

(WITHOUT PREJUDICE)

Ref: CC/ Comml/RoP-TPCIL/2020/

Dt.: 16.02.2021

To

Thermal Powertech Corporation India Ltd
6-3-1090, Clock C, Level 2, TSR , Towers, Rajbhavan Road,
Somajiguda , Hyderabad , 500082,
Telangana

Dear Sir,

Sub: "Notice for Regulation of power supply" for default of M/s Thermal Powertech Corporation India Ltd in payment of dues

1. M/s Thermal Powertech Corporation India Ltd (TPCIL) 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 Andhra Pradesh to different parts of country 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 Transmission Service Agreement (TSA) and CERC Regulations.
2. It is, however, a matter of serious concern that TPCIL is failing to make timely payment against the monthly bills raised on it towards transmission tariff despite regular follow-up by CTU. As a consequence, the total dues of TPCIL have accumulated to Rs 51.66 Crs as on date, which includes an amount of Rs. 44.08 Crs. > 45 days (the same amount has even crossed 60 days) based on the bills already raised by CTU.
3. CTU has been mandated with the responsibility of Billing, Collection and Disbursement of transmission charges collected from all the DICs to respective ISTS Licensees in the country. 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.
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. 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".



6. Accordingly, in case of failure of TPCIL to clear the outstanding dues >60 days latest by 23.02.2021, the regulation of power supply of TPCIL through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	150 MW of power injected by TPCIL to ISTS network <u>under its LTA</u> .
• Commencement of Regulation of Power supply	:	From 00.00 Hrs of 28.02.2021
• Period of Regulation of Power supply	:	Initially for two months or till clearing of the entire dues outstanding for more than 60 days.
• Source of regulation of Power Supply	:	The generation plant of TPCIL located in Andhra Pradesh .
• The regulation of power shall be carried out through Southern Region Transmission Corridor (<u>for 115 MW to Telangana & 35 MW to Andhra Pradesh under its LTA</u>).		
• All other liabilities of TPCIL 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, SRLDC is being requested to prepare an implementation plan for Regulation of Power Supply of TPCIL and implement the same w.e.f. 00:00 Hrs. of 28.02.2021 upon confirmation by us on 24.02.2021.
9. In view of above, it is advised to liquidate the outstanding dues greater than 60 days as per above latest by 23.02.2021 failing which regulation of power supply shall be enforced as stipulated above.

Thanking You,

Yours faithfully,


(J. Mazumder)

Chief General Manager (Commercial-CTU)

CC:

1.	Executive Director Southern Regional Load Dispatch Centre 29, Race Course Cross Road, Bangalore -560009	With a request to prepare the implementation plan for Regulation of power supply of TPCIL from its generation plant in Andhra Pradesh and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010 and CERC Order dtd 02.09.2015 in Pet 142/MP/2012. Indemnification bond furnished earlier holds good for subject Regulation of power supply of TPCIL.
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Copy of Notice dtd 16.02.2021 for Regulation of Power supply issued to M/s Thermal Powertech Corporation India Ltd is enclosed for kind information of:

1. Secretary, CERC , 3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi, 110 001
2. Member Secretary, Southern Regional Power Committee, 29, Race Course Road, Bangalore - 560009.
3. CMD, POSOCO, 61, IFCI Tower, 9th Floor, Nehru Place, New Delhi 110019.
4. ED, POWERGRID - SR-I, Secunderabad.