

**EASTERN REGIONAL POWER COMMITTEE
14 GOLF CLUB ROAD, TOLLYGUNGE, KOLKATA-700 033**

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**AGENDA FOR THE 14TH COMMERCIAL SUB-COMMITTEE
MEETING OF ERPC TO BE HELD ON 10.09.2010 (FRIDAY) AT
1100 HRS. AT ERPC, KOLKATA**

**ITEM NO. 1 CONFIRMATION OF THE MINUTES OF THE 13TH
COMMERCIAL SUB-COMMITTEE MEETING HELD ON
26.05.2010.**

The minutes of the 13th Commercial Committee meeting were circulated vide ERPC letter no. ERPC/COM-I/GEN/2010/1206-33 dated 31.05.2010, on which no comment have been received.

Members may confirm these minutes.

ITEM NO. 2 A) PAYMENT OF UI -- PRESENT STATUS

The status of UI payment as on 27.08.2010 for bills upto 15.08.2010 is enclosed at **Annexure-I** and the status of UI payment for the bills upto 28.03.2010 (2009-10) is enclosed at **Annexure-II**.

The outstanding UI including interest therein are given below :-

| Constituent | Figures in Rs. Crores | | | | | | |
|-------------|---|--------------------------|-----------|----------|-----------|----------|-------------|
| | 2009-10 | | 2010-11 | | Total | | Grand Total |
| | Principal | Interest | Principal | Interest | Principal | Interest | |
| BSEB | 61.57 | 9.94 upto 31.08.10 | (-) 11.98 | 0.7331 | 49.59 | 10.67 | 60.26 |
| JSEB | 35.24 | 1.18 | NIL | NIL | NIL | NIL | NIL |
| | Adjusted with the principal UI receivable for 2010-11 | | | | | | |

It is seen that as per figures submitted by ERLDC, the total amount payable by BSEB (including principal and interest) is around Rs.60.26 crores.

BSEB is requested to inform its payment plan.

As per the information furnished by ERLDC, the interest amount of **Rs.1.19 Crores** has been disbursed amongst recipient constituents of ER

in the ratio of their receivables for the year 2009 - 10. The details are shown below.

| Constituents | Amount in Lakhs | For Year |
|---------------------|------------------------|-----------------|
| DVC | 6.74 | 2009-10 |
| WBSETCL | 49.87 | 2009-10 |
| SIKKIM | 7.11 | 2009-10 |
| NTPC | 50.19 | 2009-10 |
| NHPC | 4.68 | 2009-10 |
| TOTAL | 118.59 | |

This is for the information of the members.

B) REACTIVE ENERGY POOL ACCOUNT -- STATUS AS ON 24.08.2010 (BILLS UPTO 15.08.2010)

As received from ERLDC, the updated position of Receipt/Payment of Reactive Energy Charges in the pool as on 24.08.2010 considering bill up to 15.08.2010 is indicated in **Annexure – III**

Members may please note.

C) 'IRE POOL' ACCOUNT OF ER WITH SR – PRESENT STATUS

As informed by ERLDC, settlement of IRE account with SR has taken place till 52nd Week of 2009 - 10 i.e up to 28.03.10 and an amount of **Rs.56.86 Crores** has been disbursed to POWERGRID for giving transmission benefits to ER Beneficiaries. Enclosed statement at **Annexure – IV** shows the details of IRE disbursements and the transmission benefit given to ER beneficiaries as settled as per ER and SR IRE account.

Moreover **Rs.32.01 Crores** (IRE amount of BSEB) has been adjusted with the outstanding UI dues of BSEB for 2009 -10 after getting consent from BSEB for adjustment of the amount against UI outstanding of 2009 - 10.

This is for information of the members.

D) POOL BALANCE DUE TO CAPPING OF NTPC STATIONS IN ER / ADDITIONAL UI CHARGE

As informed by ERLDC, the details of Pool Balance due to capping and additional UI charge are enclosed in **Annexure V**. From the annexure it is seen that out of total amount of **Rs.214.66 Crores, Rs.29.81 Lakhs** has been disbursed to WRLDC as consultancy charges (ERLDC portion) for IIT, Mumbai for Power Tracing as per CERC order dated 11.09.2008. Moreover the outstanding amount of **Rs 49.56 Crores** of ER constituents

for 2009 - 10 has been paid from the available capping amount. Thus total amount of **Rs 164.79 Crores** is available as capped amount as on date.

Moreover, an amount of **Rs 38.37 Crores & Rs. 9.93 Crores** have been kept as additional UI charge for the year 2009-10 & 2010-11 respectively. Thus total amount of **Rs 42.89 Crores** is also available as additional UI charge as on date.

This is for information of the members.

ITEM NO. 3 BILLING OF ENERGY SUPPLIED AFTER COD OF U#3 OF KhSTPP STAGE-II

Unit 3 (500 MW) of Kahalgaon STPP Stage-II was synchronized on 31.03.2009 and was declared under commercial operation with effect from 20.03.2010. NTPC vide its letter 26.03.2010 addressed to Chief Engineer (Comml), WBSEDCL with a copy to Member Secretary, ERPC had informed that they would provisionally bill 90% of Rs.1189.41 crores per annum as the capacity charge and Rs.1.65 per unit as the cost of energy charges (subject to fuel price variation). The amount thus provisionally billed would be subject to adjustment as and when final tariff is determined by CERC. In this context, it is informed that in the REA issued by ERPC, the AFC of U # 3 of KhSTPP Stage-II has been considered provisionally as 50% of the combined AFC of U # 1 and U # 2 of KhSTPP Stage-II. Till today, ERPC has not been informed by NTPC regarding provisional or final tariff approved by CERC for U # 3 of KhSTPP Stage-II or KhSTPP Stage-II as a whole.

In the light of above, NTPC may furnish the following :

- i) There is considerable gap between the period of synchronization of U # 3 of KhSTPP Stage-II and subsequent commercial declaration of it. NTPC may indicate the reason for such delay.
- ii) Whether any petition regarding tariff with respect to U # 3 of KhSTPP Stage-II is pending before CERC. If so, the petition number, date of filing of the petition and the date of hearing of the petition may be indicated.
- iii) In case CERC has not finalized the tariff, whether provisional tariff for U # 3 of KhSTPP Stage-II has been ordered by CERC or not.
- iv) The AFC considered for U # 3 Stage-II of KhSTPP in the monthly bill issued by NTPC to the beneficiaries of KhSTPP Stage-II.
- v) In case there is variation between the AFC figures of KhSTPP Stage-II indicated in the REA by ERPC and the AFC figures based on which NTPC is billing, NTPC may elaborate the reasons of such variation. NTPC is also requested to enlighten the

beneficiaries regarding the provision, if any, that exists in the tariff regulation of CERC regarding the recovery of AFC in the event of COD of the Unit 3 of KhSTPP Stage-II and subsequent non-finalisation of tariff of that unit.

- vi) Whether any Fuel Supply Agreement (FSA) / Coal linkage exists between NTPC and Coal Companies for supply of coal to Kahalgaon Stage-II including U#3 or not.

Based on the information furnished by NTPC in the meeting, members may deliberate and take suitable decision.

ITEM NO.4 ISSUES RAISED BY ERLDC

A) OPENING OF LC BY ER CONSTITUENTS FOR UI PAYMENTS

As per the Unscheduled Interchange charges and related matters (Amendment) Regulations, 2010 issued by CERC vide notification No. L-1(1)/2009-CERC dated 28th April, 2010 (effective from 03.05.10)

Quote

All regional entities which had at any time during the previous financial year failed to make payment of Unscheduled Interchange charges including Additional Unscheduled Interchange charges within the time specified in this regulations shall be required to open a Letter of Credit (LC) equal 110% of its average payable weekly UI liability in the previous financial year, in favour of the concerned RLDC within a fortnight from the date these Regulations come into force.....

.....Provided further that LC amount shall be increased to 110% of the payable weekly liability in any week during the year, if it exceeds the previous LC amount by more than 50%.

Unquote

The matter of opening of LC by various constituents has already been discussed in 13th Commercial Committee meeting held on 26.05.10 at ERPC, Kolkata wherein it was decided that LC will have to be opened immediately. Only GRIDCO has intimated that they have opened LC. BSEB, JSEB, WBSETCL & Sikkim had not yet opened LC. The request of DVC for opening of LC has been examined at ERLDC and they do not require to open LC. The status report for opening of LC is being forwarded to CERC on monthly basis (**Annexure – VI**).

Constituents are requested to expedite opening of LC.

B) UI CALCULATION FOR KhSTPS

UI calculation for KhSTPS is done station as a whole at present while REA for Fixed cost and scheduled energy is done separately. With new UI regulation, the sale UI rate and buy UI rate are not identical for APM based generating stations. Under the circumstances, it is felt that treatment of UI calculation for both the stages (i.e Stage I and Stage II) be done separately as both the stages essentially are two different control areas. It is, therefore, proposed that KhSTPP may furnish metered data for all the GTs and station auxiliary transformers so as to arrive out UI for both the stages separately.

Constituents may please discuss.

C) NON-RECEIPT OF SEM DATA FROM JSEB SUB-STATIONS

Since 22.02.10, SEM readings from JSEB substations for JSEB tie lines are not being received at ERLDC. The matter had been discussed in 13th Commercial Committee meeting held at ERPC on 21.05.10 wherein it was intimated by JSEB that they are taking expeditious action in this regard. Nothing has been done so far and entire computation is being done considering the meter readings of other ends.

JSEB is requested to look into the matter and ensure sending of data at ERLDC.

D) NON-RELEASE OF PAYMENT TOWARDS SERVICE CHARGES FOR MAINTINANCE OF EMS / SCADA SYSTEM – FIRST, SECOND & THIRD QUARTERS BY CONSTITUENTS.

LTSA (Long term Service Agreement) contract for EMS/SCADA system installed at all control centre (ERLDC, WBSETCL, OPTCL, DVC, JSEB, BSEB and Sikkim) has been awarded to M/s Areva India T&D Ltd. on 15th January 2010 by ERLDC for smooth running of the system in coordinated way. As per MOU between ERLDC and constituents, constituents has to pay advance quarterly payment for each quarter. During the 7th SCADA O&M meeting held at ERLDC, Kolkata, all constituents agreed to timely payment of maintenance charges. The third quarter maintenance period is going to be over on 17th Oct 2010. While all the other constitutes have been clearing their respective LTSA charges, BSEB and Sikkim are yet to release any payment till date inspite of repeated reminders.

As on 31.08.2010 following are the dues :

Sikkim : (First, Second & Third quarters)

Amount : Rs.1,48,296

Surcharge : Rs. 6,179

Total Amount : Rs.1,54,475

BSEB : (First, Second & Third quarters)

Amount : Rs.44,43,108

Surcharge : Rs. 1,84,802

Total Amount : Rs.46,27,910

In order to facilitate smooth maintenance activities of the SCADA system tools BSEB and Sikkim may release the LTSA charges to ERLDC without any further delay.

ITEM NO.5 ANY OTHER POINT WITH THE PERMISSION OF THE CHAIR.

SUMMARY OF UI RECEIPT AND PAYMENT STATUS

BILL UPTO 15.08.2010 (Week - 20 of 2010 - 11)

Last Payment Disbursement Date - 27.08.10

Figures in Rs. Lakhs

| CONSTITUENTS | Receivable | Received | Payable | Paid | Outstanding |
|-----------------------------|---------------------|--------------------|---------------------|--------------------|-------------|
| WR | 2427.61745 | 2427.83708 | 28052.38712 | 25726.90528 | -2325.70147 |
| SR | 4652.72103 | 3427.65047 | 3898.92941 | 3195.93853 | 522.07968 |
| NER | 310.14216 | 289.86858 | 9800.03600 | 8962.68918 | -1228.77056 |
| NR | 72750.13626 | 65782.84547 | 364.92234 | 365.59849 | 4715.97532 |
| BSEB | 5367.78112 | 0.00000 | 6565.82317 | 0.00000 | -1198.04205 |
| JSEB | 1314.61105 | 1314.61105 | 13916.09048 | 11339.78815 | -2576.30233 |
| DVC | 16470.15057 | 15551.97714 | 482.11664 | 482.11664 | 918.17343 |
| GRIDCO | 1206.55953 | 1020.41698 | 23703.11757 | 24315.39020 | 798.41518 |
| WBSETCL | 962.56387 | 962.56387 | 9993.96957 | 9770.09752 | -223.87205 |
| SIKKIM | 143.69991 | 143.69991 | 1151.74749 | 1043.77449 | -107.97300 |
| NTPC | 0.00000 | 0.00000 | 2478.06285 | 2265.05814 | -213.00471 |
| NHPC | 0.00000 | 0.00000 | 1080.33811 | 1029.29461 | -51.04350 |
| Pool Balance | 0.00000 | 0.00000 | 937.80731 | 875.93041 | -61.87690 |
| Additional UI charge | 1708.89485 | 992.86537 | 432.30154 | 0.00000 | 716.02948 |
| Transfer to IRE | 0.00000 | 0.00000 | 391.58382 | 581.52578 | 189.94196 |
| TOTAL | 105605.98295 | 90921.47055 | 103249.23342 | 89954.10742 | |

% Realization

86.09

As on 27.08.10

Receivable:

Receivable by ER POOL

Payable

Payable by ER POOL

Received

Received by ER POOL

Paid

Paid by ER POOL

"- ve" Payable by ER pool

"+ ve" Receivable by ER pool

Annexure - II

SUMMARY OF UI RECEIPT AND PAYMENT STATUS

**BILL UPTO 28.03.2010 (Week - 52 of 2009 - 10)
Last Payment Disbursement Date - 13.07.2010**

Figures in Rs. Lakhs

| CONSTITUENTS | Receivable | Received | Payable | Paid | Outstanding |
|----------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| WR | 0.00000 | 0.00000 | 175115.05137 | 175115.05137 | 0.00000 |
| SR | 15993.12351 | 15993.12351 | 6742.09562 | 6742.09562 | 0.00000 |
| NER | 3609.58465 | 3609.58468 | 13896.30663 | 13896.30666 | 0.00000 |
| NR | 144180.27079 | 144526.69398 | 169.41504 | 35.62383 | -480.21440 |
| BSEB | 17103.24995 | 10331.47603 | 3420.60075 | 2806.47056 | 6157.64373 |
| JSEB | 6747.57846 | 6747.57846 | 10946.91987 | 10946.91987 | 0.00000 |
| DVC | 61527.97256 | 61527.94448 | 2002.01781 | 2002.01781 | 0.02808 |
| GRIDCO | 32935.49583 | 32311.91445 | 8244.17814 | 7620.59676 | 0.00000 |
| WBSETCL | 2334.25626 | 2334.14862 | 30160.16196 | 30160.05432 | 0.00000 |
| SIKKIM | 684.22654 | 684.19278 | 4629.35366 | 4629.31990 | 0.00000 |
| NTPC | 0.00000 | 0.00000 | 15794.80451 | 15794.80451 | 0.00000 |
| NHPC | 0.00000 | 0.00000 | 2221.93972 | 2221.93972 | 0.00000 |
| Pool Balance | 0.00000 | 0.00000 | 3430.79751 | 3430.79751 | 0.00000 |
| Additional UI charge | 4650.05897 | 3836.50702 | 784.17447 | 0.00000 | 813.55195 |
| Transfer to IRE | 0.00000 | 0.00000 | 2935.16223 | 3737.69661 | 802.53438 |
| TOTAL | 285115.75855 | 278066.65699 | 280492.97929 | 279139.69505 | |

| | | | | |
|---------------------------|-----------------------|--------------|------------------------------|--------------------|
| | % Realization | 97.53 | As on 13.07.10 | |
| Receivable: | Receivable by ER POOL | | Payable | Payable by ER POOL |
| Received | Received by ER POOL | | Paid | Paid by ER POOL |
| "- ve" Payable by ER pool | | | "+ ve" Receivable by ER pool | |

Annexure - III

STATUS OF ER REACTIVE CHARGES

RECEIVABLE IN ER POOL AS PER PUBLISHED A/C UPTO 15.08.10 (2010 -11)
AS ON 24.08.10

| CONSTITUENT | AMOUNT RECEIVABLE IN THE POOL (Rs.) | AMOUNT RECEIVED IN THE POOL (Rs.) | OUTSTANDING (Rs.) |
|--------------------|--|--|------------------------------|
| | | | |
| WBSEB | 1273089 | 0 | 1273089 |
| | | | |
| TOTAL | 1273089 | 0 | 1273089 |

Annexure - IV

| BENEFICIARIES | APPORTIONED AMOUNT (RS IN LACS) |
|----------------------|--|
| BSEB | 3201.02163 |
| JSEB | 888.62610 |
| DVC | 339.00387 |
| GRIDCO | 1739.14577 |
| SIKKIM | 298.54686 |
| WBSETCL | 2420.96490 |
| TOTAL | 8887.30913 |

Annexure - V

All fig in Rs Lakhs

**Total amount available as per accounts (Considering bill upto 15.08.10)
As on 31.08.2010**

| Year | Capping | Surcharge |
|-----------|---------------|---------------|
| | As per actual | As per actual |
| 2007 - 08 | 5005.87950 | 0.00000 |
| 2008 - 09 | 12153.10284 | 0.00000 |
| 2009 - 10 | 3430.79751 | 3836.50702 |
| 2010 - 11 | 875.93041 | 992.86537 |
| Total | 21465.71026 | 4829.37239 |

Note: Out of Capping amount Rs.29.80931 Lac has been disbursed to WRLDC as consultancy char ERLDC portion for Power Tracing

The outstanding amount of Rs 4956.41408 Lac of ER constituents for 2009 - 10 has been paid from the available pool Balance

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Annexure - VI

REPORT OF OPENING OF LC IN EASTERN REGION (AS ON 31.08.10)

| Sl. No | Name of ER Pool members | Letter issued by ERLDC to Open LC | LC Amount (Lakhs of Rupees) | Status | Response from Pool Members | Remarks |
|---------------|--------------------------------|--|------------------------------------|-----------------|-----------------------------------|---------------------------|
| 1 | BSEB | Yes | 361.54 | LC not opened | Nil | No intimation is received |
| 2 | JSEB | Yes | 142.74 | LC not opened | Nil | No intimation is received |
| 3 | DVC | Yes | 0.00 | LC not required | | |
| 4 | GRIDCO | Yes | 696.71 | LC opened | LC Opened | |
| 5 | WBSETCL | Yes | 49.38 | LC not opened | Nil | No intimation is received |
| 6 | SIKKIM | Yes | 14.47 | LC not opened | LC opening is in process | |
| 7 | NTPC | Yes | 0.00 | LC not required | | |
| 8 | NHPC | Yes | 0.00 | LC not required | | |