	0.31	0.20	3.50	-
Total	108.16	14.52	60.65	-

MSPDCL (Manipur), MeECL (Meghalaya) may be impressed upon to liquidate their respective outstanding dues immediately.

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

REQUIREMENT AND STATUS OF LC AS ON DATE (16.08.17) OF NER BENEFICIARIES

(All Figures in Rs Lakh)

Sl	Beneficiary	Required LC Amount	Due date of enhancement and renewal (for one year)	Total LC Amount to be renewed including enhanced value		
				Existing	Enhancement	Total
1	Arunachal Pradesh	321.46	31.03.16	252.00	69.46	321.46
2	AEGCL (Assam)	4217.83	31.05.18	3217.89	999.94	4217.83
3	Manipur	393.05	15.09.16	213.13	179.92	393.05
4	MeECL	700.00	04.10.17	300.00	400.00	700.00
5	Mizoram	400.94	04.05.17	269.59	131.36	400.94

6	Nagaland	437.73	21.03.18	459.62	-	437.73
7	Tripura	416.86	14.02.18	271.00	145.86	416.86

- DICs are requested to renew & enhanced the LC as per requirement.
- **AEGCL, MeECL** may be impressed upon to enhance LC of requisite amount immediately.
- **Arunachal Pradesh, Manipur, Mizoram** may be impressed upon to renew as well as enhance the LC as per requirement immediately.

5. AGENDA ITEMS FROM OTPC

5.1 *Outstanding Dues of OTPC against NER beneficiaries*

The current total outstanding dues of OTPC against the NER beneficiary states (as on 17-08-2017) are as under:

(Amount in Rs Crores)

Sl.No.	Beneficiary	Outstanding Dues including Supplementary Bill (>60 Days)	Total Outstanding including Supplementary Bill
1	Arunachal Pradesh	0.00	3.33
2	Assam	72.82	146.02
3	Manipur	20.87	33.95
4	Meghalaya	47.51	70.24
5	Mizoram	7.37	13.99
6	Nagaland	3.46	3.46
7	Tripura	111.24	170.98
	Total	263.27	441.98

The total outstanding dues as on 17-08-2017 are Rs 441.98 Crores out of which outstanding beyond 60 days is Rs 263.27 Crores. Constituents are requested to clear at least the outstanding dues over 60 days, at the earliest.

5.2 *Status of Payment Security Mechanism of the beneficiaries required against monthly energy billing as per Power Purchase Agreement and CERC regulations*

Sl. No.	Beneficiary	Letter of Credit (LC) required as per PPA (Rs Crore)	LC amount status (Rs Crore)	Valid Upto	Remarks
1	Arunachal Pradesh	11.62	11.62	31-Mar-2016	Kindly renew the LC and park sufficient funds with bank for LC
2	Assam	40	40	28-Apr-2018	LC is in place Kindly renew

3	Manipur	15.02	3.7	15-Sept-2016	the LC
4	Meghalaya	29.78	-	-	Meghalaya has never provided the LC even after continuous persuasion
5	Mizoram	7.5	7.5	6-May-2017	Kindly renew the LC
6	Nagaland	9.46	9.46	20-Mar-2018	LC is in place
7	Tripura	46.53	18	19-Mar-2018	LC is in place

Beneficiaries are requested to enhance and renew the LC amount as per the PPA at the earliest.

6. AGENDA ITEMS FROM NTPC

6.1 All NER States have signed the TPA except Tripura. Hence Tripura is requested to sign the TPA at the earliest.

7. AGENDA FROM NEEPCO

7.1 *Outstanding dues of beneficiaries' payable to NEEPCO as on 17.08.2017 are as follows:*

(Rs. in Crore)

Beneficiary	Principal dues	Late payment surcharge as on 30.09.2016	Total Dues	Principal Dues pending for more than 60 days
APDCL, Assam	222.36	64.50	286.86	110.46
P&E Deptt, Mizoram	9.95	17.33	27.28	-4.51
MSPDCL, Manipur	39.69	3.54	43.23	10.11
TSECL, Tripura	13.17	24.94	38.11	2.29
DOP, Arunachal Pradesh	15.83	4.79	20.62	7.8
DOP, Nagaland	0	0	0	0
MeECL, Meghalaya	139.58	273.59	413.17	97.32
Total	440.58	388.70	829.28	223.47

While many of the beneficiaries have cleared their old dues and are paying the current dues regularly, however the status of MePDCL and APDCL is alarming.

Due to accrual of such outstanding dues, NEEPCO is facing difficulty to meet its day to day expenditure including fuel cost required for operating its thermal power stations. In the interest of extending better service to its beneficiaries, NEEPCO earnestly requests all the beneficiaries to clear all the accumulated dues on priority

and at the same time requests to make the payment against current bills on regular basis.

7.2 *Signing of PPA for Kameng Hydro Electric Project (KaHEP)*

Kameng HEP(600MW) is scheduled to be commissioned in January'2018. Assam, Arunachal Pradesh and Nagaland have already signed the PPA; however, remaining NER states are yet to give their consent for signing of the same.

Draft PPAs along with salient features of the project including estimated cost, first year tariff, levellized tariff etc. were sent to all beneficiaries of the project of NE region. The urgency of the matter was also discussed in last CC meeting (i.e 32nd CCM) held on 22.02.2017 at Puri, Odisha as well as in the 17th TCC meeting held at Imphal, Manipur in October'2016.

Reminders on the matter were also sent to all the above mentioned beneficiaries of NE region; however, no response has yet been received Meghalaya, Manipur, Tripura and Mizoram.

NER Beneficiaries of the project, those who are yet to signed the PPA are requested to kindly expedite the execution of the PPAs in order to finalized the commercial aspects at the earliest to facilitate further subsequent action by NEEPCO.

7.3 *Submission of payment release intimation by the beneficiaries:*

NEEPCO requires the immediate information from its beneficiaries regarding the payments released by them and bill references there-of for early updation of its accounts (payment adjustment against energy/surcharge bill). In addition, such details are required for allowing admissible rebate to the beneficiaries. The matter was discussed in detail in earlier 2/3 CC meetings; but still most of the beneficiaries while making any payment do not give any intimation to NEEPCO.

NEEPCO earnestly requested to all NER beneficiaries to develop a mechanism from their end, so that payment release intimation can be forwarded immediately.

8. AGENDA FROM NERLDC

8.1 *Deviation charges outstanding:*

Status of Deviation charges outstanding as on 17/08/2017 is attached (**Annexure-8.1**). From the same it can be seen that Assam - **Rs 25.90 Crores** & Arunachal Pradesh (**Rs 2.77 Crores** ; greater than 13 weeks **Rs 1.58 Crores**) are major defaulters.

It is reiterated that outstanding >13 weeks may result in action as stipulated by CERC by not allowing open access.

Assam & Arunachal Pradesh are required to take immediate necessary action.

8.2 *Reactive Charges Outstanding:*

Status of Reactive charges outstanding as on 11/08/2017 is attached (**Annexure-8.2**). From the same it can be seen that Arunachal Pradesh - ₹ 22.05 Lakhs, Manipur - ₹ 3.57 Lakhs and Mizoram - ₹ 7.03 Lakhs are major defaulters.

Arunachal Pradesh, Manipur & Mizoram are required to take immediate necessary action.

8.3 *Opening of LC against Deviation Charges Liability:*

As per DSM charges and related matters Regulations, 2014 of CERC, following are the LC amounts pertaining to NER entities mentioned below :-

Constituents	LC Amount Rs (in Lakhs)
Ar. Pradesh	95.81
Assam	562.00
Manipur	42.13
Tripura	190.00

Till date only Meghalaya, Nagaland and Mizoram have opened LC.

It is requested to open LC to adhere to CERC stipulation.

8.4 *Bank Account details of Arunachal Pradesh*

As per clause 10 (3) of CERC DSM Regulations, 2014," *All payments to the entities entitled to receive any amount on account of charges for Deviation shall be made within 2 working days of receipt of the payments in the "Regional Deviation Pool Account Fund" of the concerned region*".

Accordingly payment is made by NERLDC to receiving entities through RTGS/online transfer. But, in case of Ar. Pradesh, payment is released through account payee Demand Draft (DD), as bank account details have not been furnished in spite of no. of correspondences.

Ar. Pradesh is requested to furnish bank account details at the earliest.

8.5 *SAMAST implementation in NER:*

SAMAST stands for SCHEDULING (S), ACCOUNTING (A), METERING (M), AND (A), SETTLEMENT OF (S) TRANSACTIONS (T) IN ELECTRCITY.

Forum of Regulators (FOR) Technical Committee is regularly following-up the status of implementation of SAMAST in all States across the Country. The implementation would include Metering at intra-State level, AMR scheme to fetch data to SLDC, intra-State scheduling, Open Access web portal, Accounting, Settlement system etc. This would pave way for intra-State ABT implementation. The States should proceed with the activities as listed in SAMAST report and apply for PSDF funding.

NERPC and NERLDC would provide support to the States on this. A SAMAST Group has already been formed comprising of NERLDC, NERPC and all States are to join in the Group for implementation of SAMAST. Matter is being reviewed in OCC forum of NERPC.

Commercial Committee may discuss.

8.6 Metering issues: - Utilisation of Laptop for collection & transmittal of weekly SEM data.

14 Nos of Laptops have been issued to various locations to be utilised for collection/transmittal of SEM data. The locations are Misa, Bongaigaon (NERTS), Azara, Samaguri (AEGCL), Umtru, Mendipather (Meghalaya), 79-tilla (TSECL), Yurembum (Manipur), Ranganadi (NEEPCO), Palatana (OTPC), Loktak (NHPC), BgTPP (NTPC), NERLDC & NERPC.

All the location should utilise Laptop for SEM data collection purpose and confirm utilisation of the same.

Matter may be discussed.

8.7 Signing of Reconciliation Statement:

Status of signing of Reconciliation statement of DSM, Reactive, RRAS and Fees & Charges is attached in Annexure-III. Ar. Pradesh, MSPDC & TSECL has not signed reconciliation Statements for a substantial period.

All constituents are requested to sign all reconciliation statements.

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

The figures will be tabled in Commercial Committee meeting.

9. AGENDA FROM DOP, ARUNACHAL PRADESH

9.1 During a bilateral meeting between APDCL and APDoP on 15/05/17, APDCL representative said that the power transfer to Arunachal Pradesh through 11 kV and 33 kV lines from Assam is power allocated to Assam and energy accounting is adjusted through UI.

NERPC/NERLDC is requested to highlight the allocation of power transferred to Arunachal Pradesh through 11 kV and 33 kV lines from Assam.

9.2 NERPC/NERLDC is also requested to make an arrangement that the power supply through Assam to Arunachal Pradesh is from allocated portion of power to asrunachal Pradesh and the transmission charges (POC charges) be proportionately shared with Assam.

10. AGENDA FROM APDCL

10.1 Review of Point of Connection (POC) Framework:

The CERC has constituted a Task Force to review the frame work of POC charges so as to align the transmission pricing with future growth strategy of power sector

and accordingly advised all stakeholders to submit their views/suggestions/concerns within 11.08.2017. Accordingly APDCL has submitted its comments seeking review of POC charges on the basis of following facts and grounds.

Facts and Grounds:

(a) The present transmission pricing policy that it should be distance, direction and quantum sensitive appears to be true provided all states have necessary adequate resources providing a level playing field for all. Because of all these facts originally the regional grouping was conceived so that all the burdens and benefits are shared on regional basis.

(b) Geographical location and size of a state vis a vis the location and size of a Generating projects have also effect in transmission pricing under the present POC mechanism unlike the pricing policy existed under UCPTT regime when it was shared equally by all regional beneficiaries. Under present system because of availability of two CSGS stations viz. OTPC (726.6 MW) and AGTPP (84 MW) and in Tripura results CTU network usage confined within the state. Similar is the case with Manipur having NHPC (105 MW) commensuration with the need of the state. But because of absence of any generating stations in Mizoram, it is paying transmission charge at the highest slab like Assam. So far Assam is concerned because of POC after third amendment, monthly bills enhanced @ around 63% resulting hike in monthly bill amount of around Rs. 11 Crores. Nevertheless, availability of resources are beyond the control of a state. As such the POC mechanism is in contravention of rules of the natural justice.

(c) As per pre-requisite mandate of Electricity Act, 2003 supply of electricity at a reasonable rate to ultimate consumers is essential for overall development of the country. Keeping this in mind, consistency is needed to be maintained in transmission pricing framework in inter-state and intra-state systems.

(d) Because of availability of fuel or water source projects are coming up in certain states like Arunachal Pradesh and Tripura. Similarly most of the transmission networks meant for evacuation of these surplus power to other states run through the state of Assam for which Assam has been providing vast areas of fertile land. As Generating Resources and associated transmission networks are integral part so due weight shall also be provided on utilization of land resources for transmission assets in a zone as virtual generation and embed the same in formulae for determination of PoC charge.

(e) The issue was raised by Assam in 15th TCC and Committee Meeting of NERPC dated 20th and 21st August' 2015 respectively expressing its concern about the unbearable financial burden on it. The NERPC Forum has noted the submission of ASSAM and advised it to approach the competent authority viz. CERC in this regard.

(f) Accordingly, Assam Electricity Grid Corporation Limited (AEGCL) and Assam Power Distribution Company Limited (APDCL) jointly approached Hon'ble Commission and filed Petition (No. 239/MP/2015) for needful redressal.

(g) However, vide order dated 30.06.2016; the petition was disposed of by Hon'ble Commission mentioning that there is no requirement of review of the Sharing Regulations and directed the petitioner (APDCL vis-à-vis AEGCL) to pay

the dues as per the provisions of the Sharing Regulations as amended from time to time.

Submission:

The Executive Summary Report for the month of June' 2017 issued by CEA depicts that some of the Beneficiaries got entitled to lesser POC rate merely on the basis of situation of CSGS conceived for regional purpose instead of benefiting the region as a whole. Excerpt of CEA Report summarized tabular format is shown below:

State	CSGS Capacity (MW)	Peak Demand (MW)	POC Slab
Assam	1048.82	1744	I
Arunachal Pradesh	405.00	124	V
Manipur	105.00	156	VI
Meghalaya	137.50	272	IV
Mizoram	0.00	82	I
Nagaland	75.00	147	V
Tripura	862.30	268	IX
NER Total	2633.62	2499	

From above it is clear that the new methodology has placed some states like Assam, Mizoram, Meghalaya in a precarious position (highest and higher slabs) so far POC rate is concerned whereas some other states like Tripura, Manipur are allowed the highest benefit of POC mainly because of location of generation projects conceived on regional basis within those states commensuration to their need though they have shares from projects located in other states.

It is clear that the generation within the region from these regional projects set up in a zonal concept with the critical geo-spatial location is more than sufficient to mitigate the demand of entire zone. As such it is obvious that as a zone, NER will fall under the moderate POC slab than disadvantageous to most of the constituents viz. Assam, Mizoram, Meghalaya at present.

10.2 Re-import of Kurichhu energy by Bhutan from Assam grid:

This is in the matter of re-import of Kurichhu energy by Bhutan through Assam grid. On the basis of the CERC order dated 30.06.2016 in APDCL Petition No. 239/MP/2015, APDCL raised energy charge bill @ average UI/ DSM rate up to November' 2014.

However beyond November' 2014, APDCL could not raise bill in absence of specific guidelines in the CERC Order. However, with effectuation of stringent DSM Regulation, APDCL was compelled to manage its demand within the permissible bracket so as to avoid overdrawal penalty. To ensure optimum level of drawal from grid in strict adherence to Grid Code, the demand pertaining to **Re-import of Kurichhu energy by Bhutan** was met by procuring from open market viz. through bilateral trading, Energy Exchange etc.

While APDCL raised the issue before ERPC in its 34TH Commercial Committee Meeting dated 06TH February, 2017 and another subsequent meeting in March'2017, ERPC opined that APDCL should continue with the billing system as approved in CERC Forum. However, as submitted above, the DSM liability is minimized by procurement of additional power to ensure compliance of provisions of Grid Code vis-à-vis stringent DSM Regulation. As such, billing in line with CERC

order for period beyond November, 2014 will hurt APDCL with additional procurement power at higher rate to mitigate DSM liability the minimum. It will evidently go against the spirit of prudent integrated power management as envisaged for smooth operation of grid.

Under the circumstances, APDCL proposes to allow billing at Market Clearing Price (MCP) derived on Day Ahead Market at Indian Energy Exchange (IEX) for A1 region, being the minimum of rate among procurement on STOA basis by APDCL. Applicable PoC drawal charges alongwith approved losses will also be charged on the energy.

Considering the international ramifications, the matter is placed before NERPC Forum for perusal and needful for amicable settlement of the long pending issue in a time bound manner. Otherwise, APDCL will be compelled to discontinue the energy supply to Bhutan under the present arrangement.

10.3 Bilateral transaction of power in between Assam and Ar. Pradesh (AP):

On the basis of decision taken in the 30TH CC meeting of NERPC on above subject, APDCL had discussed the matter with the Chief Engineer (Power), Western Electrical Zone, AP requesting for bilateral arrangement of all these exchange of power at different points of 33 KV/ 11 KV level.

As a follow-up action, vide its letter dated 16.08.2017 APDCL proposes the following billing arrangements for existing 33 kV and 11kV supply points @ average pool cost of power on the basis of feeder-wise net meter readings along with the transmission and distribution charges & losses of Assam system (over and above the PGCIL system losses) as approved by Assam Electricity Regulatory Commission (AERC) from time to time. Prevailing tariff and losses as approved by AERC are as under:

Item	2017-18
Av. pool Tariff (Rs./kWh)	4.59
Wheeling Charges of APDCL (Rs./kWh)	0.23
Power Grid Network Loss (%)	1.46
AEGCL Network Loss (%)	3.49
APDCL Network Loss (%) at 33 kV	5
APDCL Network Loss (%) at 11 kV	11

Effective Tariff at different voltage level (Rs./kWh)

At 33 kV	5.34
At 11 kV	5.99

Response from AP is requested to give its opinion on this and the Forum decides accordingly.

10.4 Deviation in energy as per implemented schedule vis-à-vis Regional Energy Account by RPC:

On matching the quantum of energy recorded in the implemented schedule as uploaded in the POSOCO (NERLDC) website on daily basis and Regional Energy accounting issued by NERPC on monthly basis for ISGS (both NER as well as ER), significant deviation was observed.

Summary statement for FY 2014-15 is detailed below:

(FIGURES IN MU)		FY 2014-15			Deviation as a % of REA energy
Generating Stations		REA	I/ SCH	Deviation	
ALLOCATED CSGS NER	Kopili HEP	285.0808	275.4855	9.5953	3.37%
	Kopili HEP - II	42.2041	40.7748	1.4293	3.39%
	Khandong HEP	48.3387	46.6991	1.6396	3.39%
	RHEP	473.8796	457.8610	16.0186	3.38%
	DHEP	67.9523	65.7127	2.2396	3.30%
	AGBPP	947.7958	915.0680	32.7278	3.45%
	AGTPP	275.1517	265.6608	9.4909	3.45%
	NEEPCO Total	2140.4028	2067.2619	73.1409	3.42%
	NHPC	103.6357	100.1859	3.4498	3.33%
	OTPC	809.3550	780.5126	28.8424	3.56%
	NER GROSS	3053.3936	2947.9604	105.4332	3.45%
UNALLOCATED CSGS ER	Farakka	260.8055	1376.6714		
	Kahalgaon I	121.0773			
	Kahalgaon II	509.3470			
	Talcher	129.7310			
	Farakka III	393.8498			
	ER GROSS	1414.8106		1376.6714	38.1391

The matter was being pursued by APDCL since 2013-14. In the 27th CCM on 1st December, 2015; it was resolved that NERPC & APDCL will sit together along with NERLDC to clear doubt (if any) in the REA schedules and Implemented schedules.

However, due to various constraints vis-à-vis work force displacements at APDCL, the sitting could not take place.

With due consideration of the above vis-à-vis pendency of the matter, it is placed before CCM for kind perusal and needful to reconcile the difference at the earliest.

ANY OTHER ITEMS

DATE AND VENUE OF NEXT COMMERCIAL COMMITTEE MEETING

The next Commercial Coordination Sub-Committee meeting will be held in the month of October 2017. The date and venue will be intimated separately.
