



भारत सरकार Government of India

विद्युत मंत्रालय Ministry of Power

उत्तर पूर्वी क्षेत्रीय विद्युत समिति

North Eastern Regional Power Committee

मेघालया स्टेट हाउसिंग फिनांस को-ऑपरेटिव सोसायटी लि. बिल्डिंग

Meghalaya State Housing Finance Co-Operative Society Ltd. Building

नांग्रिम हिल्स, शिल्लोंग - 793003

Nongrim Hills, Shillong - 793003.

SPEED POST/FAX

Ph 0364-2520034

Fax 0364-2520030

email msnerpc@dataone.in

website: www.nerpc.nic.in

No.: 104/2/NERPC/CC/2008/3100-35

Dated: 30th October 2008

To

1. Engineer-in-Chief (P&E), Department of Power, Govt. of Mizoram, Aizawl - 796 001
2. Member (Tech), Assam State Electricity Board, Bijuli Bhawan, Paltan Bazar, Guwahati-781 001
3. Member (Tech), MeSEB, Lumjingshai, Short Round Road, Shillong - 793 001
4. Chief Engineer (WE Zone), Department of Power, Govt. of Arunachal Pradesh, Itanagar- 791 111
5. Chief Engineer (EE Zone), Department of Power, Govt. of Arunachal Pradesh, Itanagar- 791 111
6. Chief Engineer (P&E), Department of Power, Govt. of Nagaland, Kohima - 797 001
7. Chief Engineer (P), Electricity Department, Govt. of Manipur, Keishampat, Imphal - 795 001
8. General Manager, TSECL, Agartala - 799 001
9. General Manager, NERLDC, Dongtiel-Lower Nongrah, Lapalang, Shillong -793 006
10. ED (O&M), NERTS, PGCIL, Dongtiel-Lower Nongrah, Lapalang, Shillong -793 006
11. ED (O&M), NEEPCO Ltd., Brookland Compound, Lower New Colony, Shillong-793003
12. ED (Commercial), NEEPCO Ltd., Brookland Compound, Lower New Colony, Shillong-793003
13. ED (O&M), NHPC, NHPC Office Complex, Sector-33, Faridabad, Haryana-121003
14. ED (Commercial), NHPC, NHPC Office Complex, Sector-33, Faridabad, Haryana-121003
15. Vice President, PTCIL, 2nd Floor, NBCC Tower, 15, Bhikaji Cama Place, New Delhi - 110066
16. AGM (BD), NVVN, Core 5, 3rd floor, Scope Complex, 7 Institutional Area, Lodhi Rd., N. Delhi-3
17. Member Secretary, ERPC, 14 Golf Club Road, Tollygunge, Kolkata-700033
18. Chief Engineer, GM Division, CEA, Sewa Bhawan, R.K. Puram, New Delhi - 110066

Sub: Minutes of the 10th CC meeting held on 24/10/2008 at Shillong.

Sir,

Please find enclosed herewith the minutes of 10th Commercial Committee Meeting held at NERPC Conference Hall, Shillong on 24th October 2008 for your kind information and further necessary action please.

Encl.: As above

भवदीय / Yours faithfully,

(मनजीत सिंह / Manjit Singh)

सदस्य सचिव / Member Secretary

Copy to:

1. SA to Member(GO&D), CEA, Sewa Bhawan, R.K. Puram, New Delhi - 110066
2. Chief Engineer, AEGCL, Bijuli Bhavan, Guwahati - 781001
3. Chief Engineer, APGCL, Bijuli Bhavan, Guwahati - 781001
4. MD, CA DISCOM, Bijuli Bhavan, Guwahati - 781001
5. MD, UA DISCOM, Bijuli Bhavan, Guwahati - 781001
6. MD, LA DISCOM, Bijuli Bhavan, Guwahati - 781001
7. Chief General Manager, SLDC Complex, AEGCL, Kahilipara, Guwahati - 781019
8. S.E. (Trans. & Dist), MeSEB Lumjingshai, Short Round Road, Shillong - 793 001
9. Head of SLDC, MeSEB, Lumjingshai, Short Round Road, Shillong - 793 001
10. Head of SLDC, Department of Power, Govt. of Arunachal Pradesh, Itanagar- 791 111
11. A.C.E. (Gen & Trans), Department of Power, Govt. of Nagaland, Kohima - 797 001
12. Head of SLDC, Department of Power, Dimapur, Nagaland
13. A.C.E. (Power-I), Electricity Department, Govt. of Manipur, Keishampat, Imphal - 795 001
14. Head of SLDC, Electricity Department, Govt. of Manipur, Keishampat, Imphal - 795 001
15. S.E. (Commercial), Department of Power, Govt. of Mizoram, Khatla, Aizawl - 796 001
16. Head of SLDC, Department of Power, Govt. of Mizoram, Aizawl - 796 001
17. Head of SLDC, TSECL, Agartala - 799 001
18. Chief Engineer, Loktak HEP, Vidyut Vihar, Komkeirap, P.O. Loktak, Manipur - 795 124

North Eastern Regional Power Committee

Minutes of the 10th Commercial Committee Meeting

Date: 24/10/2008

Venue: NERPC Conference Hall, Shillong

The 10th Commercial Committee meeting of NERPC was held at the NERPC office, Shillong on 24.10.2008. The list of participants is given at Annexure-I.

Member Secretary, NERPC welcomed all the participants of the 10th Commercial Committee and briefly introduced himself as well as Shri A.K.Jain who recently joined NERPC and looking after the charge of Commercial Circle of NERPC. He stated that as the Commercial Committee is a forum to arrive at consensus decisions on issues of commercial importance for regional grid functioning, it is desirable that representatives from all the constituents are present at this forum for timely decisions on such issues.

Thereafter, the NERLDC gave a presentation covering details on current status on outstanding UI charges, status on clearance of surcharge amount, details of state-wise STOA transactions on bilateral sale /purchase of energy, commencement of operations at Power Exchanges viz. IEx (w.e.f June 2008) and PEx (w.e.f. Oct 2008). The NERLDC intimated that sale of energy through STOA by the states of Arunachal Pradesh, Assam, Nagaland and Tripura has gone up. However, the current UI outstanding amount payable by Arunachal Pradesh and Nagaland stood at Rs 5.49 Cr and Rs 4.66 Cr respectively. A copy of the presentation is at Annexure-II.

GM, NERLDC intimated about recent directive by Hon'ble CERC through the Order dated 16.10.2008 on Suo Motu petition No. 11/2008 relating to "Maintenance of Grid Discipline - Compliance of Provisions of the Indian Electricity Grid Code", that non-compliance of necessary provisions of IEGC and Indian Electricity Act, 2003 might result in resorting to penalty proceedings under section 142 of the Act which authorizes the Commission to impose fine of Rs 1 lakhs for each violation that includes overdrawal in each time block of 15-minutes and action under Section 29 of the Act. The Order has directed the RLDCs to report within 3 days block-wise overdrawal by a State utility at grid frequency below 49 Hz. Similarly, the RLDCs have been directed to report to the Commission within 3 days each case of non-compliance of their directions along with necessary details thereof for action as above.

He further intimated about (i) the draft Proposed Regulations of the CERC on "Terms and Conditions of Tariff for the tariff period 2009-14" vide CERC notification No. L-7/145(160)/2008-CERC dated 29th August 2008 (oral hearing on 3rd/4th November 2008), which after finalization would become effective w.e.f. 1.4.2009 for 5 years unless reviewed, (ii) the Staff paper by CERC on 'Measures for Restraining the prices of electricity in short-term sale/trading' vide 2/7/08-Policy-CERC dated 1.9.2008 comments for which were invited by the 22.9.2008 and (iii) regarding the proposals on 'Assignment for Formulating Pricing Methodology for Interstate transmission' which would be evaluated by a Committee invited by Hon'ble CERC vide 2/7/(6)/2008-Policy/CERC dated 24.9.2008 for sending the proposals to the CERC by 24.10.2008.

Thereafter the agenda items were taken up.

1. Confirmation of the minutes of 9th CC Meeting held on 11th June, 2008 at NERPC Conference Hall, Shillong.

The minutes of the 9th CC Meeting held at Shillong on 11th June 2008 was circulated vide no. 104/2/NERPC/CC/2008/1514-49 dated 20th June 2008. Corrigenda for the list of participants was issued vide no. 104/2/NERPC/CC/2008/1928-63 dated 15th July 2008. No comments to the above minutes were received.

Therefore, the minutes of 9th Commercial Committee Meeting were confirmed.

2. Follow-up actions of previous meetings: -

a) Disbursement of general UI pool account: -

Member Secretary, NERPC stated that in the 9th CCM constituents were requested to send their option regarding disbursement of general UI pool account. In the proposal under option 'A', *"the UI charges collected in the pool account are to be disbursed to all the constituents of the pool, including neighboring regions, in proportion to UI charges receivable by them, without giving priority to any particular constituent(s) of the pool"*.

He said that while three states viz. Arunachal Pradesh, Mizoram and TSECL have given their consent for option 'A', the rest of the constituents have yet to give their consent.

The status regarding Nagaland state could not be known as representative from Nagaland was not present.

Assam, Meghalaya and Manipur representative stated that matter for deciding on this is under examination by them and would require some more time. They would intimate about their consent soon.

The sub-committee noted that the option of giving priority to neighbouring region in disbursement of UI pool is being followed at present in this region.

b) Non-receipt of readings of 132kV Doyang – Mokokchung and reading of SEM installed at Kohima Sub-Station: -

Nagaland representative during the 9th CCM had intimated that the status would be intimated. The SEMs' readings from Mokokchung are yet not being received regularly in time. It was also agreed in the above meeting that Nagaland may take the SEM readings at Kohima Sub-station also to avoid delays in receiving the SEMs' data. ***The sub-committee requested that Nagaland may intimate status on action taken in this regard.***

NERLDC vide letter dated 21.10.2008 intimated about some more SEM's data which were not being received. The same was discussed as follows:-

(i) *Data for 220 kV Kathalguri-Deomali line from Deomali end (Ar. Pr)*

Since no representative from Arunachal Pradesh was present, the sub-committee suggested NERPC to request the same through letter for needful action.

(ii) *Data for 220 kV Kathalguri-Tinsukia line from Tinsukia (ASEB) end is irregular*

(iii) *Data for 132 kV D'cherra-D'nagar from D'nagar (ASEB) end is irregular*

(iv) *Data for 33 kV Rupai-Namsai from Namsai (ASEB) end is irregular.*

For SEM readings of the sub-stations of Tinsukia, Dullavcherra and Rupai, the representatives from ASEB agreed to look into the same and request the concerned officials for attending to the problem soon.

(v) *Data for 132 kV Ranganadi-Ziro from Ziro (POWERGRID) end is irregular*

Regarding the SEM reading of 132 kV Ziro sub-station, the representative from NERTS, PGCIL agreed to look into the same and attend to the problem soon.

c) Enhancement of LC to Tripura by Manipur: -

Member Secretary requested Manipur to intimate status regarding enhancement of LC to Tripura. Manipur representative informed that no formal request has been received by the State from TSECL to enhance L.C. to Rs 80 lakhs so far. He further said that TSECL had requested the State to enhance the LC amount to Rs. 65.21 lakhs p.m which was already done and payment was also released in the month of September 2008.

Executive Engineer (Commercial), NERPC said that TSECL had requested regarding the L.C. enhancement vide letter no. DGM/COMM/NERPC/2851-52 dated 30th January 2008. ***Copy of the letter was handed over to the Manipur representative.***

d) Signing of PPA in respect of Subansiri Lower HEP (2000MW): -

In the 6th NERPC meeting held on 8th August 2008, it was intimated that the PPA for the above project has been signed by Nagaland on 18.7.2008. Subsequently upon contacting NHPC it has been intimated by them that Manipur, Mizoram, TSECL and MeSEB have also signed the PPA.

The representative from Assam said that they had sought a certain correction in the PPA to replace "CEA" with "CERC" with reference to sections of PPA concerning dispute redress mechanism. He said that ASEB had addressed the matter to NHPC vide their letter No. ACE(COM)/T-3/PT-IV/2003/69 dated 23.10.2008. The sub-committee could not know further status as NHPC representative was not present. ***The sub-committee suggested that matter may be resolved by ASEB with NHPC so that PPA may be signed soon.***

Regarding signing of the PPA by Arunachal Pradesh, in 6th NERPC meeting the State had insisted that the PPA would be signed if 12% free power is allocated to them. The NER Power Committee had suggested that as the allocation matter is in the jurisdiction of MOP, the State and NHPC may approach MOP in this matter. It is further seen that Arunachal Pradesh had taken up matter with NHPC vide their letter No. PW/RS/W-871/2002/Vol-II/3661 dated 11.9.2008 in regard to finalizing the PPA document to be signed by them. NHPC vide letter No. NH/Comm/Subansiri Lower/PPA/2008/2108-09 dated 16.10.2008 had clarified issues including the clause 2.2 of the PPA that relates to matter regarding power allocation from NHPC station which shall be done in accordance with instructions issued/to be issued by MOP from time to time. ***Status on further action by Arunachal Pradesh in this regard as per decision in 6th NERPC is awaited from them as no representative from Arunachal Pradesh was present.***

e) Refund of transmission charges on UI: -

In 9th CCM of NERPC held on 11.6.2008, the NEEPCO had sought reimbursement from the PGCIL of the excess payment of Rs 6.27 Crores relating to regional transmission charges on energy injected into grid as UI in excess of schedule on the basis of judgment by the Hon'ble Appellate Tribunal of Electricity, vide order dated 11.3.2008 on Appeal 118 of 2006 by the NEEPCO, relevant contents reproduced below:-

“..... We therefore, allow the Appeal as above & set aside the order dated 7.4.2006 and allow the petition No. 2 of 2005 thereby reviewing the order dated 6th September 2004 in petition No. 13 of 2004 and grant the exemption to the appellant from paying any regional transmission charges on energy injecting into the grid as UI in excess of the schedule.”

Upon seeking further status on above from PGCIL, the representative stated that in the light of above judgment, the claim raised by NEEPCO was being examined by them and PGCIL would revert back.

The sub-committee suggested that as the matter relates to settlement between the PGCIL & the NEEPCO and concerns reimbursement by the PGCIL to the NEEPCO relating to transmission charge on UI in excess of schedule, the same may be resolved bilaterally.

f) Re-structuring of towers in critical locations: -

During the 9th CCM of NERPC held on 11.6.2008, the NERTS, PGCIL had indicated about critical condition of towers at locations 305 & 529 of 400 kV Balipara-Bongaigaon D/c line and explained that due to change of river course in the region, the two locations may be restructured with pile foundation as these two locations could fail in future due to change of river course. The sub-committee had agreed then that the restructuring of towers at such critical locations was essential.

Subsequently, during the 6th NERPC meeting held on 8th August 2008, the NER Power Committee had concluded that the pile foundation work would have to be carried out as there was no other option. The Committee had therefore decided that the POWERGRID should go ahead with the same and approach CERC for commercial aspects.

In view of above, Member Secretary NERPC requested NERTS, PGCIL to inform the current status on further actions taken on the above work.

The representative from NERTS, PGCIL informed that for location no. 305, a committee comprising personnel from Corporate Engineering had visited the site and recommended for pile foundation. Subsequent to this, award for soil investigation was in progress. Regarding location No. 529, soil survey and BOQ had been finalized and the estimate for the work was under approval for award of contract. He intimated that contract is likely to be awarded by the end of Dec' 08.

g) Refund of excess rebate deduction on transmission bill by NEEPCO: -

During the 9th CCM, it had been indicated by the POWERGRID that penal interest was to be levied on refundable amount against excess rebate deduction by the NEEPCO on transmission bill. ***The sub-committee suggested that the matter may be settled bilaterally.***

h) Enhancement of LC to POWERGRID by MeSEB: -

The POWERGRID had, during the 9th CCM, requested the MeSEB to enhance the limit of LC in view of shortage of around Rs 1.54 Crore.

The MeSEB representative informed that matter was under active consideration and the same would be expedited soon.

3. Regulation of power supply to MeSEB – NEEPCO

The NEEPCO had intimated that from the outstanding dues payable by the MeSEB to the NEEPCO, an amount of Rs. 45 Crores remained outstanding for over 60 (sixty) days and Rs. 35 Crores remained outstanding for over 90 (ninety) days. The NEEPCO had proposed regulation to the MeSEB w.e.f 15.11.2008. The POWERGRID had also intimated that from the outstanding dues payable by MeSEB to POWERGRID, an amount of Rs. 11.37 Crores remained outstanding for over 60 (sixty) days and Rs. 8.95 Crores remained outstanding for over 90 (ninety) days and opted for concurrent regulation on Meghalaya.

It was intimated that the NERPC, vide letters dated 14.10.2008, requested MeSEB to liquidate the outstanding amount in order to prevent regulation by NEEPCO and POWERGRID. *The sub-committee requested MeSEB to clear early the outstanding dues to NEEPCO and POWERGRID so as to avoid regulation process. MeSEB intimated that matter for clearance of the dues was in process..*

4. Payment of UCPTT arrears in installments: -

Hon'ble CERC vide order dated 30.9.2008 (copy enclosed at Annexure-III) on Petition no. 38/2008 in the matter of apportionment of UCPTT rate of 35 Ps/kWh of NER for period from 1.2.2000 to 31.3.2007, in view of judgment dated 4.1.2008 on Appeal No.98 of 2007 by Hon'ble Appellate Tribunal for Electricity, had directed that constituents of NER have been making payments for the period 1.4.2004 to 30.11.2006 in quarterly installments. The last installment for the arrear payments is to be paid by 31.12.2008.

While intimating current status on receipts, the NERTS, PGCIL representative informed the sub-committee that based on CERC's order dated 27.12.2006 for UCPTT arrears for the period from 1.4.2004 to 30.11.2006, the NER constituents, except Manipur and MeSEB, have made payment up to 7th installment which was due on 30.9.2008 (the status as per the enclosed Annexure-IV). The 8th installment for the same is due on 01.12.2008.

The Commission has further directed that regarding arrears for the period 1.2.2000 to 31.3.2004 the same shall be paid in eight equal quarterly installments commencing on 31.3.2009 and shall be liquidated by 31.12.2010.

All concerned constituents were requested to make payment of the UCPTT arrears before due date as per the schedule prescribed in the above mentioned CERC directive to avoid any liability of interest.

The sub-committee requested NERTS, PGCIL to submit status on the net amount payable/receivable, based on sharing formula specified vide above-mentioned CERC order, to which PGCIL agreed.

5. Restoration of 400 kV Balipara – Ranganadi D/C Line: -

Executive Engineer (Commercial), NERPC stated that during the 31st OCCM of NERPC held on 16.10.2008 the OC sub-committee had noted that 400 kV Balipara – Ranganadi D/C Line had remained on forced outage for around 3-4 days during September 2008 due to collapse of tower at location nos 43 and 44 on account of change in course of Dikrong river. As a result there was generation reduction at Ranganadi HEP of the order of 405 MW round the clock during the above outage period of the line. While reviewing the status on restoration of line, NERTS, PGCIL had intimated that one circuit of the line was restored on ERS and the same was still on ERS, the other circuit was still out as temporary tower erection work is to be taken up. The PGCIL further intimated that the repair might involve pile foundation work which would take more time and they were in the process of restoring the line through alternative options to avoid delay.

The sub-committee discussed the matter and suggested that NERTS, PGCIL may examine the options and intimate schedule for full restoration of line early in the interest of reliable operation of the NER grid. The POWERGRID agreed to the same and they would revert back.

6. Back-up energy meter at Kopili-II: -

It was intimated that subsequent to report given by group of engineers who visited site to ascertain the feasibility of provision requiring back-up SEM on 11 kV side of the bus at Kopili-II with 5 Amp specifications, the matter was discussed during the 31st OCCM of NERPC. The above team had observed that a Secure make meter (not ABT compliant) was currently installed on the 11 KV side. The CT ratio for this meter is 2000:5 A and PT ratio is 11 kV: 110 V. In view of the above, it was suggested to replace the existing meter with an ABT compliant L&T meter as back-up for the meter already in place of 132 KV side. The NERTS, PGCIL representative had therein informed that all ABT compliant L&T meters available at the NERTS, PGCIL were of 1 Amp specification, which would not be suitable for installation on the 11 kV side. The OC sub-committee had therefore agreed and recommended to replace the existing meter on 11 kV side of the station with that of ABT compliant, 5 Amp specification.

Upon query by members of Commercial sub-committee, the NERTS, PGCIL representative informed that 5 nos. of SEM meter 'B' type i.e. 5A specification were procured by the POWERGRID. Necessary action for providing the required SEM would be taken up by the POWERGRID.

7. Any other item: -

- 7.1 Tariff of Kopili HEP: - Representative from ASEB stated that as per CERC order dated 19.2.2008 on petition No. 76/2007 in the matter of approval of Tariff for Kopili HE Project-Kopili Power Station (4x50 MW) for the period from 1.4.2004 to 31.3.2009, the CERC have indicated that annual design energy of 1186.14 MUs has been considered while determining the tariff of this generating station. In view of the same, necessary modifications may be done in the monthly REAs. In this regard, the sub-committee also noted that the CERC accepted the contention of the petitioner (i.e. NEEPCO Ltd) before the Commission that proposal for approval of revised design energy (from existing annual design energy of 969.88 MUs) of two generating stations and its consequent effect on the generating station was under consideration of the Central Electricity Authority (CEA) and had advised NEEPCO to take all efforts to obtain the approval of the CEA as regards the design energy of the generating station. ***The sub-committee noted and suggested to include modifications as per the contentions of petitioner and advice of Hon'ble CERC to it for expediting the matter soon.***

Agenda points from NERLDC were circulated amongst the members and the same were discussed.

- 7.2 Presentation regarding commercial performance of NER Grid and recent issues: -

The NERLDC gave a presentation on the above subject as in the preceding sections.

- 7.3 Outstanding UI payment: -

Status of UI payments as on 21.10.2008 is as per Annexure-V. The sub-committee noted the same. The outstanding amounts payable by Arunachal Pradesh and Nagaland are Rs 5.49 Cr and Rs 4.66 Cr respectively. ***NERLDC was requested to take up the matter with these states for releasing the payment of UI charges at the earliest.***

- 7.4 Non-receipt of SEM readings: -

The same was discussed as per the preceding sections.

7.5 Changing of network configurations: -

The NERLDC reported that some of the constituents had been reconfiguring their network system at times without intimation to NERLDC which create problems in energy metering and energy accounting. NERLDC had further reported that Mizoram had changed the network configuration in Bairabi S/S, the details of which were not available with them. Similarly Tripura had also changed the CT ratio at Dharmanagar S/S on 03.09.2008, but the matter was intimated to NERLDC on 20.10.2008.

In view of above, the sub-committee suggested that constituents may give prior intimation to the NERLDC about any proposal of reconfiguration of their system by them, so that appropriate energy metering arrangements are made in advance.

7.6 Training of NER system operators utilizing Reactive Pool Account Fund: -

System Operator Training: - As decided in the 5th TCC/ 5th NERPC meeting held on 25th & 26th April'08 respectively, action is being initiated to organize training. First Seminar/ Workshop was organized in Guwahati by ASEB on 22nd August'08. MeSEB would organize the next seminar at Shillong on 06/11/08.

Training, re-training of system operators in SCADA/ EMS system through M/S AREVA: - Training on two modules have already been completed at the NERLDC and training on the remaining four modules will be conducted in due course of time. These trainings are being attended by personnel from NER constituents.

The sub-committee noted as above.

Agenda points from NERTS were circulated amongst the members and the same were discussed.

7.7 BPTA for new schemes in NER: -

As decided during the 6th NERPC meeting, the NER beneficiaries would sign BPTA with OTPC and PGCIL. Draft BPTA for new schemes in NER prepared by PGCIL was circulated amongst the members. Constituents were requested to expedite signing of the BPTA.

Member Secretary stated that the BPTA would include the details of transmission system as approved by the NER Power Committee during the 6th NERPC meeting held on 8th August 2008. He requested the constituents to expedite process of signing the BPTA so that implementation of the ongoing projects takes place as per the schedule.

The sub-committee noted the same for needful action by its members.

7.8 Outstanding and LC: -

The constituent-wise details for the region as on 15.10.2008 of (i) LC available, (ii) LC required and (iii) outstanding amount for more than 60 days as furnished by PGCIL are given at Annexure-VI.

The constituents were requested to liquidate the outstanding amount due to PGCIL at the earliest.

8. Date & Venue of next meeting: -

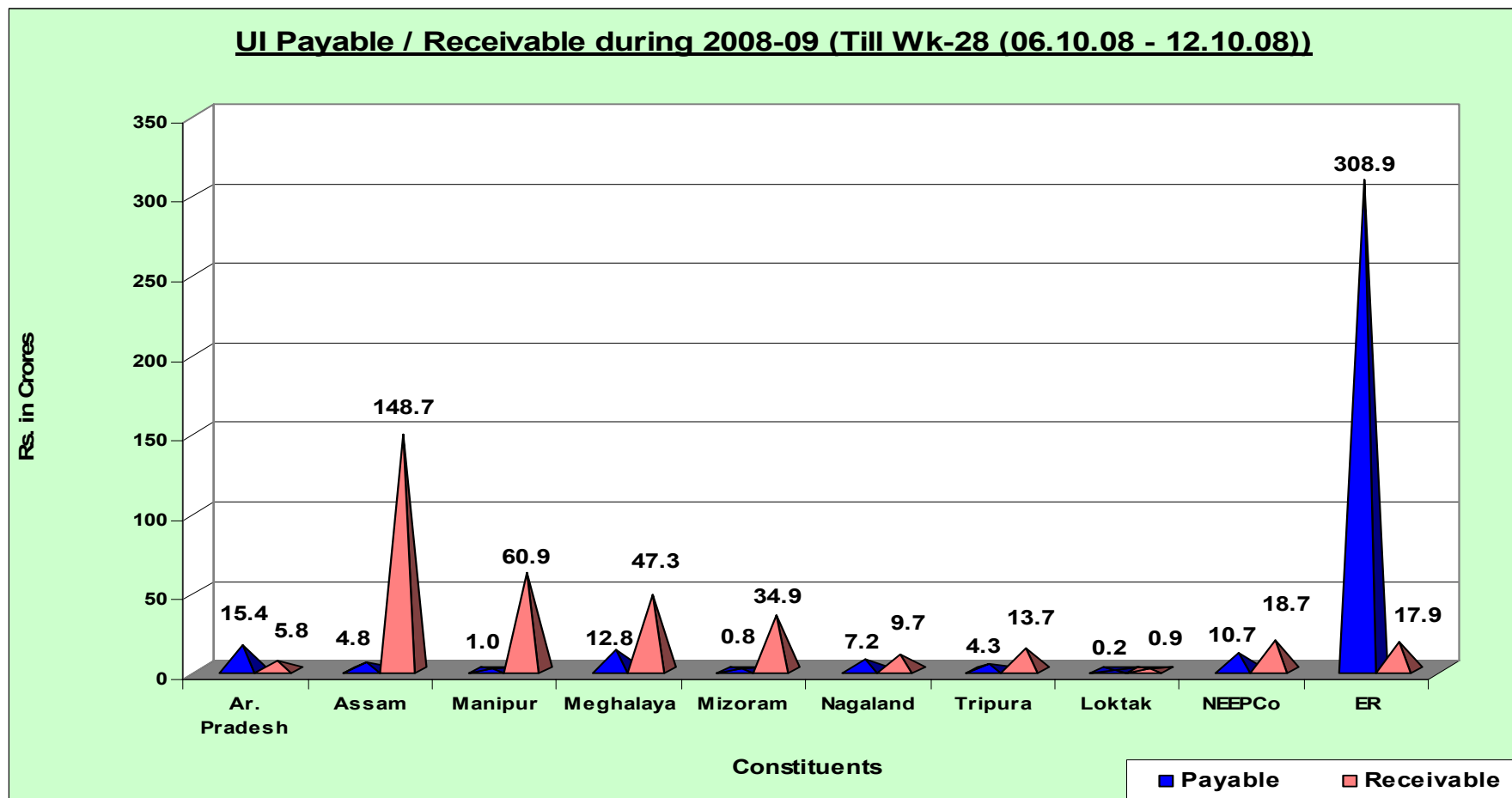
The 11th Commercial Committee Meeting of NERPC will be held in NERPC office, Shillong. The date will be intimated in due course.

Annexure – I**LIST OF PARTICIPANTS IN THE 10th C.C MEETING OF NERPC**

S. N.	NAME OF PARTICIPANT	DESIGNATION
ARUNACHAL PRADESH		
	Not represented	
ASEB		
1.	H.C.Phukan	DGM (Com-T)
2.	K.Goswami	Sr. Manager (Com-T)
MANIPUR		
1.	L.Priyokumar	S.E (Elect)
2.	K. Raikrishna	E.E (Gen)
MEGHALAYA		
1.	S.S.Kharmih	E.E. (SM)
2.	W.M.Khengloh	A.O. (Revenue)
MIZORAM		
	Not represented	
NAGALAND		
	Not represented	
TRIPURA		
	Not represented	
NEEPCO		
1.	B.K.Chakraborty	Sr. Manager (E)
NERLDC		
1.	L.K.Kanungo	General Manager
2.	R. Sutradhar	Chief Manager
3.	M.Hussain	Manager
4.	Anusha Baruah	Asst. Engineer
NERTS (PGCIL)		
1.	A.K.Das	Chief Manager (Comml)
NHPC		
	Not represented	
Trading Companies		
	Not represented	
NERPC		
1.	Manjit Singh	Member Secretary
2.	A.K.Jain	S.E. (Comml)
3.	Satbir Singh	E.E. (Opn-II)
4.	Lalrinsanga	E.E. (Comml)

Commercial Performance of NER Constituents and Current Issues

Presentation by NERLDC, Shillong

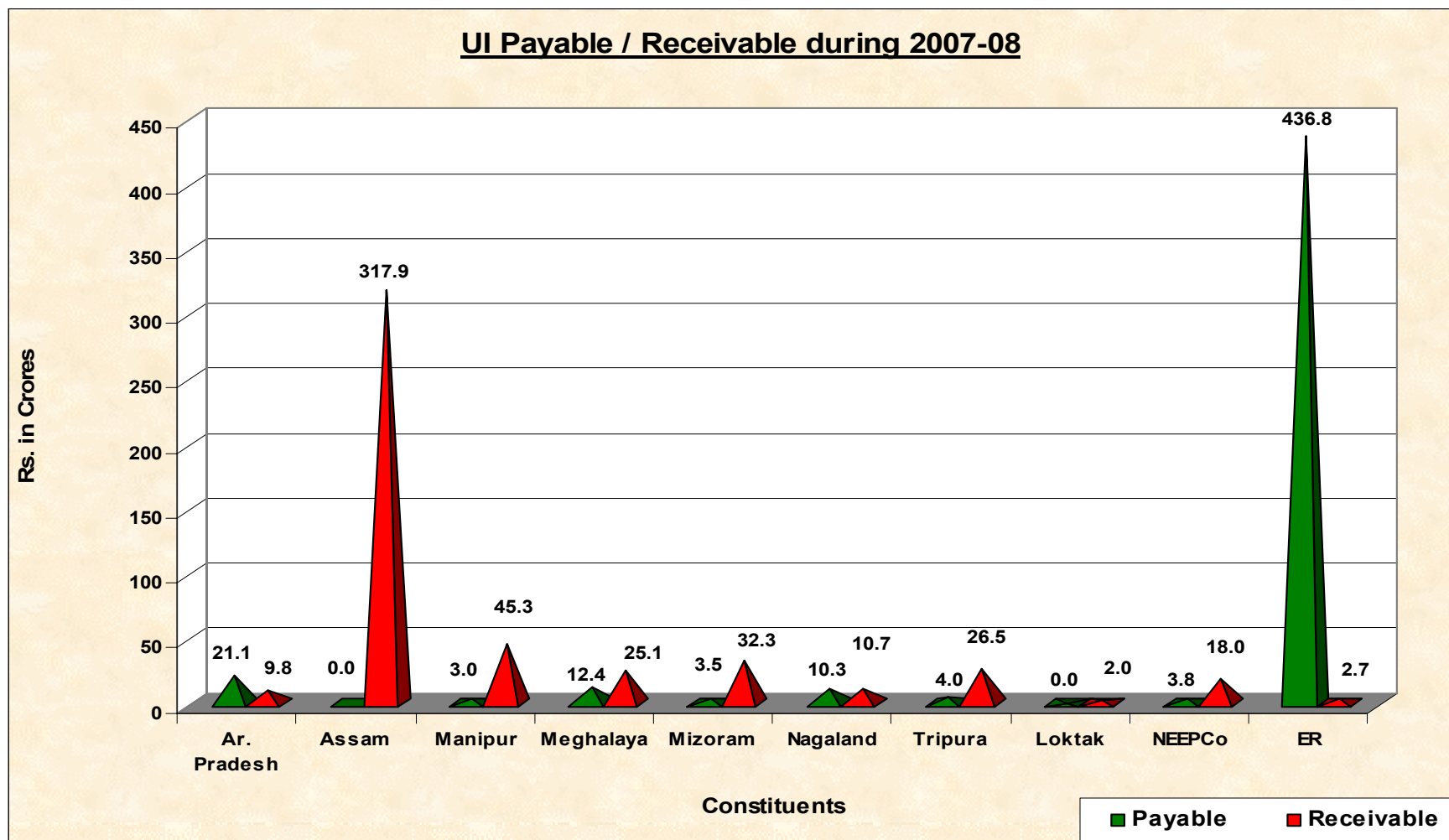


Total billed during 2008-09 (till Wk-28):

Rs. 365.97 crores

Differential amount due to thermal ISGS capping:

Rs. 7.43 crores

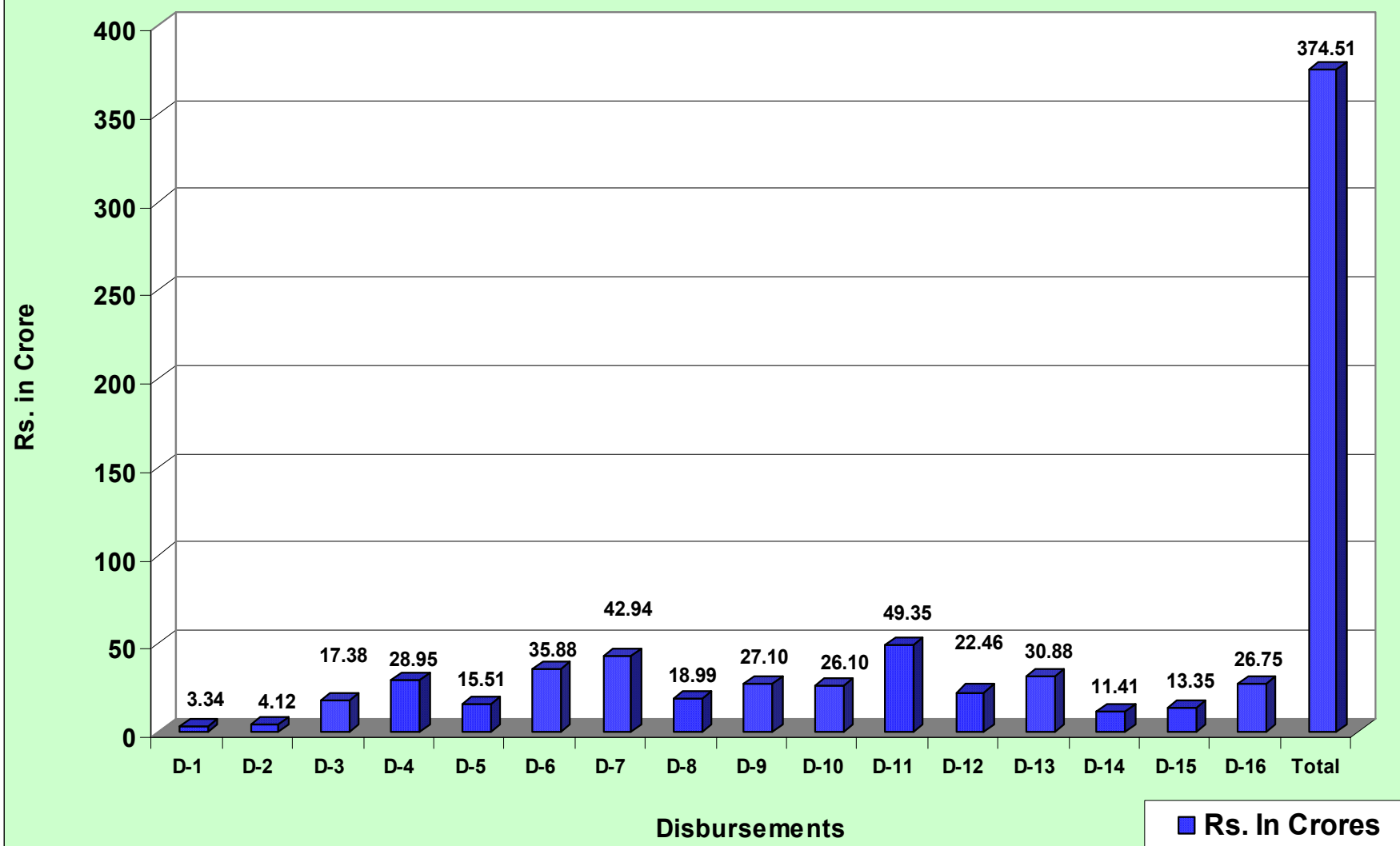


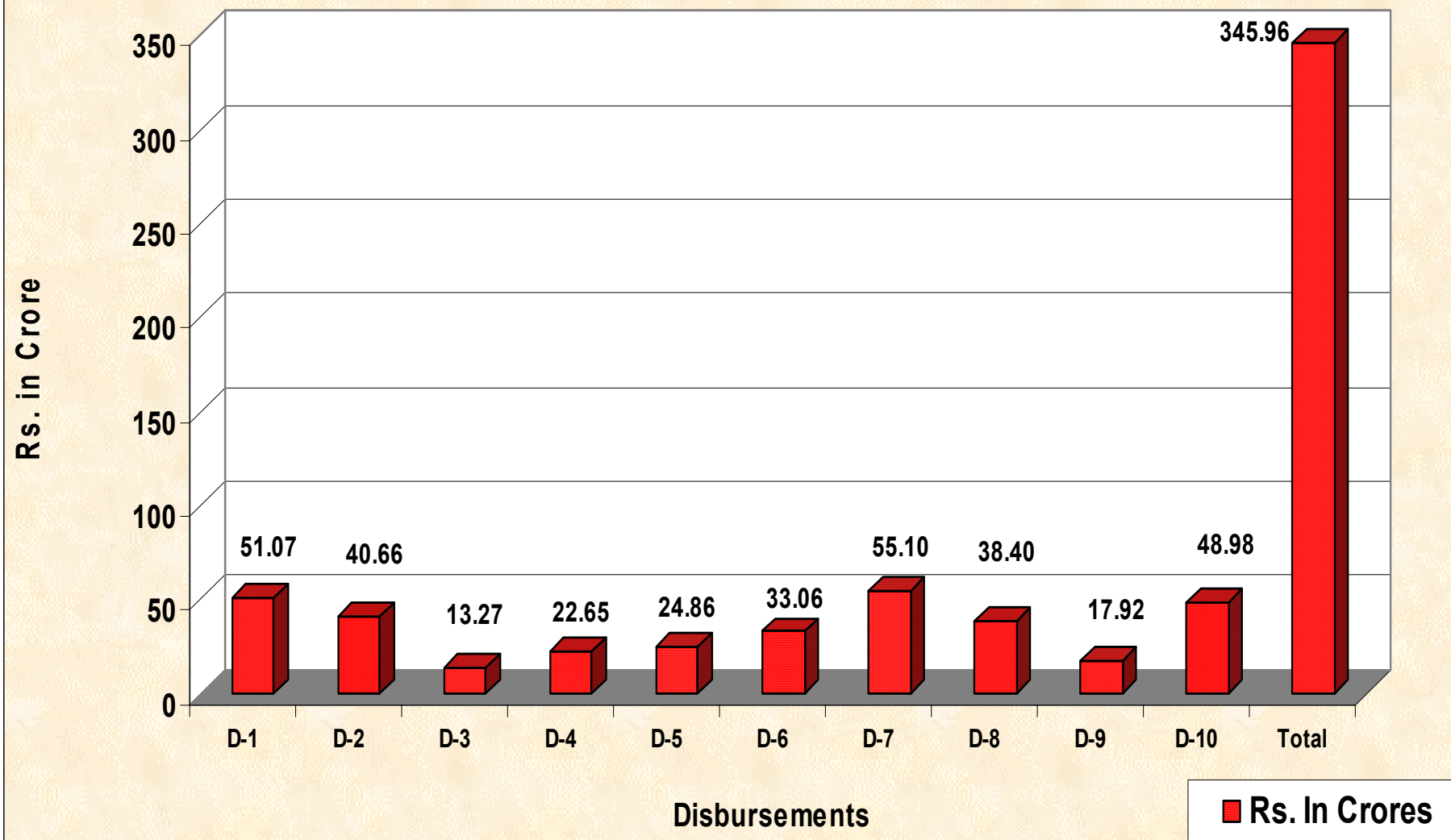
Total billed during 2007-08:

Rs. 494.85 crores

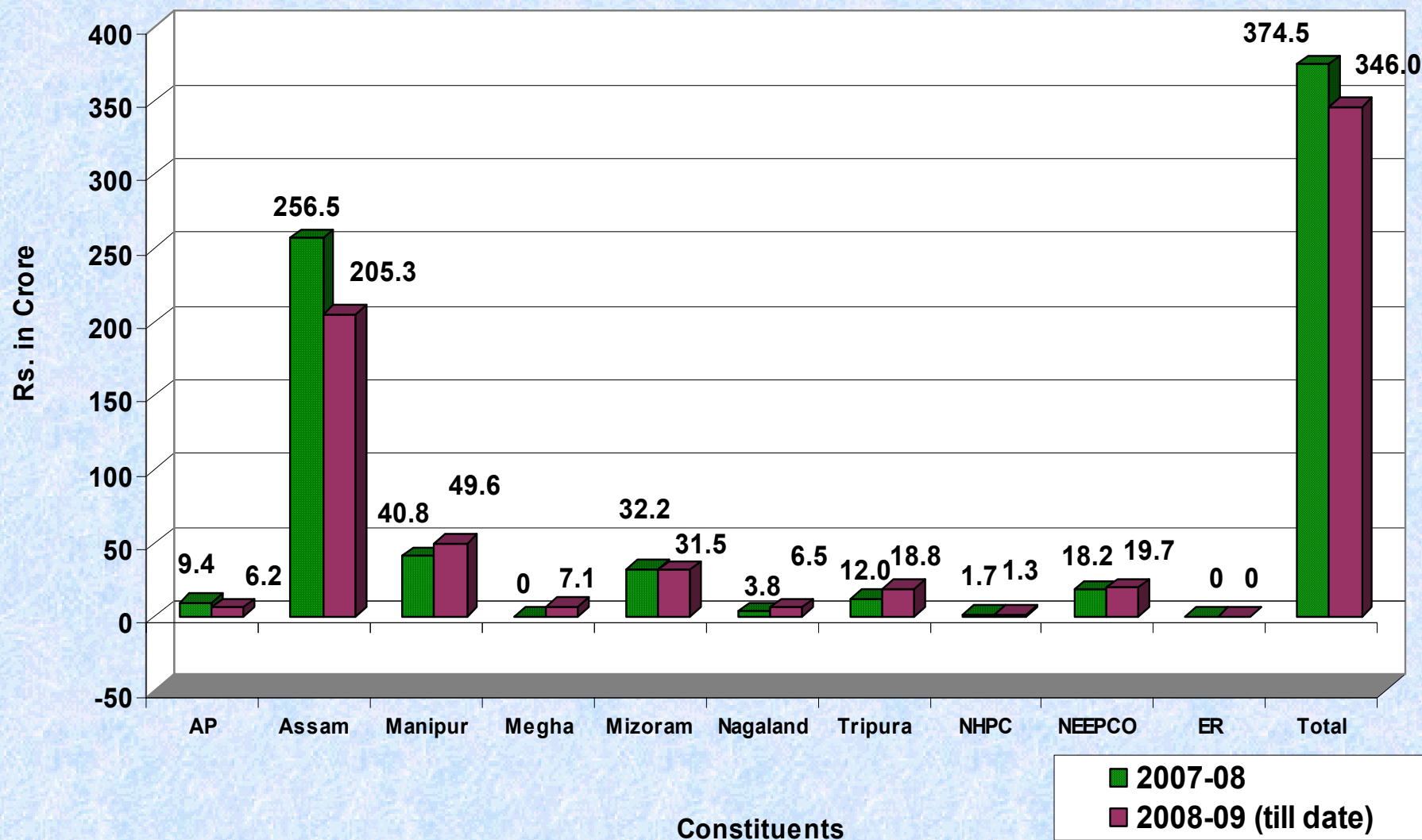
Differential amount due to thermal ISGS capping:

Rs. 4.51 crores

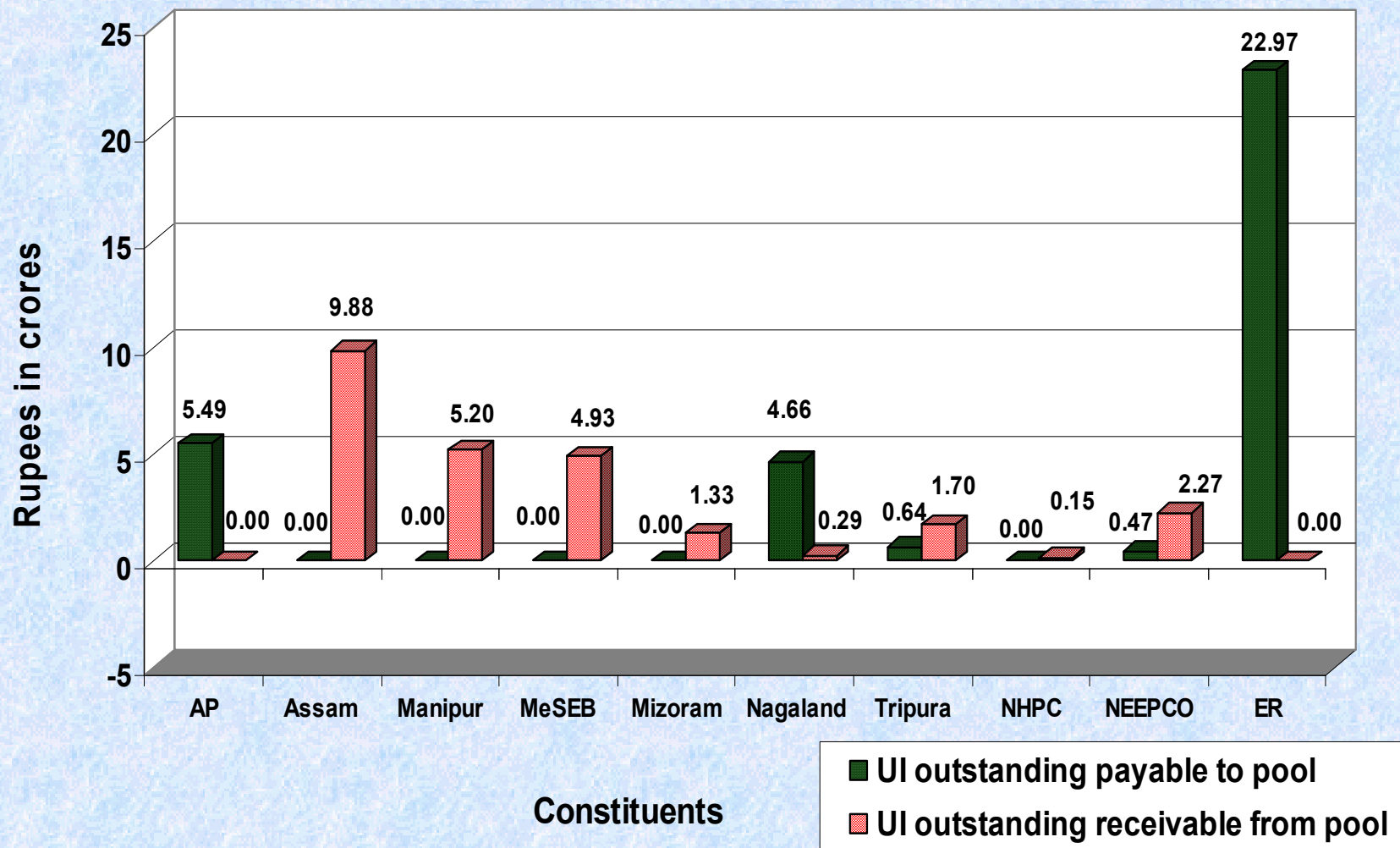
UI Settlements during 2007-08 (01.04.07 to 31.03.08)

UI Settlements during 2008-09 (from 01.04.2008 till date)

UI Amount received by constituents during 2007-08 and 2008-09 (till date)



UI outstanding status as on 21.10.08



Billing, Realization and Settlement of UI Surcharge

❖ First UI Surcharge bill dated 05.12.2006 was raised for the period 01.11.2003 to 30.06.2006.

Constituents	UI-Surcharge Payable to pool Rs.	UI Surcharge Receivable from pool Rs.	Surcharge amount Paid to Pool Rs.	Amount disbursed on 28.03.08 Rs.
Ar. Pradesh	0	1949527		845813
Assam	2789803	0		0
Manipur	0	3016225		1308606
Meghalaya	7821363	0		0
Mizoram	0	3988305		1730348
Nagaland	8131691	0	8131691	0
Tripura	0	6237532		2706187
Loktak	0	323265		140250
Neepco	0	3228004		1400487
ER	0	0		0
Total	18742857	18742857	8131691	8131691

❖ Second UI surcharge bill dated 15.05.2008 was raised for the period 01.07.2006 to 31.03.2008.

Constituents	UI-Surcharge Payable to pool Rs.	UI Surcharge Receivable from pool Rs.	Surcharge amount Paid to Pool Rs.	Amount disbursed on 28.03.08 Rs.
Ar. Pradesh	1387827	0	1387827	0
Assam	0	42485122		6083618
Manipur	0	5169357		740221
Meghalaya	57324537	0		0
Mizoram	0	8899070		1274294
Nagaland	8192562	0	8192562	0
Tripura	0	4753236		680635
Loktak	0	578256		82803
Neepco	0	5019886		718818
ER	0	0		0
Total	66904926	66904926	9580389	9580389

Outstanding UI surcharge payable

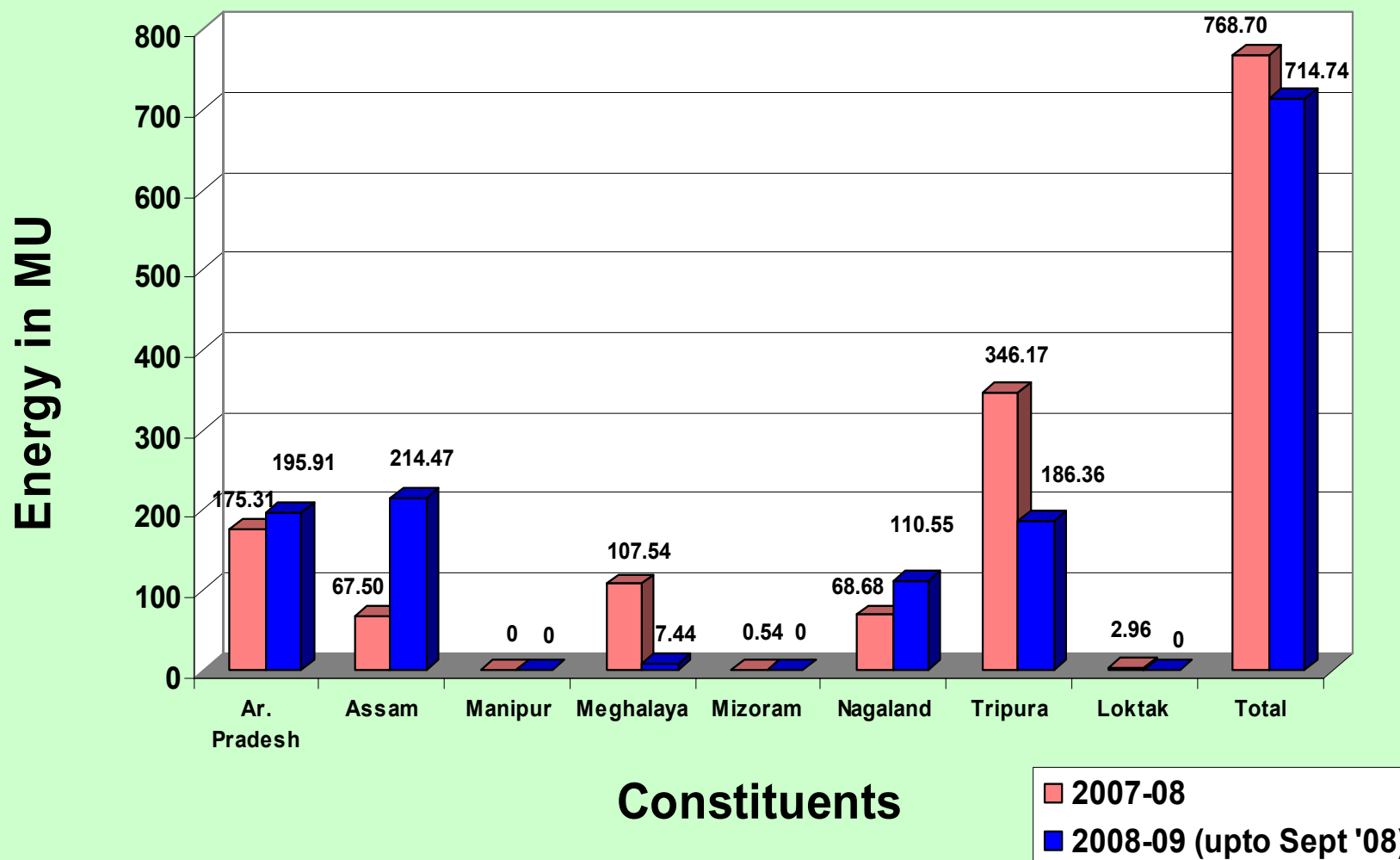
Against bill dtd. 05.12.06 Against bill dtd. 15.05.08 Total

MeSEB	Rs. 7821363/-	Rs. 57324537/-	Rs. 65145900/-
ASEB	Rs. 2789803/-	Nil	Rs. 2789803/-

✓ Entire outstanding amount of MeSEB has been recovered from their UI receivable amount and kept in bank.

✓ Disbursement of entire surcharge amount will be done by adjusting the outstanding surcharge payable amount of ASEB against their surcharge receivable amount.

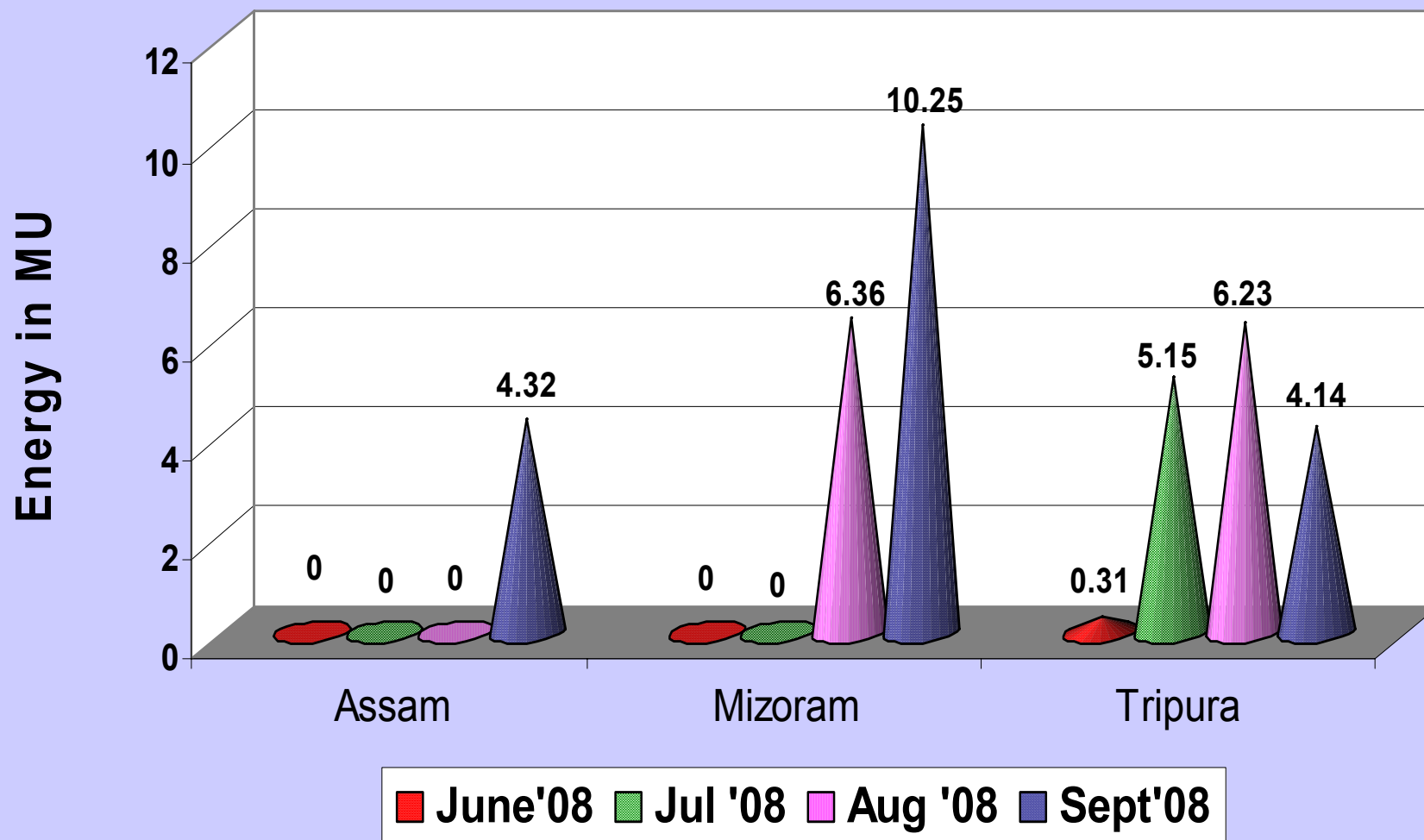
STOA Sale during 2007-08 & 2008-09 (upto September '08)



Trading through Power Exchange

- ❖ IEX, first power exchange of the country became operational from June 2008.**
- ❖ Second power exchange of the country, PXI started its operation from 22.10.2008.**
- ❖ So far Assam, Tripura and Mizoram, among the NER constituents, are trading their surplus power through IEX.**

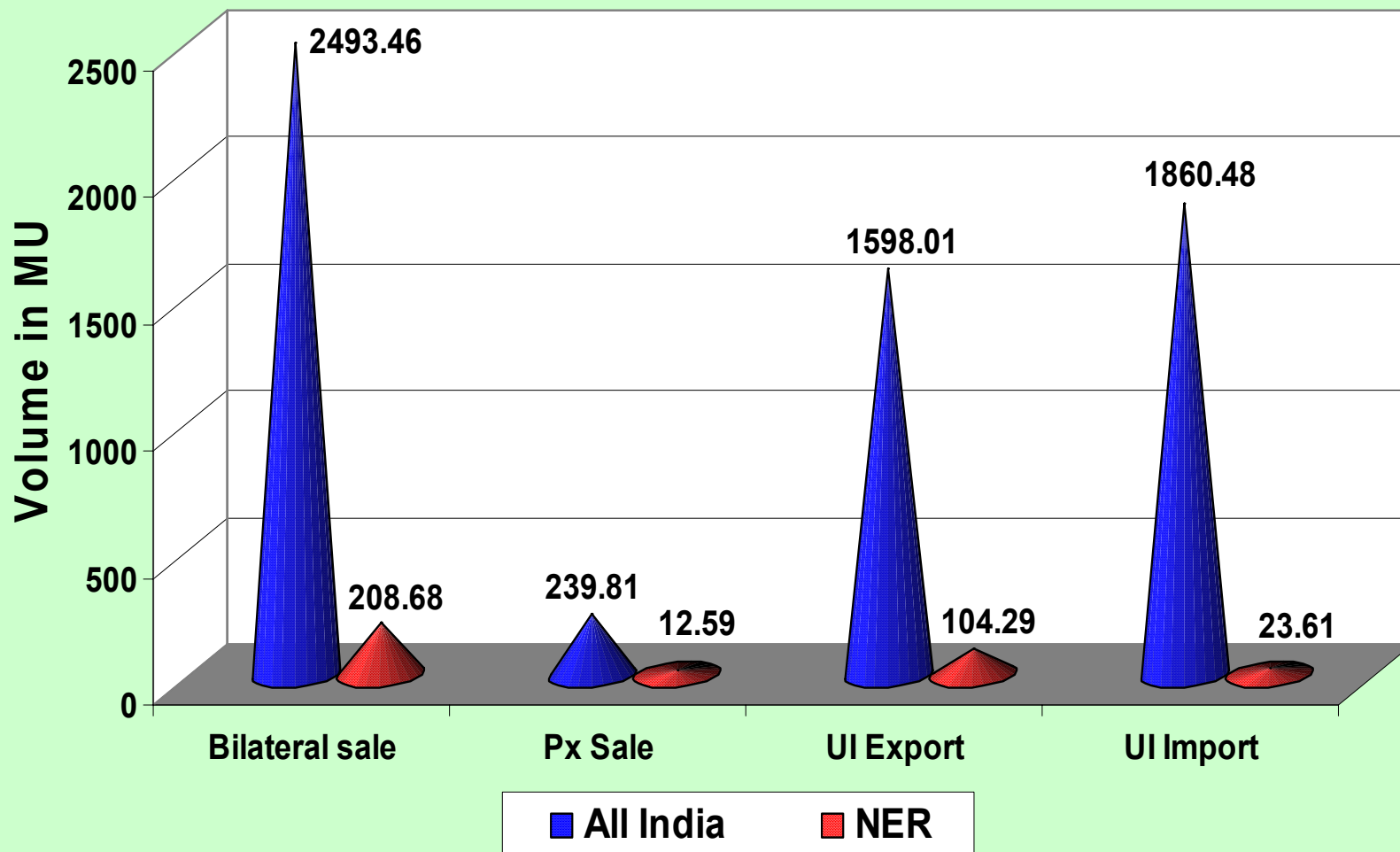
Trading through Px by NER constituents



Report of CERC Market Monitoring Cell

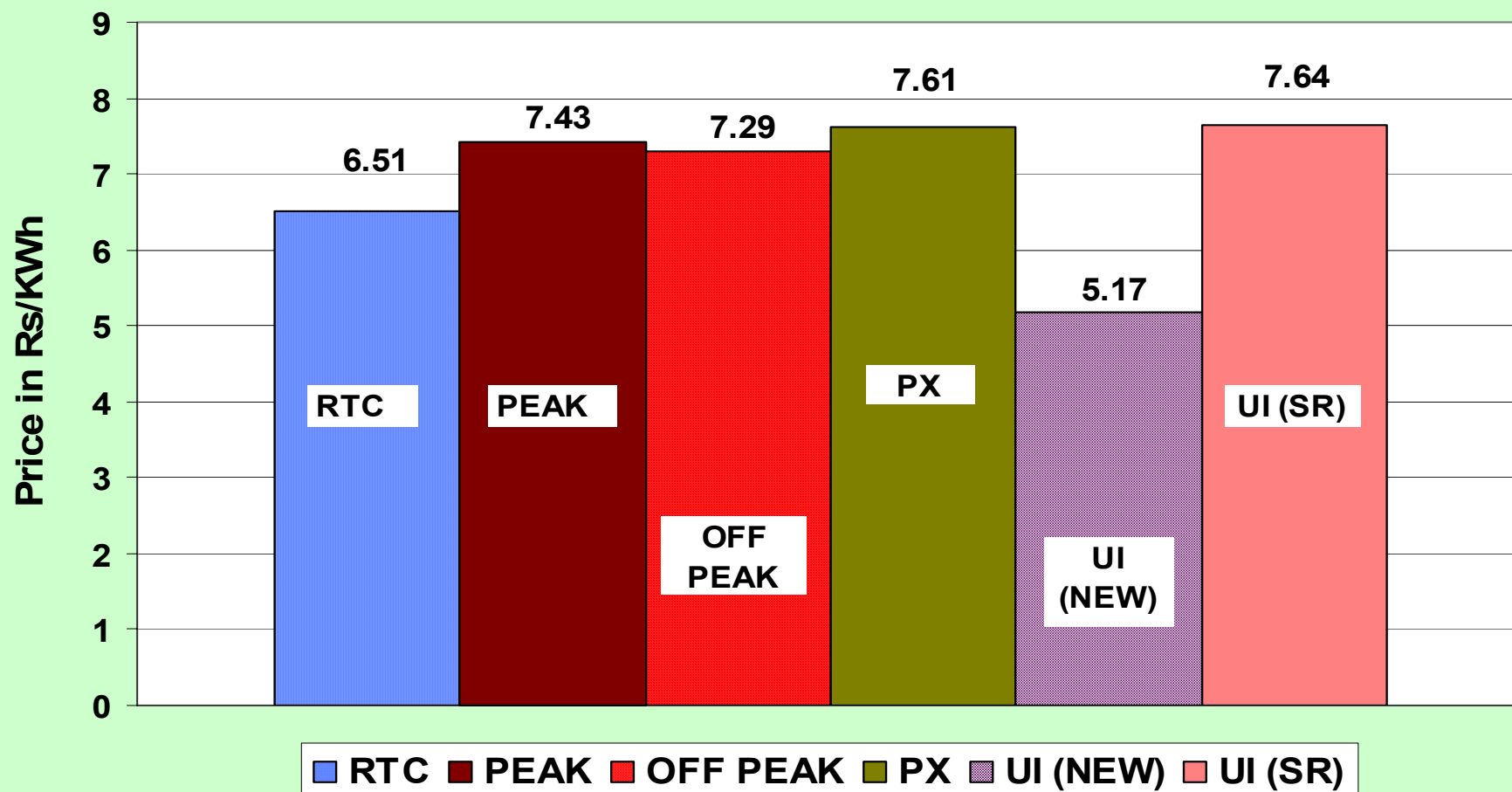
Salient Points

NER short term power transactions: August 2008



Source: CERC MMC Report

Price of Short Term transactions of Electricity - August '08



Source: CERC MMC Report

CURRENT ISSUES

Some of the current issues are :

- ✓ Central Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2008.
- ✓ CERC Staff paper on “Measures for restraining the prices of electricity in short-term sale / trading”.
- ✓ CERC order “Maintenance of Grid Discipline – Compliance of provisions of Indian Electricity Grid Code ”.
- ✓ Assignment for formulating pricing methodology for inter-state transmission.

Terms and Conditions of Tariff Regulations, **2008**

- **Proposed Regulations on Terms and Conditions of Tariff for the tariff period 2009-14 issued.**

- **In case of hydro, Capacity charge recovery is linked to Declared Capacity and Energy charge recovery is linked to Scheduled Energy.**

Terms and Conditions of Tariff Regulations, 2008

▪ **This regulation proposes certain relaxations to thermal stations:**

i) incentive linked to availability,

ii) lower NAPAF for Kathalguri GBPP (70% in compared to 80% earlier) due to less gas availability

iii) relaxed GHR for AGBPP, Kathalguri (2400 Kcal/kWh as compared to 2250 earlier) due to deteriorated quality of gas

“Measures for restraining the prices of electricity in short-term sale/trading”

- **Weighted average sale price of traded power in the country has increased from Rs.4.08 / KWh in April - June 2006 to Rs. 7.24 / KWh in April – June 2008.**
- **Most of the traded power costing less than Rs. 4 per unit is being sold in the price range of Rs. 6 to Rs. 8.5 per unit.**

“Measures for restraining the prices of electricity in short-term sale/trading”

- **Uniform price cap of Rs. 5/- per unit and Rs. 6/- (1800-2200 hrs) per unit proposed for inter-state short term power sale.**
- **Price caps proposed below the replacement cost of electricity.**
- **Applicable to sale bids in Power Exchange as well.**

“Maintenance of Grid Discipline – Compliance of provisions of Indian Electricity Grid Code ”.

- **RLDCs are directed to report to the Commission within a period of 3 days cases of over-drawals from the grid when frequency < 49 Hz.**
- **Also RLDCs required to report within 3 days every case of non-compliance of directions of LDCs.**
- **First report of NER constituents for the period 06.10.08 to 12.10.08 will be sent by 24th Oct 2008.**

Thank You

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Annexure-III

Coram

- 1. Dr. Pramod Deo, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri S.Jayaraman, Member**

Petition No. 38/2008

In the matter of

Petition for apportionment of UCPTT rate of 35 paise per KWh of North Eastern Region for the period 1.2.2000 to 31.3.2007 in view of the judgment dated 4.1.2008 in Appeal No. 98 of 2007 of the Appellate Tribunal for Electricity.

And in the matter of

Power Grid Corporation of India Ltd., Gurgaon

.... Petitioner

Vs

1. North Eastern Regional Power Committee, Shillong
2. Assam State Electricity Board, Guwahati
3. Meghalaya State Electricity Board, Shillong
4. Government of Arunachal Pradesh, Itanagar
5. Power and Electricity Department, Govt. of Mizoram, Aizwal
6. Electricity Department, Govt. of Manipur, Imphal
7. Department of Power, Govt. of Nagaland , Kohima
8. Department of Power, Govt. of Tripura, Agartala

Respondents

The following was present:

Shri M.G.Ramachandran, Advocate, PGCIL
Shri U.K.Tyagi, PGCIL
Shri B.C.Pant, PGCIL
Shri A.K.Nagpal, PGCIL
Shri M.M.Mondal, PGCIL
Shri K.Goswami, ASEB
Shri Manish Goswami, Advocate, ASEB
Shri R.Kapoor, ASEB
Shri A.K.Bora, ASEB
Shri H.M.Sharma, ASEB
Shri Sunil Murarka, Advocate, TSECL
Shri A.Das, TSECL
Ms. Seema Sharma, Advocate, consumer
Ms. Preeti Saikia , Advocate, consumer

ORDER
(Date of Hearing: 18.9.2008)

Annexure-III

The petitioner, Power Grid Corporation of India Limited seeks re-apportionment of UCPTT of 35 paise/kwh, based on the judgment dated 4.1.2008 of the Appellate Tribunal for Electricity (the Tribunal) in Appeal No.98/2007.

Background of the case

2. The transmission charges in North Eastern Region (NER) were charged at Uniform Common Pool Transmission Tariff (UCPTT) rate, which was in terms of paise per kWh, operational since 1992. The UCPTT rate of 35 paise/ kWh was effective from 1.4.1998.

3. Based on the report of Member-Secretary, NERPC, the Commission in its order dated 9.5.2006 in Petition No.3/2005, decided to apportion UCPTT of 35 paise/ kWh in the following manner:

Constituent	(Paise/kWh)			
	February 2000 to December 2002	January 2003 to May 2004	June 2004 to December 2004	January 2005 and onwards
POWERGRID	33.877564	33.995626	33.864863	33.668547
ASEB	0.734394	0.657148	0.784769	0.768377
MeSEB	0.110869	0.099207	0.099207	0.097135
Nagaland	0.077787	0.069605	0.069605	0.271047
Tripura	0.116269	0.104039	0.124676	0.122072
Manipur	0.083117	0.074375	0.074375	0.072821
Total	35.000000	35.000000	35.017496	35.000000

4. Subsequently, Member-Secretary, NERPC by its letter dated 6.8.2006 recommended the revised UCPTT sharing formula as given below:

Constituent	(Paise/kWh)						
	2/2000- 12/2000	1/2001- 9/2001	10/2001- 12/2002	1/2003- 3/2004	4/2004- 5/2004	6/2004- 12/2004	1/2005- 7/2005
POWERGRID	33.680532	33.704037	33.712086	33.841119	33.853696	33.690816	33.465764
ASEB	0.863309	0.847930	0.842664	0.758240	0.750010	0.891357	0.885403
MeSEB	0.130331	0.128009	0.127214	0.114469	0.113227	0.112682	0.111929
Nagaland	0.091441	0.089812	0.089255	0.080313	0.079441	0.079059	0.312328
Tripura	0.136679	0.134244	0.133410	0.120044	0.118741	0.141610	0.140664
Manipur	0.097708	0.095967	0.095371	0.085816	0.084885	0.084476	0.083912
Total	35.000000	35.000000	35.000000	35.000000	35.000000	35.000000	35.000000

5. When the revised recommendations of the Member-Secretary, NERPC were yet to be considered, Assam State Electricity Board (ASEB) and Tripura State Electricity Corporation Limited (TSECL) filed review petitions Nos. 62/2006 and 72/2006 respectively for review of the Commission's order dated 9.5.2006 in Petition No. 3/2005 on various grounds. It is not necessary for us to refer to those grounds for the purpose of this order. The Commission allowed the review and by order dated 27.12.2006 directed to implement the revised sharing formula for the period 1.4.2004 to 31.3.2007, as under, taking into consideration the recommendation made by Member-Secretary, NERPC through its letter dated 6.8.2006:

Constituent	(Paise/kWh)		
	4/2004- 5/2004	6/2004- 12/2004	1/2005- 3/2007
Power Grid	33.853696	33.690816	33.465764
ASEB	0.750010	0.891357	0.885403
MeSEB	0.113227	0.112682	0.111929
Nagaland	0.079441	0.079059	0.312328
Tripura	0.118741	0.141610	0.140664
Manipur	0.084885	0.084476	0.083912
Total	35.000000	35.000000	35.000000

6. The Commission further directed that arrears for the period 1.4.2004 to 30.11.2006 were to be paid in eight equal quarterly installments commencing on 31.3.2007, to be liquidated by 31.12.2008, but without any liability of the respondents to pay interest as long as payments were released as per the schedule decided by the Commission in the said order dated 27.12.2006.

7. The petitioner filed an appeal (Appeal No. 98/2007) before the Appellate Tribunal for Electricity against the said order dated 27.12.2006. The Tribunal vide its judgment dated 4.1.2008 held as under:

“29. In view of the above, we allow the appeal and set aside the impugned order (dated 27.12.2006) and dismiss the two review petitions No.72/06 and 3/06. The appellant will be entitled to the cost of the present appeal from the two review petitioners namely, Tripura State Electricity Corporation Ltd., and Assam Electricity Board.”

8. Consequent to the above judgment of the Tribunal, the petitioner has sought re-apportionment of UCPTT of 35 paise/kWh w.e.f. 1.2.2000 based on the capital expenditure communicated by the Member-Secretary, NERPC vide its letter dated 6.8.2006. The petitioner has sought further direction to the Member-Secretary, NERPC to issue details of net amounts payable/receivable by different constituents, based on the re-apportioned UCPTT.

9. The Commission in its order dated 4.6.2008 had directed the petitioner to file a comparative statement of the capital cost of its assets in NER, forwarded by it to the Member-Secretary, NERPC for computation of revised apportionment formula of UCPTT and the capital cost approved by the Commission while allowing regular tariff for the period 1.4.2007 to 31.3.2009 for its assets in NER. The petitioner by its affidavit dated 7.7.2008 has submitted

the requisite information. This information reveals that the cost of the petitioner's assets in NER considered by the Member-Secretary in its letter dated 6.8.2006, is within the capital cost allowed by the Commission for computation of tariff for the period 1.4.2007 to 31.3.2009. Therefore, we have accepted the capital cost considered by the Member-Secretary, NERPC in its letter dated 6.8.2006.

10. The respondents have opposed the petition. ASEB is stated to have filed further appeal before the Hon`ble Supreme Court against the Tribunal's judgment dated 4.1.2008. Learned counsel for ASEB sought the matter to be adjourned as the appeal was pending before the Hon`ble Supreme Court, or at least till such time the appeal was listed for admission. The respondents have urged that there is no justification for retrospective re-apportionment of UCPTT w.e.f. 1.2.2000. According to them, re-apportionment at this stage will defeat the provisions of Section 61 of the Electricity Act, 2003 which enjoins upon the Commission to safeguard the consumers' interest. Ms. Mallika Sharma Bazbaruah, who has intervened as a consumer, has urged that Member-Secretary, NERPC's letter dated 6.8.2006 cannot be acted upon since all the constituents of the region were not consulted.

Findings and Conclusions

11. We have very carefully considered the objections of the respondents. The Tribunal has directed apportionment of UCPTT w.e.f. 1.2.2000. The Tribunal's judgment is to be implemented, unless stayed by the Hon`ble Supreme Court. The order has been made after due opportunity to the respondents. Therefore, it is not possible to keep the petition pending. We do not find any force in the

argument that the Member-Secretary's letter cannot be given effect on the ground that the constituents of the Region were not consulted. The contention is not supported by any provision of law. Further, re-apportionment allowed by the Commission by its order dated 27.12.2006, for the period from 1.4.2004 which has been accepted by the respondents, was itself based on the letter dated 6.8.2006. The Tribunal has set aside the Commission's order dated 27.12.2006 in Review Petitions Nos. 62/2006 and 72/2006 and has dismissed the review petitions. As a natural corollary, the Commission's earlier order dated 9.5.2006 which originally decided to implement re-apportionment of UCPTT at the rate of 35 paise/kWh effective from 1.2.2000, gets revived. However, subsequent to the Commission's order dated 9.5.2006, Member-Secretary, NERPC has recommended the revised UCPTT sharing formula as per the details given in Table of para 4 above, because of certain discrepancies in the capital cost earlier considered in the order dated 9.5.2006. The revision is to the advantage of the respondents as the petitioner's share as a result of fresh re-apportionment gets reduced. Therefore, the order dated 9.5.2006 is not being implemented, particularly when there was a small obvious discrepancy in the re-apportionment for the period June 2004 to December 2004, inasmuch as the total UCPTT exceeded 35 Paise/kWh. Therefore, we are revising apportionment based on Member-Secretary NERPC's letter dated 6.8.2006.

12. From 1.4.2007 onwards, UCPTT has been replaced by the normal tariff in NER. Therefore, the revised sharing will be applicable for the period 1.2.2000 to 31.3.2007. Based on the finally revised sharing of UCPTT as recommended by Member-Secretary, NERPC vide its letter dated 6.8.2006, the following UCPTT apportionment shall be made effective:

Constituent	(Paise/kWh)						
	2/2000- 12/2000	1/2001- 9/2001	10/2001- 12/2002	1/2003- 3/2004	4/2004- 5/2004	6/2004- 12/2004	1/2005- 3/2007
PGCIL	33.680532	33.704037	33.712086	33.841119	33.853696	33.690816	33.465764
ASEB	0.863309	0.847930	0.842664	0.758240	0.750010	0.891357	0.885403
Manipur	0.097708	0.095967	0.095371	0.085816	0.084885	0.084476	0.083912
MeSEB	0.130331	0.128009	0.127214	0.114469	0.113227	0.112682	0.111929
Nagaland	0.091441	0.089812	0.089255	0.080313	0.079441	0.079059	0.312328
Tripura	0.136679	0.134244	0.133410	0.120044	0.118741	0.141610	0.140664
Total	35.000000	35.000000	35.000000	35.000000	35.000000	35.000000	35.000000

13. The respondents based on the Commission's order dated 27.12.2006 have been making payments for the period 1.4.2004 to 30.11.2006 in quarterly installments. The last installment for the arrear payments is to be paid by 31.12.2008. Keeping in view the progress which has already been made, the last installment shall be paid by 31.12.2008, as already directed. Then, the issue remains about payments of arrears for the period 1.2.2000 to 31.3.2004.

14. The arrears for the period from 1.2.2000 to 31.3.2004 shall be paid in eight equal quarterly installments commencing on 31.3.2009 and shall be liquidated by 31.12.2010. No interest shall be charged as long as payments are released as per the schedule decided herein. Member-Secretary, NERPC shall issue details of net amounts payable/receivable by different agencies based on sharing formula specified above latest by 31.12.2008.

15. With the above order, the petition stands disposed of.

Sd/-
(S.JAYARAMAN)
MEMBER

sd/-
(BHANU BHUSHAN)
MEMBER

sd/-
(DR.PRAMOD DEO)
CHAIRPERSON

New Delhi dated the 30th September 2008

Status of UCPTT Arrear vide CERC order dt. 27.12.06

Total UCPTT arrear	318329743	To POWERGRID
Paid to Nagalnd	3934281	TO Nagaland
Net receivable	322264024	To POWERGRID
Installment	40283003	8 equal installments
Received upto 7th installment	267837557	
Amount due & pending	54426467	

State	Status of 7th installment				Status of 8th installment	
	Bill date	Amount	Due date	Paid on		
ASEB	01.09.08	21352289	30.09.08	11.10.08	21352289	Due on 01.12.08
Manipur	01.09.08	10186105	30.09.08	Pending	10186105	Due on 01.12.08
MeSEB	01.09.08	3957359	30.09.08	Pending	3957359	Due on 01.12.08
Nagaland	Total arrear of Rs. 3934281(neg) adjusted in Nagalnd bill in one installment on 27.03.07.					
TSECL	01.09.08	4787250	30.09.08	5th, 6th & 7th installment paid on 15.10.08	4787250	Due on 01.12.08

40283003

No UCPTT arrear for AP & Mizoram

NERLDC, SHILLONG
UNSCHEDULED INTERCHANGE STATUS AS ON 21.10.2008

Annexure-V

Rs in Lakhs

NAME OF UTILITY	CUMULATIVE RECEIVABLE UPTO W-27 of FY 08-09(i.e. upto 05.10.08)	CUMULATIVE PAYABLE UPTO W- 27 of FY 08-09 (i.e. upto 05.10.08)	UI AMOUNT RECEIVED FROM THE POOL (Till W- 24 (part) of 08-09)	DIFFERENTIAL RECEIVED FROM POOL till Wk-16 (Settlement period: 2008-09)	TOTAL AMOUNT RECEIVED FROM POOL INCLUDING DIFFERENTIAL	UI AMOUNT PAID TO THE POOL	Differential Amount settled during 2007-08 settlement period	Differential amount withdrawn	BALANCE UI PAYABLE TO POOL	BALANCE UI RECEIVABLE FROM POOL AFTER SETTLEMENT OF DIFFERENTIAL
	(1)	(2)	(3)	(4)	(5)=(3)+(4)-(8)	(6)	(7)	(8)	(2 - 6)	(1 - 5 - 7)
AP	584.82388	1149.17527	584.82388	3.88719	584.82387	600.01873	0.00000	3.88719	549.15654	0.00000
ASSAM	13643.86935	295.56187	12076.57656	74.02321	12150.59977	295.56187	505.27087	0.00000	0.00000	987.99871
MANIPUR	5915.31231	28.18817	5332.70022	41.20486	5373.90508	28.18817	21.3628	0.00000	0.0000	520.04444
MEGHALAYA	4525.16315	3138.10911	4032.65650	0.00000	4032.65650	3138.10912	0.00000	0.00000	0.00000	492.50664
MIZORAM	3442.77051	0.01251	3266.46601	30.98577	3297.45178	0.01251	12.1792	0.00000	0.0000	133.13951
NAGALAND	899.62388	835.76180	870.40445	6.41993	851.10547	369.99323	19.29897	25.71891	465.76857	29.21943
TRIPURA	1150.06323	425.44645	930.45915	3.06898	916.28160	361.57509	63.49680	17.24653	63.87136	170.28483
NHPC	88.03088	2.36793	72.69884	0.22587	69.68143	2.18829	3.75819	3.24328	0.17964	14.59126
NEEPCO	1836.00554	614.57623	1571.40170	6.97719	1578.37889	567.66966	30.34858	0.00000	46.90657	227.27807
ER	1785.81388	27893.97156	1785.81388	0.00000	1785.81388	25597.0143	0.00000	0.00000	2296.95725	0.00000
Differential (ISGS Capping)	511.69432	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	344.9013
TOTAL	34383.1709	34383.1709	30524.0012	166.7930	30640.6983	30960.3310	655.7154	50.09591	3422.8399	2919.9642
UI Billed:	2003-04	7037.642	Lacs.	2004-05	21942.290	Lacs.	2005-06		14511.463	Lacs.
	2006-07	21623.292	Lacs.	2007-08	49485.132	Lacs.				

UI Billed: Current FY 2008-09 34336.7588 Lacs.

Note:- 1. UI Payable and UI Receivable by each utility as on 30.03.08 have been used as opening balance of current FY 2008-09.

Col. 1 & 2 show opening balance plus UI payable/receivable till date.

2. Differential amount started from Wk-41 of 2007-08 (07.01.08 - 13.01.08). Differential settlement upto Wk-10 of 2008-09 (02.06.08 - 08.06.08) was done during 2007-08 settlement period. Differential figure in Col. 1 indicates amount w.e.f Wk-11 of FY 2008-09.

3. Total differential amount till Wk-25 (15.09.08 - 21.09.08): Rs. 1092.04521 Lacs

4. Differential amount lying with constituents (7+4-8) = Rs. 772.41251 Lacs

5. Differential amount in UI account: Rs. 319.6327 Lacs

Status of LC & Outstanding Dues Receivable as on 15.10.2008

Name of the constituent	LC available Rs. In Cr.	LC Required Rs. In Cr.	Outstanding for more than 60 days (Rs. In Cr.)
Arunachal Pradesh	2.52	1.60	0.00
ASEB	9.73	9.31	5.30
Manipur	1.40	1.59	2.50
MeSEB	0.80	2.51	9.87
Mizoram	1.16	0.86	0.00
Nagaland	1.06	1.35	0.00
TSECL	1.83	1.35	0.00