

**(WITHOUT PREJUDICE)**

Dt.: 15.05.2019

To,

DGM (Electrical),  
ODISHA POWER GENERATION CORPORATION LIMITED  
IP Thermal Power Plant, Banaharpali  
Jharsuguda-768234,  
ODISHA, INDIA.

Kind Attention: Mr. K.C. Samantray

Sub: **"Notice for Regulation of power supply" for default of Odisha Power Generation Corporation Limited (OPGC) in making payment of dues.**

- Ref:
- i. PGCIL invoice dated 3.5.2019
  - ii. PGCIL invoice dated 8.3.2019.
  - ii. PGCIL Invoice dated 15.10.2018
  - ii. OGPTL Letter dated 11.10.2018
  - iii. PGCIL email dated 11.10.2018;
  - iv. MoM dated 10.7.2018 for 2<sup>nd</sup> Validation Committee Meeting held on 20.06.2018;
  - v. OGPTL Letter dated 17.4.2018 to CTU;
  - vi. POSOCO Letter (Reply) dated 16.4.2018; &
  - vii. OGPTL Letter dated 05.04.2018 to NLDC.

Dear Sir,

With reference to the aforementioned letters and bills, we wish to draw your kind attention to the following:-

1. Odisha Generation Phase-II Transmission Limited has commissioned an Inter-State Transmission System at Odisha and Chhatisgarh comprising of 400 kV D/C OPGC-Jharsuguda and 765 kV Jharsuguda-Raipur Pool Transmission Lines.
2. Subsequent to completion of the 400 kV D/C OPGC-Jharsuguda transmission line, OGPTL vide its letter dated 5.4.2018 to NLDC sought acknowledgment of transmission charges from the date of commercial operation of 400kV D/C OPGC-Jharsuguda transmission line. This was done in accordance with CERC orders in Petition Nos. 43/MP/2016, 236/MP/2015, 55/MP/2016 and 201/TT/2015. In response, POSOCO vide its letter dated 16.4.2018 suggested that the matter may be taken up with CTU with regard to recovery of transmission charges for the period 30.8.2017 to 5.12.2017 and for the period after 6.12.2017, transmission charges may be recovered in accordance with the Commission's order in Petition No. 236/MP/2015 and 201/TT/2015. Accordingly, OGPTL vide letter dated 17.4.2018 submitted the details of transmission charges of 400 kV D/C OPGC-Jharsuguda transmission line to CTU and requested CTU to raise the bills to OPGC and PGCIL.
3. Subsequently, on 20.6.2018, this matter was taken up in 2<sup>nd</sup> Validation Committee wherein the Committee asked the reason from CTU for non raising of the bills to OPGC and PGCIL.

Further, the invoices for payment of transmission charges was advised to be raised by the CTU on behalf of OGPTL as per CERC order in Petition No. 43/MP/2016, 236/MP/2015, 55/MP/2016 and 201/TT/2015.

4. OGPTL has submitted the following bills to CTU for the period from 30.7.2017 to 30.4.2019:

S. No.	Date on which bill submitted by OGPTL	Amount (Rs.)	Period of Transmission Charges	Due date of payment
1.	17.4.2018	4,49,28,117.88	30.8.2017 to 31.3.2018	17.6.2018
2.	11.10.2018	9,16,50,715	30.8.2017 to 30.9.2018	11.12.2018
3.	29.1.2019	11,93,58,208.56	30.8.2017 to 31.12.2018	31.3.2019
4.	8.2.2019	12,89,85,670	30.8.2017 to 31.1.2019	8.4.2019
5.	2.3.2019	4,27,55,679	1.10.2018 to 28.2.2019	2.5.2019
6.	1.4.2019	14,37,30,783	30.8.2017 to 31.3.2019	1.6.2019
7.	3.5.2019	15,27,91,946	30.8.2017 to 30.4.2019	3.7.2019

In compliance of the aforementioned Validation Committee Minutes of Meeting dated 10.7.2018, CTU had raised the invoices dated 15.10.2018, 8.3.2019 and 3.5.2019 on OPGC for Rs. 9,1650715, 4,27,55,679 and 15,27,91,946 respectively.

5. Despite the invoices raised by CTU and Minutes dated 10.7.2018 of 2<sup>nd</sup> Meeting of Validation Committee held on 20.6.2018, OPGC has failed to pay any of the monthly bills and outstanding for more than 19 months (beyond 60 days). In this regard, it may be noted that OPGC has failed to meet its payment obligations of liquidating dues of **Rs. 15,27,91,946** as on 15.5.2019. OPGC is thus a wilful and consistent defaulter in making payment of outstanding dues. The non-payment of dues by OPGC has severely affected OGPTL's cash flows and causing adverse impact to carry out business enterprise and meeting its loan obligations towards creation of transmission asset.
6. 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. ...."*

Regulation of Power Supply by a transmission licensee is also statutorily permitted under Regulation 15 of the CERC (Regulation of Power Supply) Regulations, 2010.

7. In this regard, attention is invited to bills and correspondences issued by OGPTL as referred above, which demonstrates the default of OPGC in making payment of legitimate dues. As

per the provisions of CERC Regulations, OGPTL is also constrained to issue this "Notice for Regulation of Power Supply".

8. In case of failure of OPGC to clear the outstanding dues latest by **28.5.2019 till 16:30 Hrs**, the Regulation of Power Supply of OPGC shall be affected as follows:-

• Quantum of power to be regulated	:	150 MW of power injected by OPGC to ISTS network.
• Commencement of Regulation of supply	:	From <b>00.00 Hrs of 30.5.2019</b>
• Period of Regulation of Power supply	:	For 2 months or till clearing of the entire dues outstanding for more than 19 months
• Source of regulation of Power Supply	:	To be regulated from 2 X 210 MW IB Thermal Power station (ITPS) (Stage-I), OPGC, Jharsuguda.
The regulation of power shall be carried out through all Regional Transmission Corridors.		
• All other liabilities of OPGC shall be as per the provisions of CERC Regulations		

9. Through a copy of this Notice, RLDCs are being requested to:
- Prepare an implementation plan for Regulation of Power Supply of OPGC.
  - Implement the same w.e.f. 00:00 Hrs of 30.5.2019.
10. OGPTL has posted Regulation Notice on Sterlite Power website under the tab Publications as per the requirement of CERC (Regulation of Power Supply) Regulations, 2010.
11. The notice of Regulation of Power Supply is without prejudice of OGPTL's rights to exercise other rights/remedies available as per the law and under the provisions of the Electricity Act, 2003 to recover outstanding dues from OPGC.

Kindly acknowledge the receipt.

Thanking you,  
Yours sincerely,  
For, Odisha Generation Phase-II Transmission Limited

  
T.A.N. Reddy  
Vice President - B.D. & Corporate Affairs.

CC:

1.	Executive Director, Eastern Regional Load Despatch Centre, POSOCO, 14, Golf Club Road, Tollygunge, Kolkata-700033.	With a request to prepare the implementation plan for Regulation of power supply of OPGC from its start-up power and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010.
2.	Executive Director, Western Regional Load Despatch Centre, POSOCO, F-3, MIDC Area, Marol, Andheri (East), Mumbai - 400093	With a request to take necessary action for implementation of Regulation of power supply of OPGC (Generator), as per CERC (Regulation of Power Supply) Regulations, 2010.
3.	General Manager, Southern Regional Load Despatch Centre, POSOCO, 29, Race Course Road, Bangalore - 560001.	With a request to take necessary action for implementation of Regulation of power supply of OPGC (Generator), as per CERC (Regulation of Power Supply) Regulations, 2010.
4.	Executive Director, Northern Regional Load Despatch Centre, POSOCO, 18A, SJSS Marg, Katwaraia Sarai, New Delhi -110016	With a request to take necessary action for implementation of Regulation of power supply of OPGC (Generator), as per CERC (Regulation of Power Supply) Regulations, 2010.
5.	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 OPGC(Generator) as per CERC (Regulation of Power Supply) Regulations, 2010.

**Copy of Notice dated 15.5.2019 for Regulation of Power supply issued to OPGC is enclosed for kind information of:**

- Secretary (Power), MoP, Shram Shakti Bhawan, Rafi Marg, New Delhi.
- Secretary, CERC, 3<sup>rd</sup> Floor, Chanderlok Building, Janpath, New Delhi-110001.
- Member Secretary, Eastern Regional Power Committee, 14, Golf Club Road Tollygunje Kolkata-700033, Kolkata, West Bengal 700033.
- Member Secretary, Western Regional Power Committee, F-3, MIDC Area, Marol, Andheri (East), Mumbai - 400093.
- Member Secretary, Northern Regional Power Committee, 18-A, Shaheed Jeet singh Marg, Katwaria Sarai, New Delhi -110016
- Member Secretary, Southern Regional Power Committee, 29, Race Course Road, Bangalore - 560001
- MD, POSOCO, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.
- COO, CTU, Saudamini, Plot No. 2, Sector-29, Gurgaon-122001.
- ED Commercial, CTU, Saudamini, Plot No.2, Sector-29, Gurgaon-122001.
- ED, POWERGRID - ER-I/ER-II/WR-I / WR-II/NR-I/NR-II/NR-III / SR-I / SR-II