

EASTERN REGIONAL POWER COMMITTEE

14 GOLF CLUB ROAD, TOLLYGUNGE, KOLKATA-700 033

Phone: 033-24235199/24235005 # Fax : 033-24171358/24221802 # Web : www.eastrpc.org

No. ERPC/COM-I/GEN/2009/ 7880-7905

Dated : 25 .03.2009

To : As per list

Sub : Minutes of 9th Commercial Sub- Committee meeting of ERPC
held on 23.03.2009 at Hotel ITC Sonar Bangla, Kolkata

Sir,

Enclosed please find minutes of the 9th Commercial Sub-
Committee meeting of ERPC held on 23.03.2009 at Hotel ITC Sonar
Bangla, Kolkata. Observations / Amendments, if any, may please be
furnished to ERPC for further necessary action.

Enclosure : as above

Yours faithfully,

--- Sd---

(R.K.GROVER)

MEMBER SECRETARY

DISTRIBUTION LIST:

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- 14) General Manager (T&D), SOUTHCO, Ganjam BERHAMPUR-760 004, ORISSA (FAX NO.0680 2202261)
- 15) DIRECTOR OF ACCOUNTS, TVNL, HINOO, DORANDA, RANCHI – 834 002 (FAX: 0651 2251296 / 2253181).
- 16) MANAGING DIRECTOR, JAMSHEDPUR UTILITIES & SERVICES CO.LTD (JUSCO), Sakchibouadvard, Northern Town, Bistupur, JAMSHEDPUR-831001.(FAX NO. 0675 2424219)
- 17) MANAGING DIRECTOR, BIHAR RAJYA JALA VIDYUT NIGAM, SONE BHAWAN, VIRCHAND PATEL MARG, PATNA (FAX: 0612 2227692).
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MINUTES OF THE 9TH COMMERCIAL SUB-COMMITTEE MEETING OF ERPC HELD ON 23.03.2009 (MONDAY) AT 1100 HRS. AT HOTEL ITC SONAR BANGLA, KOLKATA

The list of participants is enclosed at **Annexure-A**.

Executive Director, ER-II, POWERGRID, Kolkata welcomed the participants and thanked ERPC for giving them an opportunity to host the 9th Commercial Sub-Committee meeting. Thereafter, Shri R.K.Grover, Member Secretary, ERPC chaired the meeting and welcomed the members and participants. He thanked specially Chief Guests S/Shri Anirban Guha, Director (R&T), WBSEDCL and S.K.Dutta, GM I/C, NTPC, Kolkata on the dias for attending the meeting. Member Secretary then touched upon the key issues placed before the Committee for deliberation in the meeting and expressed his thanks for the excellent arrangements made by POWERGRID for holding the meeting. He then requested Shri J. Bandyopadhyay, Superintending Engineer (Commercial), ERPC to start proceedings of the meeting.

S.E.(Commercial), ERPC took up the issues as per the agenda.

ITEM NO. 1 CONFIRMATION OF THE MINUTES OF THE 8TH COMMERCIAL SUB-COMMITTEE MEETING HELD ON 11.11.2008.

The minutes of the 8th Commercial Sub-Committee meeting were issued vide letter no. ERPC/COM-I/GEN/2008/ 4574-98 dated 12.11.2008. No comment from any constituent on the minutes of above meeting has been received.

Members may please confirm the minutes of meeting as circulated.

Deliberations in the meeting

Members present in the meeting confirmed the minutes of the 8th Commercial Sub-Committee meeting held on 11.11.2008.

ITEM NO.2 SCHEDULING OF POWER FROM MEJIA UNIT NO.6 OF DVC TO NR CONSTITUENTS

As per Allocation Order of CEA dated 25.09.08 & 26.09.08, MoP in its communication dated 18.07.08 (in connection with allocation of Tala power), approved the restoration of power from Farakka and Kahalgaon Stage-I to Eastern Region in phases as and when Mejia Unit # 6 become operational. With the commercial declaration of Mejia TPS U # 6 by DVC with effect from 00:00 hrs of 24.09.2008, CEA vide its allocation order(s) as above revised allocation of firm share of Farakka STPP and Kahalgaon STPP Stage-I to Eastern Region and Northern Region constituents in connection with Tala allocation. Further, CEA also intimated regarding the allocation of 150 MW from Mejia U # 6 (250

MW) to beneficiaries of Northern Region and requested all concerned to implement the above allocation with effect from 00:00 Hrs. of 01.10.2008. Accordingly, ERPC Secretariat endorsed the above allocation order of CEA to all concerned and implementation of the same has been made effective from 01.10.08 duly.

But, communications have been received from several constituents of NR and CEA by ERPC, indicating that scheduling of power to the tune of 150 MW is not taking place due to non-declaration of availability by DVC from Mejia Unit # 6 and NR is deprived of their legitimate claim of power and incurring loss thereby. It is also learnt that DVC also had taken up the matter with MoP and DVC was informed by MoP in their letter dated 14.10.2008 that their request would not be agreed upon at this stage and revised allocation order communicated by MoP in its letter dated 18.07.2008 stands unaltered. In line with above, ERPC Secretariat in its letter dated 16.02.2009 also requested DVC to take immediate action in this regard. However, ERPC has stuck to the scheduling of 150 MW to ER as per the original order.

DVC is requested to intimate the latest status in this regard.

Deliberations in the meeting

Superintending Engineer (Comml), ERPC explained in details the issues involved in scheduling of power from Mejia TPS U # 6 of DVC to NR constituents. He also drew the attention of the members regarding the letter issued by MoP, GoI dated 19.03.2009 addressed to Chairman, DVC wherein it has been stated “It has been decided with the approval of Hon’ble Minister of power that DVC shall immediately schedule 100 MW power from Mejia TPS U # 6 to Delhi till further orders”. Chief Engineer (Comml), DVC informed that they have already initiated necessary action for scheduling of 100 MW power from Mejia U # 6 to Delhi.

It was clarified by General Manager, ERLDC that DVC should intimate the power to be exported to Delhi on time block-wise at DVC periphery for the purpose of scheduling everyday.

ITEM NO.3 SETTLEMENT OF DISCREPANCY IN JOINT METER READINGS OF TALA AND BINAGURI ENDS FOR TALA ENERGY RECEIPTS FOR THE PERIOD FROM DECEMBER’06 TO MARCH’08 (EXCEPTING FEW MONTHS) AND ASSOCIATED REVISION OF REGIONAL ENERGY ACCOUNTING (REA)

There were discrepancies noticed in the monthly joint energy meter readings of 400 kV Tala–Binaguri Lines I & IV for the period between December’06 to March’08 barring few months. It was pointed out in the respective monthly REA issued by ERPC, for Tala energy receipt, that the same would be revised once the discrepancies are sorted out by the concerned agencies. Accordingly, the reconciliation work in this regard actually commenced between PTC and Tala HPS authority from mid 2007 onwards with active participation from ERPC and other concerned agencies. Thereafter, ERPC Secretariat convened

Special meetings from time to time, e.g., at Siliguri on 10.10.2007, THPA office at Gedu, Bhutan on 11.12.2008, ERPC office on 14.01.09 and POWERGRID office on 17.03.09 with participants from Tala HPS authority, PTC, POWERGRID(ER-II), ERLDC besides ERPC Secretariat to sort out the above discrepancies. In the above meetings, problem areas were identified, suitable measures suggested so that similar discrepancies could be reduced. The process of implementation of suggested measures have been initiated with the aim to complete the process by March'2009. The key measures suggested in the meetings were as under :

- A) All the Main and Check meters at both the ends of 400 kV Tala – Binaguri Lines I to IV should be Special Energy Meters (SEM) of same make, same type and same accuracy class.
- B) Similarly, all the required meters (SEM) connected to and from Malbase Sub-station of Bhutan should be ensured by respective concerned parties that they are of similar make, type and accuracy class as above.
- C) For the discrepancies in the joint meter readings of the past period i.e. for the period from December'06 to March'08, an amicable solution was found out which has been agreed to by both PTC and Tala HPS representatives (In the monthly REA issued by ERPC Secretariat, a fixed 1.34% line loss, where applicable, was considered in all the concerned months due to discrepancies in the monthly energy meter readings).

In line with above decision, for the past period from December'06 to March'08, all the respective monthly REAs for Tala energy receipts at Binaguri end will be subjected to revision as per agreed methodology. Accordingly, the effect of changes in the monthly the revised REA for the respective months for Tala Energy Receipts are prepared and shown below:

MONTH	TALA RECEIPT IN MWH		ADDITIONAL BOOKING IN MWH
	AS PER REA	AS PER REVISION	
December'06	128556.662	128728.859	172.197
January'07	81188.846	81429.513	240.667
February'07	70119.420	70220.153	100.733
March'07	114895.955	114999.922	103.967
April'07	175674.956	175964.918	289.962
May'07	203444.058	203910.823	466.765
June'07	278312.287	278837.353	525.066
July'07	455222.393	455640.604	418.211
August'07	599141.279	599926.927	785.648
September'07	586550.466	587329.668	779.202
October'07	408737.557	409317.097	579.540
November'07	184600.392	184803.898	203.506
January'08	74207.692	74216.206	8.514
March'08	73212.805	73223.822	11.017
Grand Total	3433864.768	3438549.763	4684.995

If members agree, the same would be apportioned among constituents as per Tala share.

Deliberations in the meeting

Member Secretary, ERPC appraised the members regarding the discrepancy in the joint meter reading of Tala and Binaguri ends for the period between December'06 to March'08 and the actions taken by ERPC Secretariat for the resolutions of the same. He also informed that settlement had already taken place between PTC and THPA based on the consensus decision. He requested the beneficiaries of the Tala to accept additional booking to the extent of 4684.995 MWH as shown in the agenda to be apportioned among the beneficiaries in proportion of the respective shares in Tala.

Utility members present in the meeting appreciated the initiative taken by ERPC Secretariat towards the settlement of discrepancies and agreed for the revision of REA as indicated in the agenda with the approval of TCC and ERPC.

ITEM NO.4A) NON-REGISTRATION OF MANIQUE (DVC)-CHANDIL (JSEB) TIE IN SEM FOR THE DATE 21.01.2008 AND METERING PROBLEM IN 132 KV JAMTARA (JSEB)-MAITHON (DVC) LINE FROM 03.07.2007 TO 09.07.2007

Both the above mentioned issues were discussed in 6th, 7th and 8th Commercial Sub-Committee meeting and after obtaining consent from both DVC and JSEB, the issues were settled by ERPC.

This is for information of the respective members.

Deliberations in the meeting

Members noted.

ITEM NO.4B) LESS REGISTRATION OF METER DATA FOR THE TIE FLOW THROUGH 132 KV MAITHON(DVC)--JAMTARA(JSEB) LINE FOR THE PERIOD FROM 23.09.07 TO 03.12.07 AND REVISION OF UI ACCOUNT BETWEEN DVC & JSEB.

DVC has reported that there was less registration of meter data for 132 kV Maithon HPS (DVC)-Jamtara (JSEB) tie flow from 23rd September 2007 to 3rd December 2007. As both the SEM & TVM at Maithan end was recording less reading (as per DVC), therefore DVC requested JSEB to send the daily line flow data from Jamtara S/S of JSEB. But after receiving the data from JSEB, DVC has mentioned that the daily line flow data received from JSEB for the period September and October 2007 were very much incomplete and incorrect. Therefore, they have requested to revise the UI account for the said period with average monthly MWH data jointly signed by representatives of DVC and JSEB.

DVC and JSEB may discuss and resolve.

Deliberations in the meeting

Member Secretary, ERPC suggested that both DVC and JSEB should sit together and try to resolve the issue among themselves. The technical problem like change of polarity of CTs, change of defective meters may be immediately carried out. In case of non-agreement on commercial issues, they may approach ERPC Secretariat.

ITEM NO.4C) REVERSAL OF CT POLARITY AT JAMTARA & BARIPADA ENDS OF JAMTARA(JSEB)-MAITHON(DVC) AND BARIPADA(OPTCL)-BARIPADA(PGCIL) LINES

It has been reported by ERLDC that at present SEM data received from Jamtara (JSEB) end of 132 kV Jamtara-Maithon line and Baripada-Baripada (OPTCL) line are not correct, as input of CT to meter at Jamtara (JSEB) and Baripada (OPTCL) end are found to be connected in wrong polarity. These polarities are required to be reversed.

It has been mentioned in the discrepancy report every week. It is again requested that both JSEB and OPTCL may take necessary action so that after obtaining the correct reading in future, SEM reading of Jamtara end for drawal by JSEB and Baripada (OPTCL) end for drawal by OPTCL may be considered, for computing UI calculation of JSEB and OPTCL/GRIDCO.

JSEB and OPTCL representatives may please note.

Deliberations in the meeting

JSEB intimated that necessary changes would be incorporated by 26.03.2009. For Baripada S/S, Orissa representative informed that they would intimate the status shortly.

ITEM NO.5 INCENTIVE ENERGY STATEMENT FOR NTPC STATIONS IN ER FOR THE PERIOD APRIL '08 TO DECEMBER ' 08

A number of constituents of North-Eastern region are having shares of varying quantum from Kahalgaon STPS Stage-I and Kahalgaon STPS Stage-II. In order to clearly apportion the incentive energy payable to Kahalgaon Stage-I and Stage-II separately, clear reflection of schedule in Kahalgaon Stage-I and Stage-II by NER constituents is required in monthly REA issued by NERPC. However, a close scrutiny of the REA issued by NERPC revealed that clear statewise segregation of Kahalgaon schedule among the beneficiary constituents of NER has not been made. As a result, ERPC has not been able to issue the incentive energy for the above period. Matter has already been taken up by ERPC with NERPC.

Members may please discuss.

Deliberations in the meeting

Members discussed and noted.

General Manager, ERLDC informed in the meeting that, as per the discussions that he had with the Member Secretary, NERPC, necessary segregation in REA issued by NERPC would be done by 31.03.2009.

ITEM NO. 6 A) PAYMENT OF UI -- PRESENT STATUS

Summary of UI Receipt/Payment status for bills up to 01.03.09 as received from ERLDC is indicated at Annexure –I. As per Hon'ble CERC order dated 4th June, 2008 against petition no: 54/2008 (Suo-motto), BSEB has paid the principle outstanding dues for the year 2007-08. However, interest amount of **Rs 1138.19680 lakhs** due to delayed payment of UI charges for the year 2007-08 is yet to be paid by **BSEB**. Further the current principle outstanding (2008-09) UI dues of BSEB is **Rs 2755.39324 lakhs** (excluding interest on delayed payment for 2008-09) as on 13.03.09 considering bill up to 01.03.09. BSEB may please indicate the schedule for payment of outstanding UI dues for (2008-09) as well as interest amount for the year 2007-08.

Members may please note and discuss.

Deliberations in the meeting

Members discussed and noted.

On query from ERLDC, it was informed by BSEB that liquidation of outstanding UI dues would be made by BSEB within 15.04.2009 in accordance with the deadline given by CERC.

B) REACTIVE ENERGY CHARGES -- PRESENT STATUS

The updated position of Receipt/Payment in the pool for bills up to 01.03.09 as received from ERLDC is indicated at Annexure – II.

Members may please note and discuss.

Deliberations in the meeting

Members noted.

It was informed in the meeting that necessary payment would be made by WBSETCL shortly.

C) I.R.E. POOL ACCOUNT OF ER WITH OTHER REGIONS.

The status of settlement of IRE account between ER- SR & ER- NR as received from ERLDC is indicated below:-

Settlement of IRE account with SR has taken place till 02.11.08 and an amount of **Rs 17732.26295 lakhs** has been received by ER from SR and the amount disbursed to POWERGRID for giving transmission benefits to ER Beneficiaries. Enclosed statement at Annexure-III shows the details of IRE disbursements and the transmission benefit given to ER beneficiaries as settled as per ER and SR IRE account. Further an amount of **Rs. 12503.50975 lakhs** is to be received from SR IRE Pool Account to settle ER-SR IRE account up to week 48 i.e., up to 01.03.09.

The net IRE amount to be received from NR upto 26.08.06 is **Rs 11264.63780 lakhs**. Out of the said outstanding amount, an amount of **Rs 6621.89377 lakhs** has already been received from NR, out of which **Rs. 3871.89377 lakhs** has been paid to POWERGRID for giving transmission credit to ER beneficiaries as on date (Annexure III). An amount of **Rs. 2750.00000 lakhs** is further proposed to be disbursed to POWERGRID by 20th March'2009. With the above payment the IRE outstanding between ER and NR shall be settled for 2004-05 in full and 2005-06 in part.

Further an outstanding amount of **Rs. 4642.74403 lakhs** is required to be received from NR pool as IRE payment. After reconciliation of the UI and IRE account an amount of **Rs 219.11643 lakhs** were available as pool balance on account of inter- regional payment settlement and the interest amount accrued in IRE. This amount has also been disbursed to POWERGRID for giving transmission benefits to ER beneficiaries in proportion to the weighted average share for the corresponding years.

Members may please note.

Deliberations in the meeting

Members noted.

ITEM NO.7 A) DETERMINATION OF MAXIMUM PEAK HOUR EX-POWER PLANT MW SCHEDULE.

As per Clause 21 (4) of CERC Tariff Regulation 2009

Quote

In case of fuel shortage in a thermal generating station, the generating company may propose to deliver a higher MW during peak-load hours by saving fuel during off-peak hours. The concerned Load Despatch Centre may then specify a pragmatic day-ahead schedule for the generating station to optimally utilize its MW and energy capability, in consultation with the beneficiaries. DCi in such an event shall be taken to be equal to the maximum peak-hour ex-power plant MW schedule specified by the concerned Load Despatch Centre for that day.

Unquote

The following issues need deliberation :

- i) Certifying fuel shortage;

- ii) Methodology of preparation of schedule during peak hours;
- iii) Duration of peak hour, etc.

ERLDC may please opine and members may discuss.

Deliberations in the meeting

It was suggested by Director (R&T), WBSEDCL that till the tariffs are finalized by CERC, the existing methodology of scheduling of ISGS stations under condition of coal shortage should be adhered to.

It was unanimously agreed that the peaking hours should be 3 hours continuous between 17.00 hrs to 23.00 hrs peak period. The present notification is silent on time period.

It converged from the deliberation that the issue noted in this agenda needs clarification from CERC. ERPC Secretariat has been authorized by Commercial Sub-Committee to take up the issue with CERC for clarification. It was, further, decided to place it in the TCC meeting for deliberation.

B) DETERMINATION OF DCi FOR HYDRO POWER STATION

As per CERC Tariff Regulation 2009 Clause 22 (3), Plant Availability Factor Achieved during the Month in Percentage (PAFM) shall be computed based on Declared Capacity (in ex-bus MW) for the day which the stations can deliver at least 3 hours as certified by Nodal Despatch Centre after the day is over.

The following issues are required to be addressed :

- i) Whether the 3 hours would be during the peak hours ?
- ii) Whether this 3 hours would be continuous or not ?
- iii) Methodology to be adopted by RLDC for certifications of DCi.

ERLDC may please opine and members may discuss.

Deliberations in the meeting

After deliberations, it was decided that ERPC Secretariat would also approach CERC for necessary clarifications on the issues involved.

C) CERTIFICATION OF MONTHLY AVAILABILITY FACTOR OF TRANSMISSION SYSTEM.

As per the procedure for calculation of Transmission System Availability Factor for a Month (TAFM), transmission licensee shall calculate above factor, got verified by RLDC and certified by Member Secretary, RPC of the region concerned.

POWERGRID may please elaborate the procedure to be followed as per CERC Tariff Regulations 2009.

Members may please discuss.

Deliberations in the meeting

POWERGRID explained the methodology to be followed for calculation of Transmission System Availability Factor for a month (TAFM) and the reflection of the same in the subsequent REAs.

D) RAISING OF BILL BY GENERATING COMPANY / TRANSMISSION LICENSEE FOR THE PERIOD FROM 01.04.2009 TILL APPROVAL OF TARIFF BY CERC IN ACCORDANCE WITH CERC REGULATION 2009.

As per Clause 5 (3) of the CERC Tariff Regulations

Quote

In case of the existing projects, the generating company or the transmission licensee, as the case may be, shall continue to provisionally bill the beneficiaries or the long-term customers with the tariff approved by the Commission and applicable as on 31.3.2009 for the period starting from 1.4.2009 till approval of tariff by the Commission in accordance these regulations :

Provided that where the tariff provisionally billed exceeds or falls short of the final tariff approved by the Commission under these regulations, the generating company or the transmission licensee, as the case may be, shall refund to or recover from the beneficiaries or the transmission customers, as the case may be, within six months along with simple interest at the rate equal to short-term Prime Lending Rate of State Bank of India on the 1st April of the concerned/respective year.

Unquote

ERPC would like to know whether the REA for the period from 01.04.2009 till finalization of the tariff by CERC would be based on CERC Tariff Regulations 2004.

Members may please discuss and opine.

Deliberations in the meeting

Drawing the attention of the members to the agenda item, Superintending Engineer (Comml), ERPC requested al the ISGS, ISTS and their beneficiaries to advise ERPC regarding preparation of REA with effect from 01.04.2009. After detailed deliberation all the ISGS, ISTS and their beneficiaries present in the meeting unanimously decided that till the finalization of tariff by CERC, existing tariff will be applicable with the new norms specified in the CERC (Terms & Conditions of Tariff) Regulations 2009.

ITEM NO.8 A) ISSUE RAISED BY BSEB

SUDDEN AND SHARP RISE IN FPA VIS-À-VIS ENERGY CHARGES IN LAST FEW MONTHS FOR NTPC POWER STATIONS IN ER

BSEB expressed concern regarding sudden and steep rise in FPA resulting in excessive hike in energy charges bills during the months of December'08 and January'09 compared to that of the month for November'2008 for NTPC stations in Eastern Region. In their letter dated 05-02-09 addressed to GM I/C (Commercial), NTPC, New Delhi and endorsed a copy to ERPC among others, BSEB raised certain issues in this regard to NTPC for clarification before processing the power purchase bill of NTPC by them. BSEB also requested ERPC to include the same as an agenda item in the Commercial Sub-Committee meeting to resolve the issue arising out of the increase in the fuel price adjustment. The copy of the BSEB letter as above is enclosed at Annexure - IV for ready reference.

NTPC is requested to clarify.

Deliberations in the meeting

BSEB representative present in the meeting submitted that due to high price of imported coal, there has been sudden and sharp increase in the power purchase bill by way of fuel adjustment in December'08 and January'09. The huge impact in the power bill is likely to give tariff shock to the beneficiaries and ultimately to the consumers.

ERPC also read out a letter received from GRIDCO wherein GRIDCO has also pointed the huge impact on FPA values on NTPC stations in Eastern Region during the months of December'08 and January'09. GRIDCO desired that NTPC should take note of the following :

- a) NTPC should maximize off take from e-auctions, as the cost of such coal is much less than that of the imported coal.**
- b) NTPC should speak about the details of the fuel supply agreement between them and the MCL. It may be brought to the notice of the constituents whether the agreement provides for meeting the requirements for PLF of 100% or not.**
- c) NTPC should also clarify whether it makes 12 days advance payment to the MCL or not.**
- d) CMD, NTPC during his last visit to Orissa, indicated that there is no problem in availability of coal in the NTPC stations in Orissa.**

It was clarified by NTPC that the decision of import of coal in the country was taken at the highest level meeting in MoP, GoI in the month of January'08 where Chairman, BSEB was also present.

Member Secretary, ERPC observed that the decision to import coal was taken to tide over the severe power shortage that the country was facing at that time. There was no other alternative and as such Government of India in consultation with the stake holders took the decision to import the coal.

B) ISSUES RAISED BY JSEB

DETAILS OF ABT METERS INSTALLED IN JSEB

ERPC Secretariat is in receipt of letter from Chief Engineer (Comml & Rev), JSEB addressed to Manager (Comml), ER-I, POWERGRID with a copy to Member Secretary, ERPC. In the letter JSEB has requested POWERGRID to make available the quantity of meter purchased and their places of installations. POWERGRID had made available the quantity of meter purchased but the places of installations have not been intimated to JSEB.

POWERGRID may furnish the necessary information to JSEB.

Deliberations in the meeting

POWERGRID informed that 528 nos. of ABT meters have been procured by POWERGRID. Out of which 407 meters have already installed and 6 nos. of ABT meters are yet to be installed. Out of these 6 meters, 4 nos. of ABT meter to be installed, 1 each at Jamtara S/S, Lalmatia S/S, Deogarh S/S and Manique S/S of JSEB. 10% (i.e. 52 nos. of meters) of total meters have to be kept as inventory and 63 nos. of meters have been kept as reserved for future installation in the lines coming in future.

Members noted the same.

C) ISSUES RAISED BY POWERGRID

POWERGRID, ERTS-II, Kolkata submitted following agenda points for discussion in the Commercial Sub-Committee meeting. POWERGRID also reported that the items were discussed in the 35th OCC meeting held at Farakka, NTPC. The documents as submitted by POWERGRID are enclosed at Annexure – V for ready reference.

D) REPLACEMENT OF CIRCUIT BREAKERS

- a) There are **26 no. 220kV ABCBs** in CTS system at BIRPARA, DALKHOLA & SILIGURI S/S of POWERGRID commissioned around 1986 and thus completed 23 years in service and lately started giving frequent leakage/maintenance problem due to ageing. ABB has long back stopped production of ABCBs but continued service support for 20 years till recently. Now ABB has stopped the spare support w.e.f. January'09. Hence in order to ensure reliable evacuation of Chukha power & supply at 220kV level, the ABCBs have to be replaced immediately else their outage may

result in prolonged outage of feeders. Such replacements have already been done in other regions.

Members may please discuss and decide.

- b) There are 02 nos. NGEF make and 04 nos. TELK make 220KV SF6 CBs are in service at 400/220KV Durgapur S/S commissioned around 1990 and are giving frequent problems due to ageing problem. M/s NGEF and TELK have stopped production and also spare support. Hence in order to ensure reliable evacuation of power and supply at 220 KV level, the TELK and NGEF make CBs have to be replaced immediately else their outage may result in prolonged outage of feeders. Such replacements have already been done in other regions.

Cost of replacement of 32 sets (26 + 06) CBs @ **Rs. 16 lakhs/set** will be **Rs. 5.12 Crore**. Considering the *salvage value* of existing CBs @ 10% of its original value (Rs 5 lakhs/set) the total salvage value comes to **Rs 16 lakhs**. Hence total cost of replacement of CBs after deducting the salvage value will be **Rs 5 Crores**.

Members may please discuss and decide.

Deliberations in the meeting

Commercial Sub-Committee agreed for replacement of 32 sets of circuit breakers at a total cost of Rs.5 crores subject to the approval of TCC and ERPC.

II) REPLACEMENT OF GAPPED LIGHTNING ARRESTORS (LAs)

There are around 200 no. gapped LAs in service at various stations of ER-II. There are increasing incidences of bursting of the LAs in service & failure during charging. It shows their ineffectiveness to handle the surges while in service as well as the switching surges. These LAs have already served 15 years in service & their performance is not reliable. This has been established through a study as published in IEEE publication of 1996. The study establishes deterioration of such LAs after 10 years and the degradation was evident in such LAs of 13 years in service. *The study has recommended progressive replacement of all such Gapped LAs of 13 or more years in service, with Metal Oxide LAs.*

If these LAs are not replaced, they may pose danger to the Residual Life of costly equipments like transformers & reactors and as well as may cause huge damage. As such POWERGRID proposes to replace the gapped LAs immediately with more reliable MOX Arresters. The cost of replacement of 191 no of gapped typed LA of different voltage level will be **Rs 1.95 Crore after deducting the salvage value @ 10% of its original cost.**

Members may please discuss and decide.

Deliberations in the meeting

Commercial Sub-Committee agreed for replacement of 191 nos. of gapped type Lightning Arrestors at a total cost of Rs.1.95 crores subject to the approval of TCC and ERPC.

III) REPLACEMENT OF PLCC (SPEECH & PROTECTION COUPLER & FOR BOTH ENDS)

BPL make old type PLCC panels are installed in Chukha Transmission System and JTTS. Due to design obsolescence, the spares are not available. These PLCC panels are required to be replaced. These PLCC have already served more than twenty years in service & their performance is not reliable. Hence in order to ensure reliable evacuation of Chukha power & supply at 220kV level, and JTTS at 400KV level the BPL make PLCCs have to be replaced immediately else their outage may result cascade trippings & grid disturbances. Such replacements have already been done in other regions. Cost of replacement of BPL make panels in CTS as well as JTTS will be as follows **after deducting the salvage value @ 10% of its original cost.** (detailed BOQ enclosed).

- i) Cost of replacement of BPL make 220KV & 400KV Panels of CTS & JTTS of ER-II = **Rs. 2.79 Crore**
- ii) Cost of replacement of BPL make 220KV pertaining to said line but belongs to other Region / Constituent (Rs 0.83 Crore only) as per detailed given below

Cost Appropriation :

POWERGRID,ER-I	= Rs. 2080840.00
POWERGRID,NER	= Rs. 2080840.00
CHUKHA HPS	= Rs. 2080840.00
BHUTAN POWER CORP.	= Rs. 2080840.00

Kind attention of ERPC and the Constituent members are invited towards capital addition for carrying out replacement of the phased out, inoperative & obsolete CBs, LAs & PLCCs to ensure reliability & security.

POWERGRID requests for kind consent of the Constituents for replacement of the above equipments at an estimated cost of Rs. 10.16 Crores (9.74 for ER-II + 0.42 POWERGRID, ER-I & NER) to increase the life expectancy of the equipments installed in the S/S for their smooth and trouble free operation. However, the replacement will be carried out in phased manner, i.e. in the time frame of 2 to 3 years.

Members may please like to discuss and decide.

Deliberations in the meeting

Commercial Sub-Committee agreed for replacement of PLCC (Speech and Protection Couplers) as given in the agenda subject to the consent of TCC, ERPC, NERPC, CHPC and BPC.

D) ISSUES RAISED BY ERLDC

I) POOL BALANCE DUE TO CAPPING UI RATE.

The status of pool balance due to capping of UI rate of thermal ISGS as received from ERLDC is indicated below :

ER UI pool has accrued a total pool balance of **Rs 11849.05120 lakhs** due to capping of UI of thermal ISGSs of ER. Out of this total pool balance an amount of **Rs 4932.67482 lakhs** has been utilized for payment of outstanding dues as per CERC directive. Balance amount of **Rs 6916.37638 lakhs** is presently available in the ER pool .

Members may please note.

Deliberations in the meeting

Members noted.

II) WORKSHOP ON BLACK START & RESTORATION PROCEDURE, SCHEDULING & SYSTEM OPERATION, RELIABILITY ISSUES & METERING AND SETTLEMENT SYSTEMS FOR ER GRID

In order to keep pace with the recent development in power sector and functioning of load dispatching, it is essential that the operators of various beneficiaries of ER get the opportunity to develop themselves. Keeping this in mind continuous training/workshops are required to be organized in ER. ERLDC proposes to organize 4 nos one day workshop on subjects like Black start and system restoration procedure, system operation & scheduling, SCADA (application/ data validation / state estimator), Reliability (TTC/ATC, system studies), metering & settlement system etc. The first workshop on Black start and System restoration is proposed to be organized on the next day of monthly OCC meeting to be held during the month of April.

The expenditure for conducting such workshops (approximately Rs 40000.00 per workshop) may be utilized from Reactive Pool Account.

Commercial Sub-Committee may please approve the same.

Deliberations in the meeting

Commercial Sub-Committee agreed subject to approval of TCC and ERPC.

III) SEMINAR ON “REDUCTION OF ATC LOSSES – ISSUES & CHALLENGES“ ON 05.12.2008 – REGARDING PAYMENT

As per the decision of the 7th ERPC meeting held at Ranchi on 26.7.2008 an one day workshop was organized by ERPC/ GRIDCO at Bhubaneswar on “Reduction of ATC Losses – Issues & challenges“. As advised by ERPC (vide ERPC letter no ERPC/MS/Seminar/2009/5748-49 dated 22.01.09) an amount of Rs.184991.00 (One lakh eighty four thousand nine hundred and ninety one only) has been released from Reactive Power Pool account in favour of GRIDCO on 11.2.2009 for meeting a part of the expenditure incurred during the Seminar .

Commercial Sub-Committee may approve the above expenditure.

Deliberations in the meeting

Commercial Sub-Committee agreed subject to approval of TCC and ERPC.

IV) METER REPLACEMENT IN GRIDCO

Almost all the old SML make meters of GRIDCO area have been replaced by the new L&T make meters, except at Meramundali, Rangali, TTPS and Tarkera. The total nos. of meters to be replaced in GRIDCO area are as follows:

Meramundali	-	5 Nos.
Rengali	--	3 Nos.
TTPS	--	1 No. &
Tarkera	-	2 Nos.

The new meters are being sent to site along with the test reports. GRIDCO may advice concerned to allow for replacement of old meters with new ones at these places. ER II is requested to furnish the schedule for replacement of the old meters with those of L&T make at the earliest.

Members may like to discuss.

Deliberations in the meeting

It was informed by POWERGRID that the meters at Tarkera had already been installed. Installation of meters at Meramundali and Rengali would be completed shortly.

V) AWARD OF LONG TERM SERVICE AGREEMENT (LTSA) FOR EMS/SCADA SYSTEM IN EASTERN REGION.

The EMS/SCADA system installed in the RLDC and SLDC are under extended warranty till 15th June, 2009. After the expiry of the paid extended warranty, Annual maintenance contract has to be awarded for smooth functioning of the system. The matter was discussed in 5th SCADA O&M meeting held on 23rd, January, 2009 and it has been decided that the AMC may be awarded under two major packages, (i) Control Center equipments along with software (ii) RTUs

and other associated systems. It was also decided that AMC of the Control Centre equipments and software may be done through OEM and the processing may be coordinated by ERLDC. AMC of the RTUs and associated systems may be done through Limited Tendering process to be coordinated by POWERGRID.

- a) In line with the decision, a draft MOU has been circulated which is required to be signed between ERLDC and the constituents (copy enclosed) as has been done in other region for co-ordination during the execution of AMC. An overhead charge for ERLDC @16% on the AMC charges has been mentioned in the MOU. However, the same shall be charges after discussion with the constituents and approval by POWERGRID management. The same may be cleared by the commercial committee for placing the MOU (Annexure-VI) to the Board for approval.
- b) ERLDC has taken up with the OEM vendor for the budgetary quotation and the vendor has submitted their budgetary offer for the AMC for 3 years which is as detailed below :

Sr. No.	Offer price (in Lakhs)	% of derived capital cost
1 st year	691.50	8.14
2 nd year	707.00	8.32
3 rd year	851.52	10.02

It is felt that the system should run at least for another 5- 6 years and it has been decided to process for AMC initially for 3 years to be made extendable for another 2 years with mutual agreement for optimization in maintenance charges. ERLDC is in the process of taking administrative approval for finalization the AMC through negotiation as per Works & Procurement Policy of POWERGRID. The constituent-wise break-up (indicative only) is enclosed at Annexure – VII for information to the members.

- c) Sikkim has not paid the AMC charges of Rs.76,217/- for the extended warranty period (paid warranty). The award was placed based on the original scope of contract. In such case award of AMC for further 3 years may be deferred. Representative from Sikkim may confirm.

Members may note and discuss.

Deliberations in the meeting

General Manager, ERLDC explained in details the need for entering into Long Term Service Agreement (LTSA) for EMS / SCADA system in Eastern Region. In this connection, he drew the attention of the members to the draft MOU given in the Annexure-VI of the agenda for approval.

After detailed deliberations, the utility constituents of the Eastern Region requested that the overhead charge for ERLDC should be limited to 10% on AMC charge as has reportedly been done in case of Northern Region and Southern Region. General Manager, ERLDC assured that he would take up the matter with POWERGRID in this regard.

Representative from Sikkim informed in the meeting that payment amounting to Rs.76217/- towards AMC charges for the extended warranty period has already been released by Government of Sikkim.

ITEM NO.9 ANY OTHER POINT (S) WITH PERMISSION OF THE CHAIR

A) ADDITIONAL AGENDA ITEM RAISED BY POWERGRID

Microwave Communication System under ER-ULDC Project – Alternate communication arrangement due to vacation of allocated MW frequency as per GoI decision.

ULDC, Eastern Region has been established by POWERGRID, which is in commercial operation since September, 2005 through mix of Microwave & fibre optic communication links. Recently, Ministry of Communication, GoI, has informed that spectrum in the frequency band 2.3 to 2.4 GHz band, which is being used for ULDC links, are to be vacated as per GoI mandate as this band needs to be auctioned for Broadband Wireless Access Service. In view of the development, as a long term solution, POWERGRID has proposed to implement a comprehensive Fibre Optic (OPGW) based communication network to replace the existing MW based network for all constituents including Central sector. The matter has been discussed in 4th SCADA O&M Committee meeting as well as in the last TCC meeting of ERPC held at Bodhgaya. As the countdown for making alternate communication arrangement has already began, it is requested that the ER beneficiaries' constituents may please give in principle approval of POWERGRID proposal. The matter was also discussed in the last TCC meeting of ERPC held at Bodhgaya, where tentative estimated cost of Rs.122.20 crores for the network was projected. Constituent wise details of cost break-up for ER are given below :

Total Cost	Rs. in Crs.			
	OPGW	UGFO	TOTAL	122.2049
	km	km	Km	
DVC	207	10	217	15.48
WBSEB	388	0	388	27.68
CS	253	10	263	18.76
BSEB	447	20	467	33.32
OPTCL	373	5	378	26.97
	1668	45	1713	122.20

* This includes equipment cost also.

A sketch showing the proposed solution for replacement of Microwave Network for Eastern Region is given at Annexure-VIII.

POWERGRID requested for approval in the Commercial Sub-Committee meeting.

Deliberations in the meeting

It was pointed out by ERPC Secretariat that the issue was discussed in the 8th TCC meeting held on 29.11.2008 at Bodhgaya wherein “After detailed deliberation, it was agreed that POWERGRID and all utility constituents through their respective State Government would approach MoP, GoI for funding the project through the fund of the Central Government”.

It was explained by ERPC Secretariat that the issue is under active consideration of TCC and as such the entire issue may be placed by POWERGRID in the TCC meeting.

The meeting ended with a vote of thanks to the Chair.

List of Participants in the 9th Commercial Sub-Committee meeting of ERPC held on 23.03.2009 at Hotel ITC Sonar Bangla, Kolkata.

ERPC

1. Shri R.K. Grover, MS – in Chair
2. Shri J. Bandyopadhyay, SE
3. Shri S.K. Ghosh, EE
4. Shri A. Roy, EE
5. Shri S.K. Deb, EE
6. Shri S.M. Jha, EE
7. Shri S.P. Datta, DGM (NTPC)
8. Shri S. Kejriwal, AEE

BSEB

1. Shri G.K. Choubey, ESE
2. Shri S.K. Sengupta, EEE / L.O. Kolkata

JSEB

1. Shri K.N. Thakur, CE (C&R)
2. Shri R.M. Tiwary, ESE, SLDC

DVC

1. Shri T.K. Pal, CE (Comml)
2. Shri C. Karmakar, Dy.CE (Comml)
3. Shri S. Ghosal, SE (E)

WBSEDCL

1. Shri Anirban Guha, Director (R&T)
2. Shri M.S. Pal, Addl. CE (Comml)
3. Shri S. Nandy, Dy. CE (Comml)
4. Shri S.K. Dey, SE (Comml)
5. Shri A. Pradhan, DE (PTR)

WBPDCL

1. Shri A.K. De, DGM (Corp)
2. Shri J. Modak, Manager (Corp)

NHPC

1. Shri R. Raina, CE (Comml)

NTPC

1. Shri S.K. Dutta, GM I/C
2. Shri V. Kumar, DGM (Comml), CC
3. Shri S.K. Kar, DGM (Comml), ER-II
4. Shri A. Mahendra, Sr. Manager (Comml)
5. Shri P.K. Ghoshal, Sr. Manager (Comml)

PTC

1. Shri R.C. Chaudhary, VP

GRIDCO

1. Shri C.R. Mishra, Sr. GM (PP)
2. Shri S.K. Mohanty, Manager
3. Shri N. Khan, L.O.

OHPC

1. Shri P.K. Pradhan, DGM (F&A)
2. Shri M.K. Swain, Dy. Manager (Elec)

GOVERNMENT OF SIKKIM

1. Shri K.K. Pradhan, SE
2. Shri H.B. Pradhan, EE

POWERGRID

1. Shri R. P. Singh, ED, ER-II
2. Shri Jai Pal Singh, GM (ORM), ER-II
3. Shri S. Prasad, AGM (Comml)
4. Shri S.K. Singh, Chief Manager (OS)
5. Shri B.K. Pradhan, Chief Manager (OS)

ERLDC

1. Dr. L. Hari, GM
2. Shri P. Mukhopadhyay, DGM
3. Shri G. Chakraborty, Chief Manager
4. Shri Debasis De, Chief Manager
5. Shri A.N. Pal, Dy. Manager