

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय: "सौदामिनी" प्लॉट सं. 2, सैक्टर-29, गुडगाँव-122 001, (हरियाणा) दूरभाष: 0124-2571700-719, फ़ैक्स : 0124-2571762,
"Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, (Haryana) Tel. : 0124-2571700-719, Fax : 0124-2571762, Web.: www.powergridindia.com

CIN : L40101DL1989GOI038121

CC/ Comml./NoR-AVVNL /2016

Dt.: 04.11.2016

To
The Managing Director,
M/s Ajmer Vidyut Vitran Nigam Ltd (AVVNL),
Old Power House, Hathi Bhata Jaipur Road,
Ajmer, Rajasthan

(WITHOUT PREJUDICE)

Dear Sir,

Sub: "Notice for Regulation of power supply" for default of Ajmer Vidyut Vitran Nigam Ltd (AVVNL), Rajasthan in making payment of outstanding dues and opening Letter of Credit

- Ref: 1. Our Ltr no. NR-1/Comml./ dtd 15.06.2016
2. Our DO Ltr no. CC:Comml:Rajasthan Discoms dtd 21.06.2016
3. Our Ltr no. NR-1/Comml./ dtd 27.06.2016
4. Our Ltr no. NR-1/Comml./ dtd 11.07.2016
5. Our Ltr no. NR-1/Comml./ dtd 26.07.2016
6. Our Ltr no. NR-1/Comml./ dtd 09.08.2016
7. Our Ltr no. CC:Comml:Rajasthan dtd 18.08.2016
8. Our Ltr no. NR-1/Comml./ dtd 26.08.2016
9. Our Ltr no. NR-1/Comml./ dtd 07.09.2016
10. Our Ltr no. CC:Comml:Rajasthan: dtd 09.09.2016
11. Our Ltr no. NR-1/Comml./ dtd 07.10.2016
12. Our Ltr no. CC:Comml:AVVNL: dtd 10.10.2016
13. Transmission Service Agreement dtd 25.07.2011.

1. AVVNL, Rajasthan is a Designated Inter-State Transmission System customer (DIC) which is availing Inter-state Transmission System (ISTS) network for transfer of power from various power plants located in different parts of country to AVVNL and is under obligations to make timely payment of transmission tariff and to open requisite Letter of Credit (LC) towards Payment Security Mechanism (PSM) in line with Electricity Act 2003 read with relevant contractual provisions and CERC Regulations.
2. It is, however, a matter of serious concern that AVVNL is consistently failing to make payment against the monthly bills raised on it towards transmission tariff despite various commitments and regular follow-up by CTU. As a consequence, total dues of AVVNL have accumulated to **Rs 123 Cr** as on 04.11.2016, which includes an amount of **Rs 18 Cr.** outstanding for more than 60 days as on date (*which would grow to Rs 45 Cr. on 06.11.2016*) based on the bills already raised by CTU.

3. Further, AVVNL has established an LC for an amount of **Rs 26 Cr.** only as against the requirement of **Rs 29 Cr.** as per the provisions of CERC Regulations. Enhancement of LC has not been done despite regular follow up and reminders from CTU.
4. CTU has been mandated with the responsibility of Billing, Collection and Disbursement of transmission charges towards ISTS licences from all the DICs. Such huge outstanding dues as brought out above are seriously affecting the cash flows of all the ISTS Licensees and causing adverse impact on the ability to carry on as a business enterprise and to fulfil loan repayment liabilities towards creation of transmission assets.
5. Regulation 4 of CERC (Regulation of Power Supply), 2010 reads as under:-

"In case of outstanding dues or in case the letter of credit or any other agreed Payment Security Mechanism is not maintained as per the Agreement, the generating Company or the transmission licensee, as the case may be, may serve a notice for regulation of power supply, on the Defaulting Entity, for reducing the drawl schedule in the case of the generating company or withdrawal of open access / access to Inter-State Transmission System in the case of the transmission licensee."

6. In this regard, attention is invited to various correspondence issued by CTU, as referred above, which demonstrates the default of AVVNL in payment of legitimate dues. As per the provisions of **Regulation 4 of CERC (Regulation of Power Supply) Regulation 2010, provisions of BCD procedure** approved by CERC and terms of TSA, the CTU is constrained to issue this "Notice for Regulation of Power Supply".
7. Accordingly, in case of failure of AVVNL to clear the outstanding dues by 14.11.2016, the regulation of power supply of AVVNL through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	140 MW of power drawl of AVVNL from ISTS network
• Commencement of Regulation of supply	:	From 00.00 Hrs of 18.11.2016
• Period of Regulation of Power supply	:	Initially for 4 months or till clearing of the dues outstanding for more than 60 days
• Source of regulation of Power Supply	:	To be regulated from various Power plants of NTPC, NHPC, SJVNL & THDC as per enclosed Annexure-1 .
• The regulation of power shall be carried out through Northern Region Transmission Corridor.		
• All other liabilities of AVVNL shall be as per the provisions of CERC Regulations		

9. Through a copy of this Notice, NRLDC is being requested to prepare implementation plan for Regulation of Power Supply of AVVNL & implement the same w.e.f. 00:00 Hrs. of 18.11.2016.



10. In view of above, it is advised to liquidate the outstanding dues greater than 60 days and enhance the LC as per above by **14.11.2016** failing which regulation of power supply shall be enforced as stated above.

Thanking You,

Yours Faithfully,


(H.K. Mallick)

GM (Commercial & RC)

CC.

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| 1. General Manager,
Northern Regional Load
Dispatch Centre,
18A, SJSS Marg, Katwaria Sarai,
New Delhi - 110016
(FAX- 011 26852747) | With a request to prepare the implementation plan for Regulation of power supply of AVVNL, Rajasthan and implement the same as per CERC Regulation, 2010. The proposed regulation of power from various generators as per Annexure-1 may be reviewed and finalised. Indemnification bond furnished earlier holds good for subject Regulation of power of AVVNL. |
| 2. Executive Director (Comml.),
NTPC Ltd,
Core 7, Scope Complex,
Lodhi Road
New Delhi - 110016
(FAX-011-24360328) | With a request to take necessary action for implementation of Regulation of power supply of AVVNL, Rajasthan from NTPC Plants, as per CERC Regulation, 2010. |
| 3. Executive Director (Comml)
NHPC Ltd,
NHPC Office Complex,
Sector 33,
Faridabad -121003
(FAX-0129-2277941) | With a request to take necessary action for implementation of Regulation of power supply of AVVNL, Rajasthan from NHPC HEP Projects, as per CERC Regulation, 2010. |
| 4. Executive Director (Comml)
SJVNL, 205-206, 2nd Floor,
Gulmohar Enclave, Bhanot House,
Yusuf sarai, New Delhi - 110049 | With a request to take necessary action for implementation of Regulation of power supply of AVVNL, Rajasthan from SJVNL Projects, as per CERC Regulation, 2010 |
| 5. General Manager(Commercial)
THDC India Ltd
Corporate Office, Rishikesh-
Pragatipuram Bypass Road,
Rishikesh -249201, Uttarakhand | With a request to take necessary action for implementation of Regulation of power supply of AVVNL, Rajasthan from THDC Projects, as per CERC Regulation, 2010 |

Copy of Notice dtd 04.11.2016 for Regulation of Power supply issued to AVVNL, Rajasthan is enclosed for kind information of :

1. Secretary (Power), MoP, GOI, Shram Shakti Bhawan, Rafi Marg, New Delhi.
Fax : 011-23721487
2. Chief Secretary, Govt of Rajasthan, Secretariat, Jaipur, Rajasthan
3. Secretary, CERC, 3rd & 4th Floor, Chandra Lok Building, 36, Janpath, New Delhi, 110 001. Fax: 011-23753923
4. Chairman, Rajasthan Discoms, Vidhyut Bhawan, Janpath, Jaipur - 302005, Rajasthan.
5. Secretary, Rajasthan Electricity Regulatory Commission, Vidhyut Viniyamak Bhawan, Sahakar Marg, Near State Motor Garage, Jaipur. Fax : 0141- 2741018
6. Member Secretary, Northern Regional Power Committee, 18-A, Shaheed Jeet singh Marg, Katwaria Sarai, New Delhi -110016.
Fax : 011-26865206/26526361
7. CEO, POSOCO, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.
Fax : 011-26524525
8. Superintending Engineer, Rajasthan SLDC, RVPNL, Heerapura, Jaipur.



Annexure-1

Regulation of Power Supply of M/s Ajmer Vidyut Vitran Nigam Ltd
(AVVNL) -Quantum of Power to be regulated

S. No	Generating Company	Generating Station	Station Capacity	Share Allocation of AVVNL	Quantum of Power to be regulated to AVVNL under this Notice
1	NHPC	Salal	690 MW	5.5 MW	3 MW
2	NHPC	Uri	480 MW	12 MW	4 MW
3	NHPC	Chamera-II	300 MW	8 MW	3 MW
4	NHPC	Chamera-I	540 MW	29 MW	14 MW
5	THDC	Koteswar HEP	400 MW	9 MW	3 MW
6	SJVNL	Nathpa-Jhakri HEP	1500 MW	31 MW	18 MW
7	NHPC	Tanakpur	94 MW	3 MW	1 MW
8	NHPC	Dhauliganga	280 MW	7.5 MW	3 MW
9	NTPC	Singrauli	2000 MW	100 MW	34 MW
10	THDC	Tehri	1000 MW	21 MW	7 MW
11	NTPC	Rihand	3000 MW	117 MW	50 MW
	Total		10284 MW	343 MW	140 MW

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