



North Eastern Regional Power Committee

Agenda

For

35th Commercial Sub-Committee Meeting

Time : 10:30 Hrs.
Date : 21st March 2018 (Wed)
Venue : "Hotel Radisson Blu", Guwahati, Assam
Host : NEEPCO Limited

CONFIRMATION OF MINUTES

1. CONFIRMATION OF MINUTES OF THE 34th COMMERCIAL SUB-COMMITTEE MEETING OF NERPC.

Minutes of the 34th CC Meeting held at "**Hotel Grand Palace**", Jorhat, Assam on the 24th January 2018 was circulated vide No.: NERPC/COM/CC_Min/2016/6052-6098 dated 19th February 2018.

No observation has been received from any of the constituents and therefore, the minutes of the 34th CCM may be confirmed.

ITEMS FOR DISCUSSION

2. AGENDA ITEMS FROM NERPC

2.1 *Status of 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. The current status of payment for FY 2017-18, as on 15.03.2018 is as given below:

Constituents	Status of Payment	Constituents	Status of Payment
NTPC	Payment Received	Ar. Pradesh	Payment Received
NHPC	Payment Received	Assam / APDCL	DUE
PTC	DUE	Manipur/MSPDCL	DUE
NVVN	DUE	Meghalaya/MeECL	Payment Received
OTPC	Payment Received	Mizoram	Payment Received
NEEPCO	DUE	Nagaland	DUE
PGCIL	Payment Received	Tripura/TSECL	Payment Received

Concerned constituents are requested to kindly deposit respective amount for FY 2017-18 at the earliest before end of the financial year.

2.2 Status of 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 Lakhs each whereas states & traders are to contribute Rs 1.11 Lakhs each. All the constituents except Manipur and Nagaland have paid their respective amount.

Manipur and Nagaland are requested to deposit the amount of Rs 1,11,000/- respectively at the earliest.

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 Lakhs each for the project. This project is meant for the above 6 states only. All the states have paid except Manipur.

Manipur is requested to kindly make payment of Rs 7 Lakhs 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 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. NTPC is required to furnish details as above.

2.4 Metering of Reimport of Kurichhu energy by Bhutan through Assam:

As requested by Assam, the issue for settlement of the past energy transaction from the period since December 2014 has been discussed in past CC meetings. In the 34th CCM, it was decided that since installation of SEM is a prerequisite condition - as agreed in the special meeting in Kolkata dt.04.01.18 - for further discussion for settlement of past energy transaction as above, APDCL will initiate

action for installation of SEM with the help of NERTS/POWERGRID. It was decided that the matter would be reviewed in next OCCM/CCM.

APDCL may like to inform the status regarding installation of SEM.

3. AGENDA FROM NEEPCO

3.1 *Provisional tariff of 600 MW Kameng and 110 MW Pare Hydro Electric Projects.*

The 600 MW Kameng and 110 MW Pare Hydro Electric Projects in Arunachal Pradesh being executed by NEEPCO are nearing completion and commercial operation of the same is expected to commence in March / April 2018. Petitions for determination of tariff of the two power stations are being filed before the Hon'ble Central Electricity Regulatory Commission shortly.

The tariff determination will not be completed before declaration of COD and the process is expected to take 3 to 4 months' time. Therefore, in order to facilitate billing and smooth conduct of commercial transactions, it is proposed that provisional tariffs be agreed upon till finalization of tariffs by the Hon'ble Commission. The proposed provisional tariffs will be effective during the period with effect from the date of COD till finalization of tariffs by the Hon'ble Commission. Claims / adjustments, if any, on account of under billing / overbilling arising out of difference between the provisional tariffs and the CERC determined tariffs will be made after the tariff orders are issued.

The following provisional tariffs are proposed for consideration of the house:

- 1. Kameng HEP: Rs. 4.00 / kWh**
- 2. Pare HEP: Rs. 5.00 / kWh**

Calculations and justifications for the proposed provisional tariffs will be presented to the house during the course of the meeting.

All constituent beneficiaries are requested to kindly give their consent to the above proposal.

The house may deliberate on this issue and take a reasonable decision in the interest of all concerned.

4. AGENDA ITEMS FROM NERTS/POWERGRID

4.1 *Outstanding dues:*

The total outstanding of POWERGID's NER beneficiaries as on 14.03.2018 is as under-

All Figures in INR Crores

DIC	Total Outstanding	Outstanding more than 60 days	Average billing	Remarks
Ar. Pradesh	5.23	0.00	3.05	-
AEGCL (Assam)	34.00	0.00	35.00	-
Manipur	11.38	3.68	3.85	-
MeECL (Meghalaya)	19.64	11.38	3.50	05 months receivables
Mizoram	6.72	0.35	3.80	-
Nagaland	-0.01	0.00	3.35	-
TSECL (Tripura)	0.81	0.31	3.50	-
Total	77.76	15.34	56.05	-

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

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:*

REQUIREMENT AND STATUS OF LC AS ON DATE (14.03.18) 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	Ar. Pradesh	321.46	08.10.18	285.07	36.39	321.46

2	AEGCL (Assam)	4217.83	31.05.18	4217.83	0.00	4217.83
3	Manipur	393.05	16.10.18	236.79	156.26	393.05
4	MeECL	700.00	04.10.18	300.00	400.00	700.00
5	Mizoram	400.94	04.05.18	400.94	0.00	400.94
6	Nagaland	437.73	21.03.18	459.62	-	437.73
7	Tripura	379.73	14.02.19	325.00	54.37	379.73

- DICs are requested to renew & enhanced the LC as per requirement.

5. AGENDA ITEMS FROM OTPC

5.1 *Outstanding Dues and Payment Security Mechanism from MePDCL*

MePDCL has been making delayed payments against the energy bills raised by OTPC Palatana Project and there have been regular deficit payments against the energy bills. This has led to an accumulation of large dues against energy bills. Further, MePDCL has been making deficit part payments against energy bills in small installments, which is not helping to reduce the outstanding dues in any way.

Entity	Total Outstanding Dues including supplementary energy bill	Dues over 60 Days including supplementary bill	Status of Payment Security Mechanism
MePDCL	68.06 Crores	44.765 Crores	Never provided the PSM

As the financial year is drawing to a close, such large outstanding payments reflect poorly on the balance sheets of the generator. Further, our auditors regularly question us regarding the non-availability of the PSM from MePDCL when all other beneficiary states have provided the requisite PSM.

The forum is requested to impress upon MePDCL to liquidate the energy bills at the earliest and provide the required letter of credit to OTPC.

6. AGENDA FROM NTPC

6.1 Outstanding more than 60 days as on 14.03.2017 is Rs 156.59 Crore.

Sl.No	Beneficiaries	Total Outstanding in Cr.	Outstanding more than 60 days
1	MeECL, Meghalaya	141.78	124.87
2	Deptt. of Power, Mizoram	33	11.96
3	DoP, Arunachal	20.39	-
4	MSPDCL, Manipur	21.87	7.80
5	TSECL, Tripura	33.14	11.96
6	APDCL, Assam	202.28	-
Total		452.46	156.59

Concerned beneficiaries are requested to liquidate the outstanding dues.

6.2 Following beneficiaries have not opened the LC of required amounts after commercially operational of BgTPP U#2 w.e.f 01.11.2017.

Sl.No	Beneficiaries	LC Required As per PPA (Cr.)	Remarks
1	MeECL, Meghalaya	16.44	Not yet opened
2	DoP, Arunachal Pradesh	8.68	LC opened for Rs 4.01 Crs. LC to be enhanced.
3	MSPDCL, Manipur	10.75	Not yet opened
4	TSECL, Tripura	10.91	Not yet opened
5	Deptt. of Power, Mizoram	8.74	Not yet opened

Above beneficiaries are requested to open/enhance the required LC.

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

7. AGENDA ITEMS FROM NHPC

7.1 *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. The issue was discussed in 34th CCM of NERPC held on 24.01.2018 wherein Arunachal Pradesh informed that they are waiting for clearance from the state government. Further, it was decided that Department of Power, Arunachal Pradesh, will give their consent at the earliest after getting clearance from Govt. of Arunachal Pradesh for Subansiri Lower HE Project. Accordingly, PPA of Tawang-I/ II will also be signed on similar lines as Tawang-I has been dropped by NHPC for the time being. NHPC is still awaiting the consent from Department of Power, Arunachal Pradesh.

In view of above, Deptt. of Power, Govt. of Arunachal Pradesh is requested to give their consent at the earliest please after getting clearance from Govt. of Arunachal Pradesh for Subansiri Lower HE Project. Accordingly PPA of Tawang-II will also be signed on similar lines.

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

Signing of PPA in respect of Tawang HE Projects (Stage-II) is pending with Manipur & Arunachal Pradesh. The matter also stands discussed in 33rd CCM of NERPC held on 25.08.2017 wherein it was informed by the representative of MSPDCL that they will pursue the matter with competent authority for signing of the PPA in respect of Tawang-II HE Project before the next CCM. But even after the 34th CCM held on 24.01.2018, we have not received any response from them.

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

7.2 *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 ₹ 9 Crores (including Rs 0.50 Crore paid

on 13.03.2018) since Mar'2017 against total outstanding dues of ₹26.30 Crores. As on date, an amount of **Rs 26.30 Crores** (Including surcharge of **Rs 13.78 Crores** up to 28.02.2018) is payable by Meghalaya. The matter was also discussed in 34th CCM of NERPC. As a follow up we have again requested MeECL vide letter dated 09.02.2018 to release the outstanding dues of NHPC as per their commitment but MeECL has not fulfilled its commitment. It is pertinent to state that even Joint Secretary (Hydro), Ministry of Power, Govt. of India has also expressed her displeasure for not clearing the dues.

In view of above, Meghalaya is requested to release the outstanding dues of NHPC at the earliest.

(ii) Power & Electricity Department, Govt. of Mizoram: An amount of **Rs 1.91 Crores** (including surcharge of **Rs 0.04 Crore** up to 28.02.2018) is due for payment from Mizoram. Out of which principal amount of **Rs 0.70 Crore** is outstanding for more than 60 days.

In view of above, Power & Electricity Deptt. Govt. of Mizoram is requested to clear their outstanding dues including surcharge i.e. Rs 1.91 Crores immediately and ensure timely payment of energy bills in future.

7.3 Opening of Letter of Credit (LC) for F.Y. 2018-19

Letters have been sent on 22.12.2017 to all the beneficiaries to open LC for the requisite amount for F.Y. 2018-19. Except TSECL (Tripura), no other beneficiaries have renewed/ opened LC for requisite amount for F.Y. 2018-19. Reminder letter has been sent on 15.03.2018 to all beneficiaries for renewal of LC(s). Details of pending LC for F.Y. 2018-19 are as under:

Beneficiary	LC Amt. (Rs Crore)
APDCL, Assam	5.44
MSPDCL, Manipur	5.65
Department of Power, Nagaland	1.19
Power & Electricity Department, Mizoram	0.93
Department of Power, Arunachal Pradesh	0.91

In view of above, APDCL, MSPDCL, Nagaland, Mizoram and Arunachal Pradesh is requested to open LC immediately.

8. AGENDA FROM NERLDC

8.1 *Deviation charges outstanding:*

Status of Deviation charges outstanding as on 08/03/2018 is attached (**Annex. - 8.1**). From the same it can be seen that Arunachal Pradesh (**Rs. 9.89 Crores**), Assam (**Rs. 3.22 Crores**) & Mizoram (**Rs. 1.09 Crores**) are major defaulters.

The concerned States may do the needful to clear the outstanding.

8.2 *Reactive Charges Outstanding:*

Status of Reactive charges outstanding as on 07/03/2018 is attached (**Annex.- 8.2**). From the same it can be seen that Arunachal Pradesh – Rs. 26.27 Lakhs, Assam – Rs. 45.68 Lakhs, Manipur – Rs. 2.29 Lakhs, Mizoram – Rs. 9.15 Lakhs and Nagaland – Rs. 8.56 Lakhs are major defaulters.

Arunachal Pradesh, Assam, Manipur, Mizoram and Nagaland 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:-

घटक/Constituents	एल सी राशि/LC Amount ₹ (in Lakhs)
अरुणाचल प्रदेश / Ar. Pradesh	95.81
असम / Assam	562.00
मणिपुर / Manipur	42.13
मिजोरम / Mizoram	58.43
त्रिपुरा / Tripura	199.00

Till date only Nagaland has opened LC.

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

8.4 SAMAST implementation in NER:

The SAMAST group formed by MS-NERPC comprising of Director-NERPC, DGM(MO)-NERLDC and representatives from States have been actively working for implementation of SAMAST mechanism in all NER States.

In the 34th CCM of NERPC, Commercial Committee agreed to the following and advised SAMAST Group to go ahead with the activity of SAMAST implementation.

1. Preparation of common technical specs for AMR and utility soft wares like scheduling software, meter data processing software, accounting software, open access software etc. for all NER States.
2. The common technical specs can be drafted by a working committee.
3. This would enable implementation of a common system in all SLDCs.
4. NERPC secretariat can be authorized to call common tender for all NER States which would help in cost optimization and also effective implementation in all States.
5. Otherwise it would be difficult to get SAMAST implemented in small States due to non-availability of good vendors.

SAMAST group may update the status.

9. AGENDA FROM APDCL

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

Subsequent to the decision taken in the 33RD CC meeting of NERPC on above subject, APDCL and the official of Arunachal Pradesh (AP) had discussed the matter in presence of NERPC and NERLDC. APDCL signed a minutes evaluating the mechanism of accounting procedure of AP consumption at the 33 kV and 11kV supply level and sent through NERLDC /NERPC for necessary action from AP end. But till now, the minute is not signed by Arunachal Pradesh. Instead, they informed vide their letter dtd 08.01.2018 that they are examining the matter. In 34th CC meeting NERPC had informed that a meeting will be organized soon to discuss the issue pertaining to Arunachal Pradesh. APDCL now requests NERPC to give directives to both parties to solve this issue early.

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 May/June 2018. The date and venue will be intimated separately.

पूर्वोत्तर क्षेत्र के वित्तीय वर्ष 2017-18 के विचलन बकाया की स्थिति (पिछले साल सहित)
Deviation Outstanding status of NER for FY-2017-18(including Last years O/S)

घटक/Constituents	19/02/2018	25/02/2018	तक	आज की तारीख में/As on 08/03/2018			Figs in Lacs
	टोटल/TOTAL (Till wk-47 of FY17-18)		टोटल/TOTAL (Disb. Till wk-47 Part)		टोटल / TOTAL		O/S PAYABLE >13 WEEKS
	पूल के लिए देय / Payable to Pool	पूल से प्राप्य / Receivable from Pool	भुगतान किया / Paid	प्राप्त / Received	O/S Payable to Pool	O/S Receivable from Pool	
अरुणाचल प्रदेश / Ar. Pradesh	10415.86	1833.32	9426.12	1833.32	989.75	0.00	0.00
असम / Assam	37046.54	127.26	36724.48	127.26	322.05	0.00	0.00
मणिपुर / Manipur	2274.63	1408.99	2274.63	1408.96	0.00	0.03	0.00
मेघालय / Meghalaya	2232.25	4186.82	2232.25	4170.15	0.00	16.67	0.00
मिजोरम / Mizoram	4771.43	642.82	4662.06	634.70	109.37	8.12	26.38
नगालैंड / Nagaland	5488.74	459.96	5396.36	459.96	92.38	0.00	0.00
त्रिपुरा / Tripura	11115.01	1296.87	11040.36	1294.62	74.65	2.26	0.00
लोकतक / Loktak	58.10	486.55	58.04	483.56	0.06	2.99	0.00
नीपको / NEEPCo	1284.11	9875.27	1283.87	9874.92	0.24	0.35	0.00
ई आर / ER	43429.05	176300.69	41584.04	175566.05	1845.01	734.64	
ओटीपीसी/ OTPC	1858.76	4807.43	1858.57	4807.36	0.18	0.07	0.00
एनटीपीसी / NTPC	2823.58	2831.62	2776.78	2831.62	46.80	0.00	0.00
एन आर / NR	144569.55	46994.05	143279.70	45041.84	1289.85	1952.21	
बि.एन.सि / BNC	61.47	134.92	61.45	134.89	0.02	0.03	0.00
VAE	5.67	147.84	0.00	0.00	5.67	147.84	0.00
टोटल / TOTAL	267434.75	251534.40	262658.71	248669.19	4776.04	2865.21	
PSDF		15900.36		6917.98		1910.83	

REACTIVE POOL ACCOUNT DETAILS : 2017-18

As on 07.03.18

Upto Week -46

All figures in ₹

Annexure-I

		PREVIOUS YEAR		CURRENT YEAR				Int. Status sheet		Formula
		Paste D Value		AS PER THIS WORKBOOK						
Sl. No	States	Outstanding Payable Amt. (upto 02.04.17)	Outstanding Recivable Amt. (upto 02.04.17)	Amt. payable to pool (2017-18)	Amt. paid to pool (2017-18)	Amt. Receivable from pool (2017-18)	Amt. Received from pool (2017-18)	Reactive int. payable o/s (Upto 31.03.17)	Reactive int. Receivable o/s (Upto 31.03.17)	Outstanding payable(+) / receivable (-)
		1	2	3	4	5	6	7	8	9
1	Ar. Pradesh	1878916	0	1862471	1487243	0	0	373540	0	2627684
2	Assam	411388	0	5197848	0	1493204	1846598	0	1394106	4568524
3	Manipur	5897789	0	189120	7603893	428148	0	2173872	0	228740
4	Meghalaya	0	5432805	0	0	7927472	8790047	687780	0	-3882450
5	Mizoram	560572	0	2156829	1850571	297	0	48458	0	914991
6	Nagaland	91075	0	966840	117823	92154	0	8476	0	856414
7	Tripura	521173	0	1043411	1591935	182518	0	55347	0	-154523
8	PSDF		3928108	0	0	1292727	2014820		1953367	-5159381
	TOTAL	9360913	9360913	11416520	12651465	10123793	10636645	3347473	3347473	0