



एन टी पी सी लिमिटेड

(भारत सरकार का उद्यम)

NTPC Limited

(A Govt. of India Enterprise)

Ref .No: 01: CD: 150

केन्द्रीय कार्यालय/Corporate Centre

Date: 04.02.2021

To,
Chairman
Uttar Pradesh Power Corporation Limited (UPPCL)
Shakti Bhawan
14, Ashok Marg
Lucknow (UP)

Sub: Regulation Notice;

Regulation of power supply to the Uttar Pradesh Power Corporation Limited (UPPCL) as per provisions of the CERC (Regulations of Power Supply) Regulations, 2010 (as amended), BPSA dated 31.01.1994, Various GOI letters regarding allocations of power from NTPC Stations and various other PPAs signed with UPPCL

Dear Sir,

1. You are kindly aware that the bills raised by NTPC on Uttar Pradesh Power Corporation Limited (UPPCL) for energy supplied by NTPC from various stations are to be paid within due dates. As on date, a total of **Rs 5336.66 Cr** remains unpaid, out of which **Rs 4673.29 Cr** remains unpaid beyond due dates. In spite of repeated follow ups at various levels in person as well as through our letters dated 14.08.2020, 18.08.2020, 14.09.2020, 22.10.2020, 29.10.2020, 16.11.2020, 23.12.2020 & 13.1.2021, UPPCL has yet not liquidated the outstanding dues which are beyond due dates. As per various agreements and CERC Regulations, in case of default in making payments of bills, NTPC has the right to discontinue/ regulate the power supplies.
2. The Tripartite Agreement signed between Govt of UP, RBI and Govt of India which is applicable for supply of electricity from NTPC stations to state of UP also provides for regulation of power supply in case of non payment of bills. Further, CERC (Regulation of Power Supply) Regulations, 2010 (as amended) provide that:

Quote

4. ***In case of the outstanding dues or in case the required 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.....***
6. ***Upon receipt of the notice under Regulation 4 and within 3 days thereafter, the concerned State Load Despatch Centre/Regional Load Despatch Centre, in whose control area the Regulating Entity is situated, shall make a plan in writing for implementing the regulation of power supply and shall inform the Regulating Entity, Regulated Entity, concerned State Load Despatch Centres, Regional Power Committees, and Regional Load Despatch Centres of the said Plan and shall post the implementation plan on its website.....***

(Emphasis supplied)

Unquote

3. The terms & conditions of Bulk Power Supply Agreement (BPSA) dated 31.01.1994 provides as follows at A.5 of Appendix A.

Quote

*"It is agreed that the Bulk Power Customers will make all efforts to open LC within a reasonable period. In the event of failure to establish/ enhance LC within a reasonable period or alternatively in the absence of LC, **if any bills remain unpaid for a period exceeding two months from the date of issue of the bills, NTPC shall have the options to discontinue/** reduce supply of power to such bulk power customers in consultation with Govt. of India and advise NREB accordingly."*

(Emphasis supplied)

Unquote

4. The allocation letters issued by Govt. of India provide that in case of default in payment, NTPC has the right to shut-off or restrict power supply from power stations and reallocate power. The relevant extract from one such letter no.5/7/2013-Th.II (Vol.I) dated 09.07.2015 is as given below :

Quote

" 4. The above allocation will further be subject to the Power Purchase Agreements (PPAs) entered into by NTPC Limited with State Power Utilities/ Union Territory and will further be subject to the beneficiaries ensuring compliance with the financial and commercial terms (including coverage for Letter of Credit) of the PPA signed with NTPC Ltd., the tariff notification and any other directives/ guidelines issued by the Government of India/ Central Electricity Regulatory Commission from time to time.

5. In case of failure of the beneficiaries adhering to the condition mentioned above, NTPC Ltd. may shut off or restrict power supply from the power station and also reallocate the power in case beneficiaries default in payment or where they have not opened LCs of an adequate amount in favour of NTPC Ltd"

Unquote

5. An amount of **Rs 4673.29 Cr** has remained unpaid beyond due dates. Notice for regulation of power supply on UPPCL is hereby given for effecting regulation of power supply to UPPCL w.e.f. **00:00 hrs of 11.02.2021** initially for a period of 15 days as per provisions of the CERC (Regulations of Power Supply) Regulations, 2010 and as per PPAs/BPSA signed and various allocation letters issued by Gol.
6. In view of above, power supply to the extent of 100% allocated from NTPC Stations will be regulated to the State of UP as per the details given below:
- i) Quantum and source of power from which regulation / diversion is proposed: **4865 MW** from all **applicable NTPC Stations** (Details attached at **Annex-A**).
 - ii) The above is likely to result in excess power available to the extent of scheduled reduction.
 - iii) Regarding diversion/ absorption of regulated share, it is being taken up with other constituents of Northern and other regions to indicate their requirements. As soon as we receive any response from these constituents for absorption of regulated power of UPPCL, the same would be communicated to NRLDC.

7. As per requirement of CERC (Regulation of Power Supply) Regulations, 2010, NTPC is also posting Regulation Notice on NTPC website <https://www.ntpc.co.in/> under the tab "Notices".
8. The proposed regulation would be **implemented w.e.f. 00:00 hrs. of 11.02.2021** initially for a period of 15 days or till the time outstanding dues get cleared, whichever is earlier. A copy of this notice is also being sent to concerned RLDCs, for preparation of implementation plan for regulation of power supply to UPPCL and implementation of the same as per the procedure laid down by CERC (Regulation of Power Supply) Regulations, 2010.

Thanking you,

Yours faithfully,



(V. V. Sivakumar)
GM (Commercial)

CC:

1. Executive Director
Northern Regional Load Dispatch Centre
New Delhi – 16
2. Executive Director
Eastern Regional Load Dispatch Centre,
Kolkata.
3. Executive Director
Western Regional Load Dispatch Centre,
Mumbai.

with a request to prepare **implementation plan** for Regulation/ Suspension of power supply to UPPCL and implement the same as per CERC (Regulation of Power Supply) Regulations, 2010



GM (Commercial)

4. Member Secretary, NRPC
5. Member Secretary, ERPC
6. Member Secretary, WRPC

Distribution List:

- Chairperson, CERC
- Chairman, UPERC
- Chief Secretary, Govt of UP
- Addl Chief Secretary (Energy), Govt. of UP
- JS (Thermal), MoP

Annexure - A

Allocation of Power to Uttar Pradesh from NTPC Stations

Sl	Power Station	Project Capacity (MW)	Allocation of Power to UP (MW)	Allocation (in %)
From NTPC Stations				
1	Dadri ST-I	840	84	10.00%
2	Dadri ST-II	980	132	13.49%
3	Dadri GPS	830	262	31.54%
4	Tanda	440	440	100.00%
5	Unit-I of Tanda St-II	660	488	74.00%
6	Auraiya GPS	663	225	33.92%
7	Anta GPS	419	99	23.63%
8	Singrauli	2000	817	40.85%
9	Rihand-I	1000	357	35.72%
10	Rihand-II	1000	330	33.03%
11	Unchahar-I	420	255	60.73%
12	Unchahar-II	420	145	34.49%
13	Unchahar-III	210	71	33.73%
14	Unchahar-IV	500	242	48.40%
15	Farakka	1600	33	2.08%
16	Kahalgaon-I	840	77	9.12%
17	Kahalgaon-II	1500	251	16.73%
18	Rihand III	1000	358	35.82%
19	Koldam	800	158	19.77%
20	Singaruli Hydro	8	4	44.38%
21	WR Stations		37	
	TOTAL		4,865	