

WITHOUT PREJUDICE

CC/Comml./ROP-Telangana/2021/1

Dt.: 04.03.2021

To,
Chairman and Managing Director,
M/s Transmission Corporation of Telangana Ltd (TSTRANSCO),
Vidhyut Soudha,
Khairatabad
Hyderabad – 500049, Telanagna

Dear Sir,

Sub: “Notice for Regulation of Power Supply” for default of Transmission Corporation of Telangana Ltd (TSTRANSCO) in making payment of dues.

Ref: 1. Our letter CC:Comml:Telangana: 2020-21/1 dtd: 08.10.2020
2. Our letter CC:Comml:Telangana: 2020-21/2 dtd: 27.10.2020
3. Our letter CC:Comml:Telangana: 2020-21/3 dtd: 26.11.2020
4. Our Letter CC:Comml:Telangana: 2020-21/4 dtd: 18.12.2020
5. Our letter CC:Comml:Telangana: 2020-21/5 dtd: 04.02.2021

- for clearing of dues

1. Transmission Corporation of Telangana Ltd (TSTRANSCO) 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 TSTRANSCO 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 CERC Regulations.
2. It is, however, a matter of serious concern that TSTRANSCO is consistently failing to make payment against the monthly bills raised on it towards transmission tariff despite various commitments by TSTRANSCO and regular follow-up by CTU. As a consequence, total dues of TSTRANSCO have accumulated to **Rs 742.83 Cr** as on date, which includes an amount of **Rs 468.39 Cr.** outstanding for >45 days (the said dues of Rs 468.39 Cr. has even exceeded 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 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.
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.”

केन्द्रीय कार्यालय : “सौदामिनी” प्लॉट सं. 2, सेक्टर-29, गुरुग्राम-122001, (हरियाणा), दूरभाष : 0124-2571700-719
Corporate Office : “Saudamini”, Plot No. 2, Sector-29, Gurugram-122001, (Haryana) Tel. : 0124-2571700-719

पंजीकृत कार्यालय : बी-9, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय, नई दिल्ली-110016 011-26560112, 26564812, 26564812, 26564892, सीआईएन : L40101DL1989GOI038121
Registered Office : B-9, Qutab Institution Area, Katwaria Sarai, New Delhi-110016. Tel.: 011-26560112, 26564812, 26564812, 26564892, CIN : L40101DL1989GOI038121
Website : www.powergridindia.com

5. In this regard, attention is invited to various correspondence issued by the CTU, as referred above, which demonstrates the default of TSTRANSCO 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".
6. Accordingly, in case of failure of TSTRANSCO to clear the outstanding dues latest by 13.03.2021, the regulation of power supply of TSTRANSCO through their Long Term Access shall be effected as follows:-

• Quantum of power to be regulated	:	250 MW of power drawl of TSTRANSCO from ISTS network
• Commencement of regulation of power supply	:	From 00.00 Hrs of 19.03.2021
• Period of regulation of Power supply	:	Initially for 2 months or till clearing of the dues outstanding for >60 days
• Source of regulation of power supply	:	To be regulated from various Power plants of NTPC & NLC from which TSTRANSCO has allocation of power under Long Term Access, the quantum shall be in proportion of the allocation from NTPC & NLC may be decided by SRLDC based on merit order of despatch.
<ul style="list-style-type: none"> • The regulation of power shall be carried out through Southern Region Transmission Corridor. • All other liabilities of TSTRANSCO shall be as per provisions of CERC Regulations 		

7. As per Para 59 (c) of CERC Order dtd 02.09.2015 under Pet. no. 142/MP/2012, Short Term Open Access (STOA) during regulation of power supply shall also be curtailed. The relevant portion of the said CERC Order dtd 02.09.2015 is 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 implementation plan for Regulation of Power Supply of TSTRANSCO & implement the same w.e.f. 00:00 Hrs. of 19.03.2021 upon confirmation by us on 15.03.2021.
9. In view of above, it is advised to liquidate the outstanding dues >60 days by 13.03.2021 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
Despatch Centre
29, Race Course Cross Road,
Bangalore -560009
With a request to prepare the implementation plan for regulation of power supply of TSTRANSCO and implement the same as per CERC Regulation, 2010. The proposed regulation of power supply from various generating plants of NTPC & NLC from which TSTRANSCO has allocation of power under Long Term Access, the quantum shall be in proportion of the allocation from NTPC & NLC may be decided by SRLDC based on the merit order of despatch. Indemnification bond furnished earlier holds good for subject Regulation of power of TSTRANSCO.
2. Executive Director (Comml.),
NTPC Ltd, Core 7,
Scope Complex, Lodhi Road
New Delhi - 110016
With a request to take necessary action for implementation of Regulation of power supply of TSTRANSCO from NTPC Plants, as per CERC (Regulation of Power Supply) Regulation, 2010.
3. Executive Director (Comml)
NLC Ltd, Block-I,
Neyveli - 607 801
Cuddalore District, Tamilnadu.
With a request to take necessary action for implementation of regulation of power supply of TSTRANSCO from NLC Plants, as per CERC (Regulation of Power Supply) Regulation, 2010.

Copy of Notice dtd 04.03.2021 for Regulation of Power supply issued to TSTRANSCO, Telangana is enclosed for kind information of:

1. Secretary (Power), MoP, GOI, Shram Shakti Bhawan, Rafi Marg, New Delhi.
2. Chief Secretary, Govt of Telangana, Secretariat, Hyderabad
3. Secretary, CERC, 3rd & 4th Floor, Chandra Lok Building, 36, Janpath, New Delhi, 110 001.
4. Secretary, Telangana Electricity Regulatory Commission, 5th Floor, 11-4-660, Singareni Bhavan, Red Hills, Hyderabad - 500 004
5. Member Secretary, Southern Regional Power Committee, 29, Race Course Road, Bangalore - 560009.
6. CMD, POSOCO, 61, IFCI Tower, 9th Floor, Nehru Place, New Delhi - 110019.
7. Superintending Engineer, Telangana SLDC, TSTRANSCO, Khairatabad, Hyderabad - 500049.
8. Chief General Manager I/C, POWERGRID, SR-I, Secunderabad