

**BULK POWER TRANSMISSION AGREEMENT
BETWEEN
POWER GRID CORPORATION OF INDIA LIMITED
AND
POWER DEVELOPMENT DEPARTMENT**

THIS BULK POWER TRANSMISSION AGREEMENT entered into on this 25th day of July Two Thousand Three.

BETWEEN -

POWERGRID CORPORATION OF INDIA LIMITED, a company incorporated under the Companies Act, 1956 having its registered office at B-9, Qutub Institutional Area, Katwaria Sarai, New Delhi - 110 016 (hereinafter called "POWERGRID" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part.

AND -

POWER DEVELOPMENT DEPARTMENT having its head office at Civil Sectt., Jammu/Srinagar referred to as "Bulk Power Beneficiary" (PDD), which expressions shall unless repugnant to the context or meaning thereof include its successors and assigns as parties of the Second part.

Whereas POWERGRID have been established by Government of India with a view to develop the National Grid to ensure transmission of power within and across the different regions of India on more scientific, efficient and economic basis.

AND WHEREAS POWERGRID is desirous to transmit energy from Tala Hydro Electric Project being established in Bhutan by Tala Hydro Electric Project Authorities (THPA) and also to transmit surplus power of Eastern Region including the power surrendered by Eastern Region beneficiaries in lieu of Tala power and generating Authorities (THPA) are willing to sell energy for which a separate Agreement has been/shall be made between PDD and concerned agency and the PDD is desirous of receiving energy through POWERGRID transmission system on mutually agreed terms and conditions mentioned hereunder.

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NOW, therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein and in the General Provisions governing the Agreement as contained in Annexure-A attached hereto which shall form an integral part of this Agreement, it is hereby agreed by and between the parties as follows:

1.0 DEFINITIONS

The words/expressions used in this Agreement unless repugnant to the context shall have the same meaning as assigned to them by Indian Electricity Act, 1910 and Electricity (Supply) Act, 1948 as amended from time to time and the Rules framed there under. The words/expressions mentioned below shall have the meanings respectively as assigned hereunder.

GOI	:	Shall mean Govt. of India.
CEA	:	Shall mean Central Electricity Authority which is a statutory authority.
CERC	:	Central Electricity Regulatory Commission
NR	:	All SEBs/Power Departments in Northern Region
ER	:	All SEBs/ Power Department in Eastern Region
Beneficiaries	:	Bulk Power Customers taking power through POWERGRID transmission system.
POWERGRID:		Shall mean Power Grid Corporation of India Ltd.
NREB	:	Shall mean Northern Regional Electricity Board as defined in the E(S) Act, 1948 and subsequent amendments.
NRLDC	:	Shall mean Northern Regional Load Dispatch Centre.
Main Import Export Meter	:	Shall mean meter for measurement of active/ reactive energy import/export at Substations for energy accounting.
Check Import Export Meter	:	Shall mean Meter for maintaining a check on performance of Main Import/Export meter.
TOD	:	Shall mean Time-of-day for the purpose of metering.
SEM	:	Special Energy Meters



Regional Energy Account	:	Shall mean Periodic Energy Account including amendments thereof, if any, prepared by NREB.
LC	:	Shall mean Irrevocable Revolving Letter(s) of Credit
Date of: Commercial Operation	:	Shall mean the date of commercial operation declared by POWERGRID in respect of transmission lines and substations.

TRANSMISSION SYSTEM IN NR

- 2.1. The transmission system/projects as per detail in Annexure-B has been envisaged to transfer surplus power to Northern Region including the power surrendered by Eastern Region in lieu of Tala power.
- 2.2. Any other transmission line(s) and or substation(s) and or equipment(s) that may be added by POWERGRID to the transmission system detailed in Clause 2.1 above in accordance with the approval of MOP, GOI/CEA/NREB shall form a part of this Agreement.
- 3.0. POWERGRID shall construct, own, operate and maintain the transmission system belonging to it in the Northern Region as per agreed guidelines and the directives of the Northern Regional Electricity Board and the Regional Load Despatch Centre, and cooperate with PDD so as to maintain the system parameters within acceptable/reasonable limits except where it is necessary to take measures to prevent imminent damage to any equipment.
- 4.0. While POWERGRID shall endeavor for best possible reliability of power supply to PDD and maintenance of system parameters, however, for occurrences and situations beyond its control, POWERGRID shall not be held responsible.
- 5.0. For the above services, PDD shall regularly pay to POWERGRID the monthly transmission charges as per clause 10.0 of this agreement and clause A-4 of General Condition of this Agreement.
- 6.0. POWERGRID shall duly inform PDD regarding all changes in transmission system asset ownership, commissioning and commercial operation commencement of new assets, and any other relevant development changes as also the consequent changes in transmission charges to be paid by PDD as mutually agreed or notified.
- 7.0. Wheeling Central/State/Private Sector Power through transmission system owned by PDD and/or other agency(ies).

The PDD and other agencies owning transmission system in NR shall extend their full




cooperation in wheeling of power from Central/ Private Sector Power Station(s) to other Bulk Power Beneficiaries through their transmission system(s) subject to technical feasibility. For transmitting Central/ State/ Private Sector power, the charges, if any, shall be settled amongst concerned Bulk Power Beneficiaries and/or other agencies.

8.0 Transmitting/ wheeling Central/State/ private sector power through transmission line owned by POWERGRID to Private Customer.

8.1 The transmission charges shall be payable to POWERGRID by the Private Customer for transmitting Central/State/Private sector power through POWERGRID lines on the pool basis for common existing transmission system, and total transmission charges for lines drawn specifically for this purpose. The charges shall be as decided by CERC.

8.2 The transmission charges shall be payable to POWERGRID by the PDD for transmitting Private Sector Power to PDD through POWERGRID lines. The charges shall be as decided by CERC.

9.0 ENERGY ACCOUNTING

9.1 The Regional Energy Accounts shall be prepared in compliance of the provisions of the Indian Electricity Grid Code (Dec.'99), as amended from time to time, and shall also comply with any other direction issued by CERC, on the subject, from time to time.

9.2 Till such time the above mentioned provisions are implemented, for all commercial purposes following arrangement, presently in vogue, shall continue:

(a) Regional Energy Accounts shall be prepared by NREB latest by 6th day of the month (if 6th day is a holiday, the next working day will be applicable) based on the monthly joint energy meter readings furnished by Central Sector generating companies, POWERGRID, PDD and other agencies, to be received by NREB by 2nd day of the month. In the event of delay in receiving meter readings or GOI orders for power allocation or any other reason whatsoever, NREB shall issue provisional Regional Energy Accounts by 6th day of the month (if 6th day is a holiday, the next working day will be applicable) indicating the Beneficiaries wise draws from Central Sector Power Station(s). The Regional Energy Accounts including amendments, if any, issued by NREB shall form the basis of billing and be binding on all the parties.

(b) Any change in the Regional Energy Accounts methodology would be by consensus of NREB. The export and import of energy at the metering points shall be computed on Net basis i.e. by difference between Export and Import meter readings.

10.0 TARIFF

10.1 The Transmission Tariff and Terms and conditions for the power to be transmitted by POWERGRID shall be as per Notification issued by Ministry of Power/ CERC from time to time.



10.2 The provisional cost of the systems mentioned at para 2.0 of this Agreement and indicative monthly charges are as detailed in at Annexure-B which shall be shared by Beneficiaries of NR and ER in line with notification by GOI/CERC. However, the final transmission tariff payable by Beneficiaries shall be based on the completed cost of the project and shall be on the terms and conditions as notified by GOI/CERC from time to time

10.3 The tariff shall be payable by Bulk Power Beneficiaries to POWERGRID in addition to the tariff for systems included in the BPTAs signed earlier between POWERGRID and NR constituents and its revision/replacement(if applicable).

11.0 TARIFF FOR POWER TRANSMISSION FROM OR TO OTHER REGIONS

The transmission charges on draws against the Central Sector or other energy imported or exported from or to other regions shall be billed as per the detailed terms and conditions of inter-regional transfer of power between the concerned region as per guidelines of CEA/MOP/CERC issued from time to time.

12.0 ARBITRATION

12.1 All differences or disputes between the parties arising out of or in connection with these presents, save any question or matter of dispute which falls within the scope and purview of the statutory arbitration under the provisions of The Electricity (supply) Act, 1948 as amended, shall be settled through arbitration as provided herein.

12.2 All differences or disputes relating to the Inter-State transmission of energy and the tariff as provided in Clauses (a), (b) and (c) of Section 13 of the Electricity Regulatory Commission Act, 1998 shall be decided by CERC on the application of any of the parties herein, in terms of chapter III of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999. The cost of arbitration and proceedings before the Commission shall be borne by such parties and in such sums as the Commission may direct.

12.3 All differences or disputes between the parties which are not specifically covered under Clause 12.1 and Clause 12.2 above shall be settled through mutual discussion amongst parties concerned and/or at NREB forum. If the disputes are not settled at NREB forum within 3 months, any party may by a written notice to the other party or parties request for appointment of sole Arbitrator to be mutually decided by the parties within 30 days of receipt of such notice and in case of disagreement, to be decided by Chairman, CEA/CERC. In the event Chairman, CEA/CERC fails to nominate the Sole Arbitrator, the same shall be appointed in accordance with the Arbitration and Conciliation Act 1996. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned Award. The fee of the Arbitrator and cost of arbitration proceedings shall be equally borne by the parties. The venue of the Arbitrator shall be at New Delhi.



12.4 Notwithstanding the existence of any disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

13.0 **FORCE MAJEURE**

The parties shall ensure due compliance with the terms of this Agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to force majeure events such as fire, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, accident, act of God and any other reason beyond the control of concerned party. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Transmission /drawl of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

14.0 **IMPLEMENTATION OF THE AGREEMENT**

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorized representative(s) and/or changes in designation shall be informed likewise in writing to/by the Bulk Power Beneficiaries within one month of signing of the Agreement. Notwithstanding any nomination, the Executive Director (NR-II), POWERGRID or his authorized representative shall be authorized to act for and on behalf of POWERGRID. Any changes in designations/ registered office address shall be intimated in writing to all concerned parties.

15.0 **NOTICE**

All notices required or referred to under this Agreement, shall be in writing and signed by the respective authorized signatories of the parties mentioned herein above, unless other-wise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail, speed post of Department of Posts or by Courier service with an acknowledgement due to the other parties in terms of Clause 16 above.

16.0 **EFFECTIVE DATE AND DURATION OF AGREEMENT**

Without prejudice to clause 10.0 of this Agreement, the Agreement shall be deemed to have come into force with effect from date of signing of this Agreement for a period of 5(five) years subject to revision provided that this Agreement may be mutually extended, renewed or replaced by another Agreement on such terms and for such further period as the parties may mutually agree. In case PDD, continue to get transmission services from the POWERGRID even after expiry of this Agreement without further renewal or formal extension thereof, then all the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended



or replaced. POWERGRID will initiate action for new Agreement 6 months before the expiry of this Agreement.

IN WITNESS WHEREOF the parties have executed these presents through their duly Authorised Representatives.

WITNESS :

1. *[Signature]*
25/07/03
MITHLESH KUMAR
D.G.M. (Comm-1)
- 2.

[Signature] 25/7/03
R P Choudhary
General Manager
Power Grid Corporation of India Ltd.
Northern Region - Jammu J&K
For and on behalf of
Power Grid Corporation of India Ltd.

[Signature]
Chief Engineer
Commercial & Survey Wing
J&K-P.D.D.-Jammu

For and on behalf of
Power Development Department
(J&K)

Witnessed by:

[Signature] 25/7/03
Technical Officer to
Chief Engineer
Commercial & Survey Wing
J&K-P.D.D.-Jammu

Northern Regional Electricity Board

GENERAL PROVISIONS GOVERNING THE AGREEMENT**A.1 INTEGRAL PART**

Annexure-A and Annexure B shall be an integral part of the Bulk Power Transmission Agreement (called the Agreement). If any of the general provisions of Annexure-A, and Annexure B are repugnant to a corresponding specific provision of the Agreement then the latter shall prevail to the extent of repugnancy.

A.2 METERING


(i) Special Energy Meters (SEMs) shall be installed and commissioned at locations identified as per the guidelines provided by the Central Electricity Authority. The responsibility for down loading and onward transmission of the metered data of the SEMs from the pre identified locations shall be as per the provisions of the Indian Electricity Grid Code (December'99), as amended from time to time, and shall comply with any other directions issued by CERC, on the subject, from time to time.

(ii) The periodicity for testing of the accuracy of the SEMs shall be as provided in the Indian Electricity Grid Code.

(iii) Till such time the SEMs are put in use for all commercial purposes the following arrangement presently in vogue would continue:

- a) POWERGRID shall provide and maintain Main & Check meters on all line termination/transformer bay(s) owned by POWERGRID as per location decided in NREB forum for measurement of energy export and import. The meters can also have additional facility for recording energy transmittals linked to time-of-day, frequency etc. in pre-fixed durations of 15 minutes/30 minutes time blocks, and for recording reactive energy in separate registers for low/high voltage conditions. The meters shall be of 0.5 accuracy class or better. Such meters provided by POWERGRID at locations for energy accounting and billing purposes shall be referred to as Main meter(s). At each such location POWERGRID may provide and maintain another set of energy meter(s) of accuracy class 0.5 or better which shall be referred to as check meter(s).
- b) The locations which are to be considered for energy accounting and billing purposes shall be as decided at NREB forum.
- c) Joint meter readings of the main as well as check meters(whenever installed) at POWERGRID owned substations for the various Regional Energy Accounting points as identified by NREB shall be taken by POWERGRID and the concerned SEB at 12 noon on the 1st day of each month. In case of any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party(ies)/POWERGRID shall be submitted to NREB for preparation of Regional Energy Accounting. The readings taken at POWERGRID owned substation(s) shall be submitted by POWERGRID authorized representative to NREB



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so as to reach NREB on or before 2nd day of the month.

- d) The main and check meters shall be jointly inspected and sealed by POWERGRID and PDD and shall not be interfered with by either party except in the presence of the other party or its authorized representative.
- e) The main and check meters shall be test checked for accuracy by on-line test check at least once every year by the concerned parties. The meters shall be deemed to be working satisfactorily if the error are within the limit of errors specified in BIS/BS/IEC.
- f) If the energy computed from the main meter(s) in any month differs from the readings of the concerned check meter(s) by more than 1.0%, both the meters shall be tested as per A.2.(iii)(c). If on such testing the main meter error is found to exceed $\pm 0.5\%$, the energy figures recorded by the main meters for the month(s) concerned shall be revised accordingly, and the main meters shall be recalibrated or replaced by correct meters. Pending results of such testing, energy accounting shall continue to be based on the energy recorded by the check meters.
- g) During the period of calibration for which a meter needs to be removed from its location, another such duly calibrated meter would be installed by the concerned party in the presence of both parties and jointly sealed.
- h) If at any time there is a doubt that a meter is not recording correctly, the concerned party shall inform the same to the owner of the meter for joint-testing.
- i) The authorised representative(s) of PDD can have access to POWERGRID owned substations to inspect the energy metering system and POWERGRID shall co-operate with PDD for maintenance of meters in the best possible way.
- j) Metering system, calibration procedure and the procedure of taking the meter readings could be modified from time to time as may be decided by the CERC.

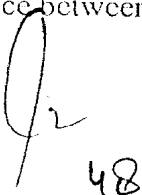
A.3 LOSSES IN TRANSMISSION SYSTEM

Regional Energy Accounts so prepared by NREB will ensure total accounting of energy sent out at 400 KV/220 KV busbars at Central Sector Power Stations.

The losses in Transmission System beyond 400 KV/220 KV busbars of Central Sector Power Station(s) would be shared as per the methodology decided by NREB and/or in line with the guideline issued by CERC from time to time.

A.4 BILLING AND PAYMENT

- a) POWERGRID shall present a bill for energy transmitted to PDD as per Regional Energy Accounts described in clause 9.0 of the Agreement. If NREB gives provisional account in the first instance, POWERGRID shall raise the bill on such provisional account and PDD shall pay the same as provided hereunder. In the event of any revision in energy account, POWERGRID shall adjust the difference between the energy already billed and the revised figure



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- a) of energy transmitted by raising a supplementary bill in case of increase in the quantum of energy transmitted or through a credit note in case of reduction in the quantum of energy transmitted within 15 days of receipt of final regional energy account.
- b) Billing Centres of POWERGRID shall carry out billing and associated functions and would submit the bills to the nominated authority of the PDD.
- c) The monthly bill of POWERGRID shall be aggregate of charges in accordance with the provisions of the Agreement. If for certain reasons some of the charges cannot be included in the monthly main bills, such charges shall be billed as soon as possible through supplementary bill(s).
- d) The bills of POWERGRID shall be paid in full subject to the condition that
 - i) there are no apparent errors in the bill(s) and
 - ii) the bill(s) is/are claimed as per the agreed tariff and as per the Notification(s) of the Government of India/CERC and
 - iii) regional energy accounts referred to in clause 9.0
- e) In disputed case PDD shall file a written objection with POWERGRID as soon as possible preferably within 45 (forty five) days of presentation of the bill, giving following particulars:
 - i) Items disputed, with full details/data and reasons of dispute, and
 - ii) Amount disputed against each item.

POWERGRID shall resolve the above dispute(s) with the PDD as soon as possible but within 45 (forty five) days.

There will be no surcharge applicable on the disputed amount of bills. However, all notified tariff and provisional tariff shall be treated as undisputed.

A.5 ESTABLISHMENT OF LC AND PAYMENT OF BILLS:

A.5.1 Irrevocable revolving LC in favour of POWERGRID equivalent of 110% of estimated monthly billing shall be opened by PDD one month prior to commissioning of the above-mentioned system.

A.6 NON-PAYMENT OF BILLS AND NON-ESTABLISHMENT OF LC

It is agreed that the PDD will make all efforts to open LC within a reasonable period. In the event of failure to establish/enhance LC within reasonable period or alternatively in the absence of L.C. if any bill remains unpaid for a period exceeding two months from the date of issue of the bill, POWERGRID shall have the option to discontinue regulate transmission of power to PDD as per the provision of the "Generic procedure for regulation of supply" issued by CERC and as amended from time to time.

A.7 POWERGRID, Central Generating Companies and PDD will make all efforts to maintain the system parameters at their nominal values.

TRANSMISSION SYSTEM

A) East-North Inter-regional link

(Provisional cost Rs.398.97 Crore and total indicative monthly charges Rs.7.53 Cr./month)

1. Muzaffarpur-Gorakhpur 400kV D/C (Quad) including series compensation and TCSC.

B) Transmission system in Northern Region

(Provisional cost Rs.873.06 Cr. and total indicative monthly charges Rs.16.54 Cr./month)

1. Gorakhpur-Lucknow 400kV D/C
2. Bareilly-Mandaula 400kV D/C
3. Unnao-Lucknow 400kV D/C
4. LHO of Dadri-Ballabhgarh at New Delhi
5. Gorakhpur-Gorakhpur
6. New substation at Gorakhpur, Lucknow and Delhi
7. Jalandhar-Amritsar 400kV S/c line
8. LHO of Bawana-Bhiwani at Bahadurgarh
9. New substation at Amritsar and Bahadurgarh
10. 2x315 MVA Transformer at Gorakhpur

NOTE: 1. COST AND MONTHLY CHARGES ARE PROVISIONAL INDICATIVE.
2. MONTHLY CHARGES WOULD BE BASED ON THE COMPLETED COST OF THE SYSTEM AND AS NOTIFIED BY GOI/CERC FROM TIME TO TIME.

BENEFICIARIES OF POWER IN NR ARE ALLOCATED SURPLUS SURRENDERED SHARE BY ER

(B)

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Jaipur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 and created in accordance with the Rajasthan Power Sector Reforms Act, 1999, having its registered office at Vidyut Bhawan, Janpath, Jaipur-302005 (herein referred to as "JVVN", which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the fourth part;

Jodhpur Vidyut Vitran Nigam Limited, a Government of Rajasthan Undertaking and a company registered under the Companies Act, 1956 and created in accordance with the Rajasthan Power Sector Reforms Act, 1999, having its registered office at New Power House, Industrial Area, Jodhpur (hereinafter referred to as "JdVVN", which expression shall unless repugnant to the context or meaning thereof, include its successors and assigns) as party of the last part;

AND WHEREAS POWERGRID has entered into a Bulk Power transmission Agreement earlier on 03.12.1999 (hereinafter referred to as "BPTA") forming integral part of this Agreement for transmission of power from Central Sector Generating stations to the Bulk Power Customers in Northern Region.

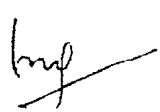
The benefits and obligations under the above agreement were transferred from RSEB to RVPN through notification of Rajasthan Power Sector Reforms Transfer Scheme, 2000 in accordance with Rajasthan Power Sector Reforms Act, 1999.

In compliance with the provision of the Electricity Act, 2003, RVPN has segregated the transmission and trading activities w.e.f. 1.4.2004 and accordingly AVVN, JVVN and JdVVN collectively called, as DISCOMS are responsible for trading of electricity.

RVPN has been transmitting the Bulk power, transmitted by POWERGRID to the distribution companies namely AVVN, JVVN and JdVVN w.e.f. 1.4.2004.

As per clause 2.0 of the said BPTA, it is mentioned that further Transmission system/lines may be added by POWERGRID during the course of the said BPTA as may be approved by CEA on recommendation of NREB.

AND WHEREAS POWERGRID has now been asked by Ministry of Power (MOP), Govt. of India (GOI), Central Electricity Authority (CEA) to construct, own, operate and maintain the additional transmission Schemes as per para 1.1 below (Annexure A & B of this Agreement) in order to strengthen the Northern grid and to evacuate power within and across the region. The said additional system shall form part of the said BPTA dated 03.12.1999.





AND WHEREAS further that this agreement shall be operative as per the written award of CERC on the petition No. 59/2004.

AND WHEREAS without prejudice to the rights of any of the parties for any modification/amendments on issuance of order by CERC on the above petition, the parties have agreed to enter into this Agreement with duly authorized common Director of the aforesaid three DISCOMS.

AND WHEREAS AVVN, JVVN and JdVVN have authorized Shri R. G. Gupta who is the Managing Director of JVVN to execute this Agreement on behalf of the said DISCOMS.

NOW therefore, in consideration of the premises and mutual agreements set forth herein it is hereby agreed by and between the parties as follows:

1.0. TRANSMISSION SYSTEM IN NORTHERN REGION

- 1.1 The details of transmission Schemes envisaged to strengthen the regional grid of Northern Region as also the associated transmission system are enclosed at Annexure-A & B.

POWERGRID is to construct, own, operate and maintain the transmission system mentioned at Annexure-A & B.

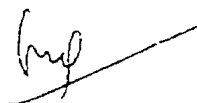
2.0. TARIFF AND TERMS AND CONDITIONS


- 2.1 The Transmission Tariff and Terms and conditions for the Transmission system/projects under clause 1.0 for the power to be transmitted by POWERGRID from Central Sector Power Station(s) shall be as per Tariff Regulation/Notification issued by CERC from time to time
- 2.2 This tariff is payable by Bulk Power Customer to POWERGRID in addition to the tariff already included in the BPTA signed by POWERGRID with Northern Region constituents on 3.12.1999 and the applicable tariff for the agreed system in NR which is under various stages of implementation.

3.0 BILLING AND PAYMENT

Bulk Power Customer shall pay the tariff to POWERGRID on monthly basis in accordance with the Clause 2.0 of this agreement.

4.0 INTEGRAL PART





Save as above, the terms and conditions of the said BPTA signed between POWERGRID and NR on 3.12.1999 shall remain in full force and effect.

IN WITNESS WHEREOF the parties have executed these presents through their duly authorized representative at New Delhi.

WITNESS



[Signature]
एस. के. नागपाल
उप महाप्रबंधक (वाणिज्य), उ. क्षेत्र-1
पावर ग्रिड कारपोरेशन ऑफ इंडिया लि.
(भारत सरकार का उद्यम)
बी-9, कुतब इंस्टीटयूशनल एरिया
कट्यारिया सराय, नई दिल्ली-110016

[Signature]
(R. N. PATHAK)
Chief Engineer (RPPC)
Jaipur

[Signature]

For & on behalf of

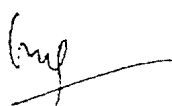
Power Grid Corporation of India Ltd.
कार्यकारी निदेशक, उ. क्षेत्र-1
Executive Director, NR-I
Power Grid Corporation of India Ltd.
(A Govt. of India Enterprise)
B-9, Qutab Institutional Area
Katwaria Sarai, New Delhi-110016

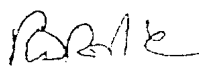
[Signature]
For & on behalf of

आर. जी. गुप्ता
Ajmer Vidyut Vitran Nigam Ltd.
Jaipur Vidyut Vitran Nigam
Jodhpur Vidyut Vitran Nigam Ltd.

Annexure A

- (i) **System strengthening in Uttaranchal**
- Establishment of Pithoragarh 220/132kV Substation
 - LILO of one circuit Dhauliganga-Bareilly 400kV D/c (charged at 220kV) at Pithoragarh 220/132kV Substation
 - Establishment of Kichcha/Sitarganj 220/132kV Substation
 - LILO of one circuit of Tanakpur-Bareilly 220kV D/c at Kichcha/Sitarganj 220/132kV Substation
- (ii) **Koldam HEP**
- Koldam-Nalagarh 400 kV D/c (Quad conductor)
 - Koldam-Ludhiana 400 kV D/c (Triple Conductor)
 - Associated 400 kV bays at Ludhiana and Nalagarh
- (iii) **Parbati II HEP**
- 400kV 2xS/c Line from Parbati II to Koldam with Quad Conductor
 - Realignment works at Koldam
- (iv) **Parbati III HEP**
- Creation of 400/220 kV, 2x315 MVA Parbati Pooling point at down stream of Parbati III HEP.
 - LILO of one 400kV line from Parbati-II- Koldam at Parbati III
 - Parbati Pooling Point-Amritsar 400kV D/c line with (Twin Moose Conductor)
 - LILO of Parbati – Koldam 400 kV D/c at Parbati Pooling Station
- (v) **System Strengthening in Singrauli-Vindhyachal Corridor**
- Realignment of Vindhyachal-Kanpur 400 kV S/C line at Singrauli
 - Singrauli-Vindhyachal 2nd 400 kV ckt.
 - 2 x 400 kV line bays and 1x line-Reactor bay at Singrauli
 - 400 kV Bus Coupler Bay at Vindhyachal HVDC (North)
- (vi) **Northern Regional strengthening Scheme-I**
- Kanpur-Auraiya 400 kV D/C
 - LILO of Lucknow –Moradabad 400 kV S/c at Bareilly (PG)
 - LILO of Bareilly –Mandola 400 kV D/c at Bareilly (PG)
 - LILO of Sultanpur-Lucknow 400 kV S/c at Lucknow (PG)
 - Bareilly (PG)-Moradabad 400 kV S/c
 - New 400 kV Switching Station at Bareilly (PG)
 - 1x80 MVAR Bus Reactor at Bareilly (PG)
 - 1x80 MVAR Bus Reactor at Lucknow (PG)





- (vii) **Northern Regional Strengthening Scheme-II**
- Agra-Jaipur 400 kV D/C
 - 40% Fixed series Compensation on Allahabad –Mainpuri 400 kV D/c at Mainpuri
 - 3rd 400/220 kV, 315 MVA ICT at Wagocra
- (viii) **Northern Regional Strengthening Scheme-III**
- Malerkotla-Ludhiana-Jullandhar 400 kV S/c
 - Establishment of 2x315 MVA, 400/220 kV Substation at Ludhiana
 - Establishment of Fatehabad 2x315 MVA, 400/220 kV Substation alongwith LILO of one ckt of Moga-Hissar 400 kV D/C line
 - Provision of 1x80 MVAR Bus Reactor at Ludhiana
 - Provision of 1x80 MVAR Bus Reactor at Fatehabad
- (ix) **Northern Regional Strengthening Scheme-IV**
- Provision of SVC support in NR system (Total quantum of compensation, their size and location would be identified after further studies.)
- (x) **Northern Regional Strengthening Scheme-V**
- LILO of Hissar-Jaipur 400 kV S/c at Bhiwadi
 - Bhiwadi-Agra 400 kV D/C
 - Bhiwadi-Moga 400 kV D/C
 - Provision of 1x80 MVAR Bus Reactor at Fatehabad
- (xi) **Sewa-II HEP**
- Sewa II-Hiranagar 132 kV D/c
 - Sewa II-Kathua via Mahanpur 132 kV D/c- one portion from Kathua to Mahanpur to be taken over from PDD J & K
 - Hiranagar, Kathua & Mahanpur are substations of PDD, J&K, 132 kV bays at these substations would be provided by POWERGRID.
- (xii) **Barh Transmission System**
- Barh-Balia 400 kV D/C –Quad line
 - Balia-Bhiwadi 2500 MW \pm 500 kV HVDC bi-pole
- (xiii) **Kahalgaon Stage-II Phase-I (2x500 MW)**
- Kahalgaon - Patna - Balia 400 kV D/c (Quad)
 - Biharsharif – Balia 400 kV D/c (Quad)
 - Balia – Mau 400 kV D/c
 - Maithon (PG) – Ranchi 400 kV D/c
 - Balia – Lucknow (PG) 400 kV D/c with Series Capacitor (to be designed with 95 deg conductor temperature)

Surf

BRK

- Lucknow(PG)–Bareilly (PG) 400 kV D/c (to be designed with 95 deg conductor temperature)
- Agra – Malanpur 765 kV S/c (to be initially charged at 400 kV)
- New 2x315 MVA, 400/220 kV substation at Ranchi & Patna and 400 kV Switching station at Balia

(xiv) **Maitron Transmission System**

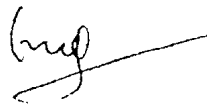
- Balia – Unnao 765 kV S/c (to be initially operated at 400kV)
- Unnao – Agra 765 kV S/c (to be initially operated at 400kV)
- Meerut – Malerkotla 400 kV D/c

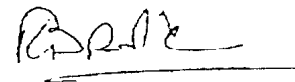
(xv) **RAPP – 5&6 Transmission System**

- RAPP-Kankroli 400kV D/c
- RAPP-Kota 400 kV S/c
- Establishment of new 400/220 kV Substation at Kota alongwith 2x315 MVA 400/220kV ICTs,
- Establishment of new 3x315 MVA, 400/220kV S/s at Kankroli
- Kota (PG) – Kota (Raj) 220 KV D/C
- 400 kV Kankroli – Zorda Line (NR:WR :: 50:50)
- Kota – Merta 400 kV D/C line
- Kankroli – Jodhpur 400 kV S/C line.

(xvi) **RAPP – 7 & 8 Transmission System (2x700 MW)**

- RAPP- Jaipur 400kV D/C of which, one ckt to be LILO at Kota
- RAPP – Nagda 400 KV D/C





TRANSMISSION SYSTEM

ANNEXURE-B

A) East – North Inter – Regional link

(Provisional cost Rs.398.97 Crore and total indicative monthly charges Rs.7.53 Cr./month)

1. Muzaffarpur-Gorakhpur 400kV D/C (Quad) including 40% fixed series compensation and 5 to 15% TCSC.

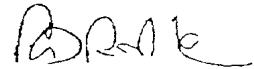
B) Transmission system in Northern Region

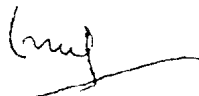
(Provisional cost Rs.873.06 Cr. and total indicative monthly charges Rs.16.54 Cr./month)

1. 400kV D/C Gorakhpur- new Lucknow
2. 400kV D/C Bareilly-Mandaula
3. 400 kV D/C Unnao-new Lucknow
4. LILO of Dadri(NCR) –Ballabgarh(Samaypur) at New Delhi
5. 400 D/C Gorakhpur-Gorakhpur
6. 400/220 KV New substation at Gorakhpur(1x 315 MVA),New Lucknow(1x315 MVA) and Delhi(2x315 MVA)
7. 400 KV S/C Jalandhar-Amritsar. S/c line
8. 400 KV LILO of Bawana-Bhiwani at Bahadurgarh
9. 400/220 KV New substation at Amritsar(1x315 MVA)and Bahadurgarh(1x315 MVA)

NOTE:

1. COST AND MONTHLY CHARGES ARE PROVISIONAL/ INDICATIVE .
2. MONTHLY CHARGES WOULD BE BASED ON THE COMPLETED COST OF THE SYSTEM AND AS NOTIFIED BY GOI/ CERC FROM TIME TO TIME.
3. BENEFICIARIES OF POWER IN NR ARE ALLOCATED SURPLUS/ SURRENDERED SHARE BY ER .
4. HOWEVER, THESE WILL BE SUBJECT TO ANY AMENDMENT BY THE STANDING COMMITTEE OF CEA.





transmission system on mutually agreed terms and conditions mentioned hereunder.

NOW, therefore, in consideration of the premises and mutual agreements, covenants and conditions set forth herein and in the General Provisions governing the Agreement as contained in Annexure-A attached hereto which shall form an integral part of this Agreement, it is hereby agreed by and between the parties as follows:

1.0 DEFINITIONS

The words/expressions used in this Agreement unless repugnant to the context shall have the same meaning as assigned to them by Indian Electricity Act, 1910 and Electricity (Supply) Act, 1948 as amended from time to time and the Rules framed thereunder. The words/expressions mentioned below shall have the meanings respectively as assigned hereunder.

GOI	:	Shall mean Govt. of India.
CEA	:	Shall mean Central Electricity Authority which is a statutory authority.
CERC	:	Central Electricity Regulatory Commission
NR	:	All SEBs/Power Departments in Northern Region
ER	:	All SEBs/ Power Department in Eastern Region
Beneficiaries	:	Bulk Power Customers taking power through POWERGRID transmission system.
POWERGRID	:	Shall mean Power Grid Corporation of India Ltd.
NREB	:	Shall mean Northern Regional Electricity Board as defined in the E(S) Act, 1948 and subsequent amendments.
NRLDC	:	Shall mean Northern Regional Load Despatch Centre.
Main Import/ Export Meter	:	Shall mean meter for measurement of active/ reactive energy import/export at Substations for energy accounting.
Check Import/ Export Meter	:	Shall mean Meter for maintaining a check on performance of Main Import/Export meter.
TOD	:	Shall mean Time-of-day for the purpose of metering.
SEM	:	Special Energy Meters
Regional Energy Account	:	Shall mean Periodic Energy Account including amendments thereof, if any, prepared by NREB.



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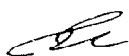
(SUDAL NARAIN)
Director (Commercial)

LC : Shall mean Irrevocable Revolving Letter(s) of Credit
Date of: Commercial Operation shall mean the date of commercial operation declared by POWERGRID in respect of transmission lines and substations.

TRANSMISSION SYSTEM IN NR

- 2.1. The transmission system/projects as per detail in Annexure-C has been envisaged to evacuate power from Tala Hydro Electric Project, and to transfer surplus power to Northern Region including the power surrendered by Eastern Region in lieu of Tala power.
- 2.2 Any other transmission line(s) and or substation(s) and or equipment(s) that may be added by POWERGRID to the transmission system detailed in Clause 2.1 above in accordance with the approval of MOP, GOI/CEA/NREB shall form a part of this Agreement.
- 3.0 POWERGRID shall construct, own, operate and maintain the transmission system belonging to it in the Northern Region as per agreed guidelines and the directives of the Northern Regional Electricity Board and the Regional Load Despatch Centre, and cooperate with UPPCL so as to maintain the system parameters within acceptable/reasonable limits except where it is necessary to take measures to prevent imminent damage to any equipment.
- 4.0 While POWERGRID shall endeavour for best possible reliability of power supply to UPPCL and maintenance of system parameters, however, for occurrences and situations beyond its control, POWERGRID shall not be held responsible.
- 5.0 For the above services, UPPCL shall regularly pay to POWERGRID the monthly transmission charges as per clause 10.0 of this agreement and clause A-4 of General Condition of this Agreement.
- 6.0 POWERGRID shall duly inform UPPCL regarding all changes in transmission system/asset ownership, commissioning and commercial operation commencement of new assets, and any other relevant development/ changes as also the consequent changes in transmission charges to be paid by UPPCL as mutually agreed or notified.
- 7.0 **Wheeling Central/State/Private Sector Power through transmission system owned by UPPCL and/or other agency(ies).**

The UPPCL and other agencies owning transmission system in NR shall extend their full cooperation in wheeling of power from Central/ Private Sector Power Station(s) to other Bulk Power Beneficiaries through their transmission system(s) subject to technical feasibility. For transmitting Central/ State/ Private Sector power, the charges, if any, shall be settled amongst concerned Bulk Power Beneficiaries and/or other agencies.
- 8.0 **Transmitting/ wheeling Central/State/ private sector power through transmission line owned by POWERGRID to Private Customer.**
- 8.1 The transmission charges shall be payable to POWERGRID by the Private Customer



for transmitting Central/State/Private sector power through POWERGRID lines on the pool basis for common existing transmission system, and total transmission charges for lines drawn specifically for this purpose. The charges shall be as decided by CERC.

8.2 The transmission charges shall be payable to POWERGRID by the UPPCL for transmitting Private Sector Power to UPPCL through POWERGRID lines. The charges shall be as decided by CERC.

9.0 ENERGY ACCOUNTING

9.1 The Regional Energy Accounts shall be prepared in compliance of the provisions of the Indian Electricity Grid Code (Dec.'99), as amended from time to time, and shall also comply with any other direction issued by CERC, on the subject, from time to time.

9.2 Till such time the above mentioned provisions are implemented, for all commercial purposes following arrangement, presently in vogue, shall continue:

(a) Regional Energy Accounts shall be prepared by NREB latest by 6th day of the month (if 6th day is a holiday, the next working day will be applicable) based on the monthly joint energy meter readings furnished by Central Sector generating companies, POWERGRID, UPPCL and other agencies, to be received by NREB by 2nd day of the month. In the event of delay in receiving meter readings or GOI orders for power allocation or any other reason whatsoever, NREB shall issue provisional Regional Energy Accounts by 6th day of the month (if 6th day is a holiday, the next working day will be applicable) indicating the Beneficiarieswise drawals from Central Sector Power Station(s). The Regional Energy Accounts including amendments, if any, issued by NREB shall form the basis of billing and be binding on all the parties.

(b) Any change in the Regional Energy Accounts methodology would be by consensus of NREB. The export and import of energy at the metering points shall be computed on Net basis i.e. by difference between Export and Import meter readings.

10.0 TARIFF

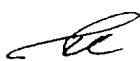
10.1 The Transmission Tariff and Terms and conditions for the power to be transmitted by POWERGRID shall be as per Notification issued by Ministry of Power/ CERC from time to time.

10.2 The provisional cost of the systems mentioned at para 2.0 of this Agreement and indicative monthly charges are as detailed in at Annexure-B which shall be shared by Beneficiaries of NR and ER in line with notification by GOI/CERC. However, the final transmission tariff payable by Beneficiaries shall be based on the completed cost of the project and shall be on the terms and conditions as notified by GOI/CERC from time to time

10.3 The tariff shall be payable by Bulk Power Beneficiaries to POWERGRID in addition to the tariff for systems included in the BPTAs signed earlier between POWERGRID and NR constituents and its revision/replacement(if applicable).

11.0 TARIFF FOR POWER TRANSMISSION FROM OR TO OTHER REGIONS

The transmission charges on drawals against the Central Sector or other energy imported or exported from or to other regions shall be billed as per the detailed



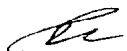
terms and conditions of inter-regional transfer of power between the concerned region as per guidelines of CEA/MOP/CERC issued from time to time.

12.0 ARBITRATION

- 12.1 All differences or disputes between the parties arising out of or in connection with these presents, save any question or matter of dispute which falls within the scope and purview of the statutory arbitration under the provisions of The Electricity (supply) Act, 1948 as amended, shall be settled through arbitration as provided herein.
- 12.2 All differences or disputes relating to the Inter-State transmission of energy and the tariff as provided in Clauses (a), (b) and (c) of Section 13 of the Electricity Regulatory Commission Act, 1998 shall be decided by CERC on the application of any of the parties herein, in terms of chapter III of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999. The cost of arbitration and proceedings before the Commission shall be borne by such parties and in such sums as the Commission may direct.
- 12.3. All differences or disputes between the parties which are not specifically covered under Clause 12.1 and Clause 12.2 above shall be settled through mutual discussion amongst parties concerned and/or at NREB forum. If the disputes are not settled at NREB forum within 3 months, any party may by a written notice to the other party or parties request for appointment of sole Arbitrator to be mutually decided by the parties within 30 days of receipt of such notice and in case of disagreement, to be decided by Chairman, CEA/CERC. In the event Chairman, CEA/CERC fails to nominate the Sole Arbitrator, the same shall be appointed in accordance with the Arbitration and Conciliation Act 1996. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act 1996 and any statutory modifications thereto. The Arbitrator shall give a speaking and reasoned Award. The fee of the Arbitrator and cost of arbitration proceedings shall be equally borne by the parties. The venue of the Arbitrator shall be at New Delhi.
- 12.4 Notwithstanding the existence of any disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

13.0 FORCE MAJEURE

The parties shall ensure due compliance with the terms of this Agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to force majeure events such as fire, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, accident, act of God and any other reason beyond the control of concerned party. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event and give written notice within a reasonable time to the other party to this effect. Transmission /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.



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(UDAI NARAIN)
Director (Compl.)

14.0 IMPLEMENTATION OF THE AGREEMENT

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post. Any other nomination of authorised representative(s) and/or changes in designation shall be informed likewise in writing to/by the Bulk Power Beneficiaries within one month of signing of the Agreement. Notwithstanding any nomination, the Executive Director(NR-1), POWERGRID or his authorised representative shall be authorised to act for and on behalf of POWERGRID. Any changes in designations / registered office address shall be intimated in writing to all concerned parties.

15.0 NOTICE

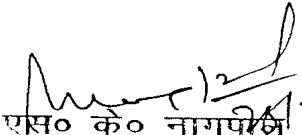
All notices required or referred to under this Agreement, shall be in writing and signed by the respective authorised signatories of the parties mentioned herein above, unless other-wise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail, speed post of Department of Posts or by Courier service with an acknowledgement due to the other parties in terms of Clause 14 above.

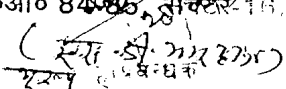
16.0 EFFECTIVE DATE AND DURATION OF AGREEMENT

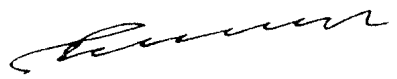
Without prejudice to clause 10.0 of this Agreement, the Agreement shall be deemed to have come into force with effect from date of signing of this Agreement for a period of 5(five) years subject to revision provided that this Agreement may be mutually extended, renewed or replaced by another Agreement on such terms and for such further period as the parties may mutually agree. In case UPPCL, continue to get transmission services from the POWERGRID even after expiry of this Agreement without further renewal or formal extension thereof, then all the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced. POWERGRID will initiate action for new Agreement 6 months before the expiry of this Agreement.

IN WITNESS WHEREOF the parties have executed these presents through their duly Authorised Representatives.

WITNESS

1. 
एस० के० नागपति
प्रबन्धक (वाणिज्य)
कारपोरेशन ऑफ इंडिया लि०
भारत सरकार का उद्यम)
एस०सा०ओ० 84-85, टोकरा-16, नई दिल्ली

2. 
प्रबन्धक (वाणिज्य)
उत्तर प्रदेश निदेशालय
उ० प्र० पावर कारपोरेशन लिमिटेड
11 वीं तल शक्ति भवन विस्तार
11-मार्ग नारायण, गुरुगढ़


For and on behalf of
Power Grid Corporation of India Ltd
अपर महा प्रबन्धक (वाणिज्य)
पावर ग्रिड कारपोरेशन ऑफ इंडिया लि०
(भारत सरकार का उद्यम)

For and on behalf of
Uttar Pradesh Power Corporation Limited
UDAI NARAIN)
Director (Commercial)

GENERAL PROVISIONS GOVERNING THE AGREEMENT

A.1 INTEGRAL PART

Annexure-A and Annexure-B shall be an integral part of the Bulk Power Transmission Agreement (called the Agreement). If any of the general provisions of Annexure-A, Annexure-B and Annexure- C are repugnant to a corresponding specific provision of the Agreement then the latter shall prevail to the extent of repugnancy.

A.2 METERING

(i) Special Energy Meters (SEMs) shall be installed and commissioned at locations identified as per the guidelines provided by the Central Electricity Authority. The responsibility for down loading and onward transmission of the metered data of the SEMs from the pre identified locations shall be as per the provisions of the Indian Electricity Grid Code (December'99), as amended from time to time, and shall comply with any other directions issued by CERC, on the subject, from time to time.

(ii) The periodicity for testing of the accuracy of the SEMs shall be as provided in the Indian Electricity Grid Code.

(iii) Till such time the SEMs are put in use for all commercial purposes the following arrangement presently in vogue would continue:

a) POWERGRID shall provide and maintain Main & Check meters on all line termination/transformer bay(s) owned by POWERGRID as per location decided in NREB forum for measurement of energy export and import. The meters can also have additional facility for recording energy transmittals linked to time-of-day, frequency etc. in pre-fixed durations of 15 minutes/30 minutes time blocks, and for recording reactive energy in separate registers for low/high voltage conditions. The meters shall be of 0.5 accuracy class or better. Such meters provided by POWERGRID at locations for energy accounting and billing purposes shall be referred to as Main meter(s). At each such location POWERGRID may provide and maintain another set of energy meter(s) of accuracy class 0.5 or better which shall be referred to as check meter(s).

b) The locations which are to be considered for energy accounting and billing purposes shall be as decided at NREB forum:

c) Joint meter readings of the main as well as check meters (wherever installed) at POWERGRID owned substations for the various Regional Energy Accounting points as identified by NREB shall be taken by POWERGRID and the concerned SEB at 12 noon on the 1st day of each month. In case of any of the concerned parties is not available for joint meter readings at the specified time, the meter reading taken by the other party(ies)/POWERGRID shall be submitted to NREB for preparation of Regional Energy Accounting. The readings taken at POWERGRID owned substation(s) shall be submitted by POWERGRID authorised representative to NREB



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(COMPANION)
Director (Control)

so as to reach NREB on or before 2nd day of the month.

- d) The main and check meters shall be jointly inspected and sealed by POWERGRID and UPPCL and shall not be interfered with by either party except in the presence of the other party or its authorised representative.
- e) The main and check meters shall be test checked for accuracy by on-line test check at least once every year by the concerned parties. The meters shall be deemed to be working satisfactorily if the error are within the limit of errors specified in BIS/BS/IEC.
- f) If the energy computed from the main meter(s) in any month differs from the readings of the concerned check meter(s) by more than 1.0%, both the meters shall be tested as per A.2.(iii)(e). If on such testing the main meter error is found to exceed $\pm 0.5\%$, the energy figures recorded by the main meters for the month(s) concerned shall be revised accordingly, and the main meters shall be recalibrated or replaced by correct meters. Pending results of such testing, energy accounting shall continue to be based on the energy recorded by the check meters.
- g) During the period of calibration for which a meter needs to be removed from its location, another such duly calibrated meter would be installed by the concerned party in the presence of both parties and jointly sealed.
- h) If at any time there is a doubt that a meter is not recording correctly, the concerned party shall inform the same to the owner of the meter for joint-testing.
- i) The authorised representative(s) of UPPCL can have access to POWERGRID owned substations to inspect the energy metering system and POWERGRID shall co-operate with UPPCL for maintenance of meters in the best possible way.
- j) Metering system, calibration procedure and the procedure of taking the meter readings could be modified from time to time as may be decided by the CERC.

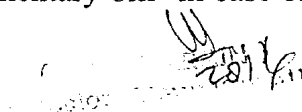
A.3 LOSSES IN TRANSMISSION SYSTEM

Regional Energy Accounts so prepared by NREB will ensure total accounting of energy sent out at 400 KV/220 KV busbars at Central Sector Power Stations.

The losses in Transmission System beyond 400 KV/220 KV busbars of Central Sector Power Station(s) would be shared as per the methodology decided by NREB, and/or in line with the guideline issued by CERC from time to time.

A.4 BILLING AND PAYMENT

- a) POWERGRID shall present a bill for energy transmitted to UPPCL as per Regional Energy Accounts described in clause 9.0 of the Agreement. If NREB gives provisional account in the first instance, POWERGRID shall raise the bill on such provisional account and UPPCL shall pay the same as provided hereunder. In the event of any revision in energy account, POWERGRID shall adjust the difference between the energy already billed and the revised figure of energy transmitted by raising a supplementary bill in case of increase in the



quantum of energy transmitted or through a credit note in case of reduction in the quantum of energy transmitted within 15 days of receipt of final regional energy account.

- b) Billing Centres of POWERGRID shall carry out billing and associated functions and would submit the bills to the nominated authority of the UPPCL.
- c) The monthly bill of POWERGRID shall be aggregate of charges in accordance with the provisions of the Agreement. If for certain reasons some of the charges cannot be included in the monthly main bills, such charges shall be billed as soon as possible through supplementary bill(s).
- d) The bills of POWERGRID shall be paid in full subject to the condition that
 - i) there are no apparent errors in the bill(s) and
 - ii) the bill(s) is/are claimed as per the agreed tariff and as per the Notification(s) of the Government of India/CERC and
 - iii) regional energy accounts referred to in clause 9.0
- e) In disputed case UPPCL shall file a written objection with POWERGRID as soon as possible preferably within 45 (forty five) days of presentation of the bill, giving following particulars:
 - i) Items disputed, with full details/data and reasons of dispute, and
 - ii) Amount disputed against each item.

POWERGRID shall resolve the above dispute(s) with the UPPCL as soon as possible but within 45 (forty five) days.

There will be no surcharge applicable on the disputed amount of bills. However, all notified tariff and provisional tariff shall be treated as undisputed.

A.5 ESTABLISHMENT OF LC AND PAYMENT OF BILLS:

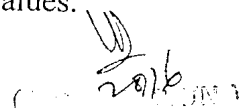
- A.5.1 Irrevocable revolving LC in favour of POWERGRID equivalent of 110% of estimated monthly billing shall be opened by UPPCL one month prior to commissioning of the above-mentioned system.

A.6 NON-PAYMENT OF BILLS AND NON-ESTABLISHMENT OF LC

It is agreed that the UPPCL will make all efforts to open LC within a reasonable period. In the event of failure to establish/enhance LC within reasonable period or alternatively in the absence of LC, if any bill remains unpaid for a period exceeding two months from the date of issue of the bill, POWERGRID shall have the option to discontinue/ regulate transmission of power to UPPCL as per the provision of the "Generic procedure for regulation of supply" issued by CERC and as amended from time to time.

- A.7 POWERGRID, Central Generating Companies and UPPCL will make all efforts to maintain the system parameters at their nominal values.




2016
E. ... (Signature)

TALA TRANSMISSION SYSTEM (INCLUDING SUPPLEMENTARY SCHEME)

ANNEXURE-B

**A) Tala Transmission System in Eastern Region (Payable by the beneficiaries of Tala Power in ER)
(Provisional cost Rs.1305.53 Cr. And total indicative monthly charges Rs.24.53 Cr./month)**

1. Tala-Siliguri 400kV D/C line-1
2. Tala-Siliguri 400kV D/C line-2
3. LILO of Bongaigaon-Malda at Purnea
4. LILO of Bongaigaon-Malda at Siliguri
5. Siliguri-Purnea 400kV D/C (Quad)
6. Purnea-Muzaffarpur 400kV D/C (Quad) including series compensation and TCSC
7. 220kV D/C Muzaffarpur-Muzaffarpur
8. New Substation at Muzaffarpur
9. 1x315 MVA Transformer at Purnea
10. Biharshariff-Muzaffarpur 400kV D/c line
11. LILO of One Ckt. of Jeerhat at Subhashgram with new substation at Subhashgram.
12. 1x315 MVA transformer at Siliguri

**B) Tala Inter-regional link between ER and NR(To be shared by the beneficiaries of Tala Power in ER and NR)
(Provisional cost Rs.398.97 Crore and total indicative monthly charges Rs.7.53 Cr./month)**

1. Muzaffarpur-Gorakhpur 400kV D/C (Quad) including series compensation and TCSC.

**C) Tala Transmission system in Northern Region (Payable by the Beneficiaries of Tala Power in NR)
(Provisional cost Rs.873.06 Cr. and total indicative monthly charges Rs.16.54 Cr./month)**

1. Gorakhpur-Lucknow 400kV D/C
2. Bareilly-Mandaula 400kV D/C
3. Unnao-Lucknow 400kV D/C
4. LILO of Dadri-Ballabgarh at New Delhi
5. Gorakhpur-Gorakhpur
6. New substation at Gorakhpur, Lucknow and Delhi
7. Jalandhar-Amritsar 400kV S/c line
8. LILO of Bawana-Bhiwani at Bahadurgarh
9. New substation at Amritsar and Bahadurgarh
10. 2x315 MVA Transformer at Gorakhpur

- NOTE: 1. COST AND MONTHLY CHARGES ARE PROVISIONAL/ INDICATIVE .
2. MONTHLY CHARGES WOULD BE BASED ON THE COMPLETED COST OF THE SYSTEM AND AS NOTIFIED BY GOI/ CERC FROM TIME TO TIME.
3. BENEFICIARIES OF TALA POWER IN NR ARE ALLOCATED SURRENDERED SHARE BY ER IN LIEU OF TALA POWER

