

(WITHOUT PREJUDICE)

Ref: CC/Comml./ROP-Teesta Urja/2020/1

Dt.: 01.10.2020

To,
Teesta Urja Limited
Vijaya Building, 2nd Floor, 17,
Barakhamba Rd, Connaught Place,
New Delhi-110001

Dear Sir,

Sub: "Notice for Regulation of Power Supply" for default of M/s Teesta Urja Limited in making payment of outstanding dues.

Ref : Our letter CC:Comml:TUL dtd 16.09.2020 on liquidation of dues

1. M/s Teesta Urja Limited (Teesta Urja) is a Designated Inter-State Transmission System Customer (DIC) which is availing Inter-state Transmission System (ISTS) network for transfer of power from its generating plant in Sikkim to different parts of country and is under obligation to make timely payment of transmission tariff and to open requisite Letter of Credit (LC) towards Payment Security Mechanism (PSM) in line with CERC Regulations.
2. It is a matter of serious concern that, Teesta Urja is failing to make timely payment against the bilateral bills raised as per CERC order dated 05.09.2018 towards transmission tariff despite regular follow-up by POWERGRID. As a consequence, the total dues of Teesta Urja have accumulated to **Rs 8.50 Crs** as on date and the same is outstanding for >60 days, based on the bills already raised by POWERGRID.
3. CTU has been mandated with the responsibility of Billing, Collection and Disbursement of transmission charges collected from all the DICs to respective ISTS licences in the country. Such huge outstanding dues as brought out above are seriously affecting the cash flows of POWERGRID 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.
4. 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."
5. Please refer to various correspondence issued by POWERGRID which demonstrates the default of Teesta Urja in payment of legitimate dues in time. 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, POWERGRID is constrained to issue this "Notice for Regulation of Power Supply".



6. Accordingly, in case of failure of Teesta Urja to clear the outstanding dues >60 days latest by 15.10.2020, the regulation of power supply of Teesta Urja through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	75 MW of power injected by Teesta Urja to ISTS network under its LTA.
• Commencement of Regulation of Power supply	:	From 00.00 Hrs of 20.10.2020
• Period of Regulation of Power supply	:	Initially for One month or till clearing of the entire dues outstanding for more than 60 days.
• Source of regulation of Power Supply	:	The generation plant of Teesta Urja located in Sikkim.
• The regulation of power shall be carried out through Eastern Transmission Corridor to Bihar (15MW), Sikkim (10MW), Orissa (15MW), Jharkhand (9MW), DVC (6MW) and West Bengal (20MW).		
• All other liabilities of Teesta Urja shall be as per the provisions of CERC Regulations		

7. Further, as per Para 59 (c) of CERC Order dtd 02.09.2015 under Pet. no. 142/MP/2012, the STOA also shall be curtailed during the regulation of power supply, as reproduced below:-

"During the period of regulation of power supply, for defaults in payment of transmission charges, STOA to the regulated entity shall be denied by NLDC/RLDCs under Regulation 25A of Open Access Regulations from the date of commencement of regulation of power supply."

8. Through a copy of this Notice, ERLDC is being requested to prepare an implementation plan for Regulation of Power Supply of Teesta Urja and implement the same w.e.f. 00:00 Hrs. of 20.10.2020 upon confirmation by us on 16.10.2020.
9. In view of above, it is advised to liquidate the outstanding dues greater than 60 days as per above latest by 15.10.2020 failing which regulation of power supply shall be enforced as stipulated above.

Yours faithfully,


(J. Mazumder)

Chief General Manager (Commercial)-CTU

CC:

1.	Executive Director Eastern Regional Load Despatch Centre, POSOCO 14, Golf Club Road, Tollygunge, Kolkata, West Bengal 700033.	With a request to prepare the implementation plan for Regulation of power supply of Teesta Urja from its generation plant in Sikkim and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010. Indemnification bond furnished earlier holds good for subject Regulation of power of Teesta Urja Energy Ltd.
2.	Executive Director, National Load Despatch Centre, POSOCO, 18A, SJSS Marg, Katwaria Sarai, New Delhi -110016	With a request to take necessary action to advise the Power Exchanges for implementation of Regulation of power supply of M/s Teesta Urja (Generator) as per CERC (Regulation of Power Supply) Regulations, 2010 and CERC Order dtd 02.09.2015 under Pet no. 142/MP/2012.

Copy of Notice dtd 01.10.20 for Regulation of Power supply issued to M/s Teesta Urja Ltd is enclosed for kind information of:

1. Member Secretary, Eastern Regional Power Committee, 14, Golf Club Road, Tollygunge, Kolkata, West Bengal 700033.
2. CMD, POSOCO, 61, IFCI Tower, 9th floor, Nehru Place, New Delhi - 110019
3. ED, POWERGRID - (Comml & RC) / Odisha/ ER-I / ER-II.