

(WITHOUT PREJUDICE)

Ref: RTCL/NPCIL/2018/11/01

Date: 27.11.2018

To,

The Director (Finance),
Nuclear Power Corporation of India Limited,
Corporate Office, Nabhikiya Urja Bhavan,
Anushaktinagar, Mumbai-400094.

Sub: "Notice for Regulation of power supply" for default of Nuclear Power Corporation of India Ltd (NPCIL) in making payment of dues.

Ref: i. PGCIL Letter ref: RTCL-NPCIL-1 dated 7.10.2016;
ii. PGCIL Letter ref: RTCL-NPCIL-2 dated 13.12.2016;
iii. PGCIL Letter ref: RTCL-NPCIL-3 dated 17.4.2017;
iv. PGCIL Letter ref: RTCL-NPCIL-4 dated 24.4.2018; &
v. PGCIL Letter ref: RTCL-NPCIL-5 dated 27.11.2018

Dear Sir,

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

1. RAPP Transmission Company Limited has commissioned an Inter-State Transmission System at Rajasthan and Madhya Pradesh comprising of RAPP-Shujalpur 400 kV D/C Twin Moose ACSR transmission line.
2. Subsequent to completion of the transmission system, RTCL approached the Central Electricity Regulatory Commission (CERC) by way of Petition No. 43/MP/2016 for seeking payment of monthly transmission charges from the date of commercial operation of the project. CERC vide its order dated 21.9.2016 observed that NPCIL shall be liable to pay transmission charges of RAPP from SCOD i.e. February 2016 till commissioning of the RAPP end bays by NPCIL. Further, the invoices for payment of Transmission Charges was directed to be raised by the Central Transmission Utility on behalf of RTCL and accordingly sent to NPCIL.
3. In compliance of the aforementioned CERC order dated 21.9.2016. CTU has raised the following bills on NPCIL for the period from 1.3.2016 to 30.9.2018.

S. No	Bill No. & date	Amount (Rs.)	Period of Transmission Charges	Date on which Bill submitted to NPCIL	Due date of payment (thirtieth day after which the date on which invoice is received by NPCIL)
1.	RTCL-NPCIL-1 dated 7.10.2016	182073369	1.3.2016 to 30.9.2016	7.10.2016	6.11.2016

2.	RTCL-NPCIL-2 dated 13.12.2016	39642508	1.10.2016 to 30.11.2016	13.12.2016	12.1.2017
3.	RTCL-NPCIL-3 dated 5.4.2017	9103668	1.12.2016 to 31.3.2017	17.4.2017	16.5.2017
4.	RTCL-NPCIL-4 dated 1.3.2018	25035088	1.4.2017 to 28.2.2018	24.4.2018	23.5.2018
5.	RTCL-NPCIL-5 dated 3.10.2018	15931419	1.3.2018 to 30.9.2018	27.11.2018	26.12.2018

In this regard, it may be noted that NPCIL has failed to meet its payment obligations of liquidating dues of Rs. 27,17,86,052 as on 30.9.2018.

4. Despite CERC's directions dated 21.9.2016 in Petition No. 43/MP/2016 and regular follow-up at various levels, NPCIL has failed to pay any of the monthly bills and outstanding even much beyond the time specified in the order. NPCIL is thus a wilful and consistent defaulter in making payment of outstanding dues. This non-payment of dues by NPCIL has severely affected RTCL's cash flows and causing adverse impact to carry out business enterprise and meeting its loan obligations towards creation of transmission asset.
5. 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 drawal 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.

6. In this regard, attention is invited to bills and correspondences issued by RTCL as referred above, which demonstrates the default of NPCIL in making payment of legitimate dues. As per the provisions of CERC Regulations, RTCL is constrained to issue this "Notice for Regulation of Power Supply".
7. In case of failure of NPCIL to clear outstanding dues by 5.12.2018 till 16:30 Hrs, the Regulation of Power Supply of NPCIL through their long term access shall be affected as follows:

• Quantum of power to be regulated	:	150 MW of power injected by NPCIL to ISTS network
• Commencement of Regulation of supply	:	From 00.00 Hrs of 6.12.2018
• Period of Regulation of Power supply	:	For 2 months or till clearing of the entire dues outstanding for more than 25 months

<ul style="list-style-type: none"> Source of regulation of Power Supply 	:	To be regulated from atomic power plant of NPCIL.
The regulation of power shall be carried out through all Regional Transmission Corridors.		
<ul style="list-style-type: none"> All other liabilities of NPCIL shall be as per the provisions of CERC Regulations 		

8. Through a copy of this Notice, RLDCs are being requested to:
 - a. Prepare an implementation plan for Regulation of Power Supply of NPCIL
 - b. Implement the same w.e.f. 00:00 Hrs of 6.12.2018.
9. RTCL has posted Regulation Notice on Sterlite Power website under the tab Publications as per the requirement of the CERC (Regulation of Power Supply) Regulations, 2010.
10. The notice of Regulation of Power Supply is without prejudice of RTCL'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 NPCIL.

Kindly acknowledge the receipt.

Thanking you,

Yours sincerely,

For, RAPP Transmission Company Limited

T.A.N. Reddy

V.P. - Business & Regulatory Affairs

CC:

1.	Executive Director Western Regional Load Despatch Centre, POSOCO F-3, MIDC Area, Marol, Andheri(East), Mumbai - 400093	With a request to prepare the implementation plan for Regulation of power supply of NPCIL from its atomic power plant in Rajasthan and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010.
2.	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 NPCIL (Generator), as per CERC (Regulation of Power Supply) Regulations, 2010.
3.	General Manager	With a request to take necessary action for implementation of Regulation of power supply of

	Southern Regional Load Despatch Centre, POSOCO. 29, Race Course Road, Bangalore - 560001	NPCIL (Generator), as per CERC (Regulation of Power Supply) Regulations, 2010.
4.	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 NPCIL (Generator) as per CERC (Regulation of Power Supply) Regulations, 2010.

Copy of Notice dtd 27.11.2018 for Regulation of Power supply issued to Nuclear Power Corporation of India Limited is enclosed for kind information of:

1. Secretary (Power), MoP, Shram Shakti Bhawan, Rafi Marg, New Delhi.
2. Secretary, CERC, 3rd Floor, Chanderlok Building, Janpath, New Delhi-110001
3. Member Secretary, Western Regional Power Committee, F-3, MIDC Area, Marol, Andheri(East), Mumbai - 400093
4. Member Secretary, Northern Regional Power Committee, 18-A, Shaheed Jeet Singh Marg, Katwaria Sarai, New Delhi -110016
5. Member Secretary, Southern Regional Power Committee, 29, Race Course Road, Bangalore - 560001
6. MD, POSOCO, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016.
7. COO, CTU, Saudamini, Plot No.2, Sector-29, Gurgaon-122001.
8. ED (Commercial) CTU, Saudamini, Plot No.2, Sector-29, Gurgaon-122001
9. ED, POWERGRID - WR-I / WR-II/NR-I/NR-II/NR-III/ SR-I / SR-II/ER-I/ER-II