



हरियाणा HARYANA

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**BULK POWER SUPPLY AGREEMENT**

**BETWEEN**

**NHPC LTD.**

**AND**

**U.P. POWER CORPORATION LTD.**

THIS BULK POWER SUPPLY AGREEMENT is entered into on this 20<sup>th</sup> day of June, 2011 between **NHPC Limited**, (formerly known as National Hydro Power Corporation Limited), a Company incorporated under the Companies Act, 1956 having its registered office at NHPC Office Complex, Sector-33, Faridabad (Haryana) - 121003. (Hereinafter called '**NHPC**', which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) as party of the first part and **U.P. Power Corporation Ltd.**, 14, Ashok Marg, Shakti Bhawan, Lucknow - 226001 (hereinafter referred to as '**UPPCL**', generally referred to as "Bulk Power Customer" which expressions unless repugnant to the context shall include their respective successors and assigns) as party of the second part.

Whereas NHPC is a generating company of Government of India and the Bulk Power Customer (s) have been allocated power by Govt. of India from Chamera Power

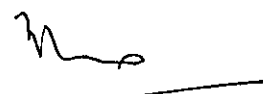
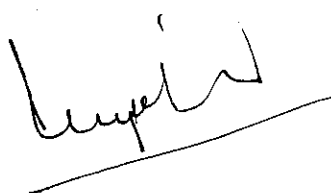
Station, Stage –II, Distt. - Chamba, Himachal Pradesh-176310 (hereinafter referred to as “NHPC Station”) owned and operated by NHPC.

Now, therefore, in consideration of the premises and mutual covenants and conditions set forth herein, it is hereby agreed by and between the parties hereto as follows:-

## 1.0 DEFINITIONS:

The words/expressions used in this Agreement, unless repugnant to the context, shall have the same meanings as respectively assigned to them by the Electricity Act,2003 as amended from time to time and Act that would come into force as a substitute or otherwise to the above stated Act. The words/expressions mentioned below shall have the same meaning as respectively assigned to them hereunder :-

- i) Month : means English Calendar Month.
- ii) Year : means financial year commencing on 1st April and ending on 31st March.
- iii) Energy : means the electrical energy.
- iv) Power : means the electrical power.
- v) LC : means Irrevocable revolving Letter(s) of Credit.
- vi) FERV : means Foreign Exchange Rate Variation.
- vii) CEA : means Central Electricity Authority.
- viii) CERC : means Central Electricity Regulatory Commission.
- ix) GOI : means Government of India.
- x) IEGC : means Indian Electricity Grid Code.
- xi) MOP : means Ministry of Power.
- xii) Outage : means the state of component when it is not available to perform its intended function due to some event directly associated with that component.
- xiii) POWER GRID : means Power Grid Corporation of India Limited.
- xiv) NRPC : means Northern Regional Power Committee.



- xv) NRLDC : means Northern Regional Load Dispatch Center.
- xvi) REA : means periodic regional energy account including amendments thereof if any, prepared by NRPC/NRLDC showing exchange of energy amongst the various constituents of NRPC.

## **2.0 INSTALLED CAPACITY & ALLOCATION OF POWER :**

- 2.1 The installed capacity of Chamera Power Station, Stage-II is 300 MW (3x100 MW). The installed capacity is however, subject to derating/uprating of the generating units as determined from time to time by CEA.
- 2.2 The allocation of power from the NHPC Station amongst the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued by the MOP, Govt. of India from time to time.

## **3.0 GENERAL OBLIGATIONS:**

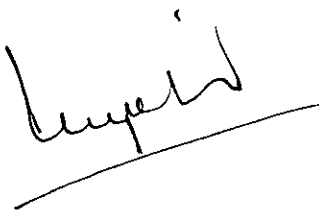
- 3.1 The energy to be supplied under this Agreement shall be in the form of three phase, 50 hertz alternating current at a voltage of 400 KV or as applicable. The frequency and voltage shall be subject to fluctuations as per provisions contained in IEGC and as amended from time to time except for the reasons and circumstances beyond the reasonable control of NHPC. The supply of energy to Bulk Power Customer is subject to outages as may be necessary on account of shutdown of generating units of the project and associated transmission system for inspection, maintenance or repair or for any other reason beyond the reasonable control of NHPC. The periodicity and duration of such outages shall be such as may be determined by NHPC in consultation with NRPC/ NRLDC.

## **3.2 EVACUATION OF POWER FROM NHPC STATION:**

Evacuation point shall be 400 KV bus bar or as applicable. Evacuation of power from the delivery point of the NHPC Station shall be through the transmission system of POWER GRID or any other agency as the case may be. The Bulk Power Customer shall make necessary arrangements separately with the concerned agency for evacuation of power & payments of evacuation charges etc. and NHPC shall not be responsible for the same in any manner.

## **4.0 METERING ARRANGEMENTS:**

Metering arrangements including its installation, testing, maintenance and collection, transportation and processing of data required for energy exchange shall be governed as per the notification/ directives issued by CERC from time to time and as per relevant provisions contained in IEGC as amended from time to time.



## 5.0 ACCOUNTING OF ENERGY:

The quantum of energy sold to the Bulk Power Customer out of the energy available for sale shall be the energy as indicated in the REAs issued by NRPC/NRLDC. The REA including amendments, if any, as issued by NRPC/NRLDC shall form the basis for billing purposes and shall be binding on both the parties.

## 6.0 TARIFF:

6.1 The tariff to be charged & its associated Terms and Conditions for the energy to be supplied by NHPC from the NHPC Station shall be as per Tariff Notifications/orders/directions issued by CERC from time to time.

6.2 In case a new tariff for the period beyond the period mentioned in the previous tariff notification/orders/direction of the CERC is not finalized before that date, the Bulk Power Customer shall pay to NHPC for the power supplied from the NHPC Station beyond this date on adhoc/provisional basis as per the directions/instructions/orders of CERC.

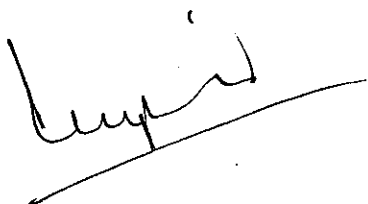
6.3 In addition to the energy tariff set out, the Bulk Power Customer shall also be liable to pay to NHPC in accordance with any law in force, all payments made or payable by it on account of taxes, duties, cess, levy, fees or other imposition etc. levied or to be levied in future as a new tax by the Government or other authority in respect of generation, transmission and supply of energy including activities incidental and ancillary thereto as per orders of CERC in this regard.

## 7.0 BILLING :

7.1 NHPC shall prepare bill(s) for the energy supplied to the Bulk Power Customer on the basis of REAs issued by NRPC/NRLDC and Bulk Power Customer shall accept these bills for payment. The bill shall be the aggregate of charges as approved /notified by CERC/Government of India from time to time.

7.2 In case Bulk Power Customer has any objection as to the accuracy of any bill(s), it shall lodge a written objection with NHPC within 45 days on presentation of such bill(s). On such objection being upheld by NHPC, the same shall be rectified within a period of 30 days from the date of receipt of written objection and necessary effect of the same shall be given in the subsequent bill(s).

7.3 The settlement of all disputed current dues shall be governed as per the directives of CERC/GOI as issued from time to time.

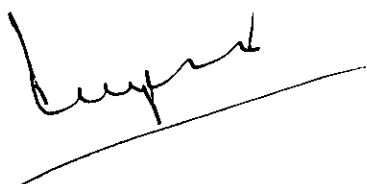


## 8.0 PAYMENT:

- 8.1 Payment of bills for supply of power from the NHPC Station shall be made by the Bulk Power Customer through a confirmed, revolving, irrevocable Letter of Credit to be established in favour of NHPC for an amount equivalent to 105 percent of their average monthly billing of preceding 12 months with appropriate bank as mutually acceptable to the parties. The LC shall be kept valid at all the time during the validity of this Agreement or extended period. The amount of LC shall be reviewed quarterly. NHPC shall intimate the revised amount of L.C. one month in advance of start of the quarter. If still the amount of energy supplied is more than the amount of L.C., the payment of excess amount shall be made by the Bulk Power Customer directly on presentation of such bill(s). All the bank charges shall be borne by the Bulk Power Customer.
- 8.2 NHPC shall present bill(s) to the said Bankers with a copy to the Bulk Power Customer. The bill(s) so presented by NHPC to the said Bankers shall be promptly paid on their presentation.

## 9.0 SURCHARGE ON LATE PAYMENT AND REBATE :

- 9.1 The provision for levy of surcharge and rebate shall be governed as per notification/directives/guidelines issued by CERC/GOI or any other scheme offered by NHPC and accepted by Bulk Power Customer from time to time.
- 9.2 Notwithstanding what is contained above, if the bill(s) are not paid by Bulk Power Customer to NHPC within 60 days from the date of billing, NHPC shall have the option to regulate the supply of energy to Bulk Power Customer in accordance with the directives/guidelines issued by CERC/GOI from time to time.
- 9.3 In case of regulation of power, the matter may be dealt in accordance with prevailing CERC's "Generic procedure on regulation of power supply to beneficiaries in case of non payment of dues of central power utilities" as amended time to time.
- 9.4 All payments made by the beneficiaries shall be appropriated by NHPC for amounts due in the following order of priority :
- (i) Towards earlier un-paid monthly bill if it is without any dispute.
  - (ii) Towards late payment surcharge payable, if accepted by Bulk Power customer.
  - (iii) Towards the statutory dues like income tax, duties, royalties, cess, any other tax, royalty etc. in the current bills.
  - (iv) Towards the capacity charges, energy charges, incentive and other charges in current bill.



## 10.0 ARBITRATION:

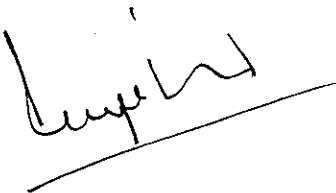
- 10.1 The disputes arising under this agreement which are falling under the provisions of the Electricity Act, 2003, shall be dealt in accordance with the said Act.
- 10.2 All other disputes which are not covered under the provisions of the Electricity Act, 2003, shall be referred to arbitration. The appointment of arbitrator and arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996. The venue of the arbitration proceedings shall be decided by the Arbitrator with the consent of parties. The decision of the arbitrator shall be final and binding on the parties. The High Court of Punjab and Haryana, Chandigarh shall have exclusive jurisdiction in all matters arising under this agreement.
- 10.3 The Arbitrator shall reasonably decide his fees. However, the Arbitrator's fees and cost of arbitration proceedings shall be borne equally by the parties. The arbitrator shall publish the award, within a reasonable time.
- 10.4 Notwithstanding the existence of any question, disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

## 11.0 FORCE MAJEURE:

Both the parties shall ensure compliance of the terms of this Agreement. Save and except the order/directions/regulations issued by CERC or Government of India from time to time in this regard, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of this Agreement to the extent that such failure is due to force Majeure events such as rebellion, mutiny, civil commotion, riot, strike, lock out, fire, explosion, flood, drought, cyclone, lightning, earthquake, war or other forces, accident or act of God. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event(s).

## 12.0 DURATION OF AGREEMENT:

This Agreement shall come into force from ~~01:04:2009~~ and shall remain operative for 5 (five) years and thereafter this Agreement may be mutually extended, renewed or replaced by another agreement on such terms and for such further period of time as the parties may agree to. However, the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case Bulk Power Customer continue to get power from the NHPC Station even after expiry of this Agreement without further renewal or formal extension thereof.



### 13.0 NOTICES:

All notices required or referred to under this Agreement shall be in writing and signed by the authorities mentioned herein below unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered, or sent by registered mail with an acknowledgement due to the other party.

**a) TO NHPC**

Executive Director (Comml.)/General Manager (Comml.) /  
Chief Engineer (Comml.)  
NHPC Ltd. ,NHPC Office Complex,  
Sector-33, Faridabad-121003,  
Haryana.

With a copy to :

General Manager / Chief Engineer  
Chamera Power Station, Stage-II,  
NHPC Ltd,  
Karian, Distt.- Chamba,  
Himachal Pradesh-176310

**b) BY NHPC**

Executive Director (Comml.) /General Manager (Comml.)/  
Chief Engineer (Comml.)  
NHPC Ltd. ,NHPC Office Complex,  
Sector-33, Faridabad-121003,  
Haryana.

**c) TO UPPCL.**

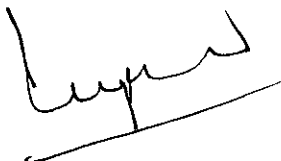
To be intimated by U.P. Power Corporation Ltd.

**d) BY UPPCL.**

To be intimated by U.P. Power Corporation Ltd.

### 14.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and direction, approvals, consents and notices to be given and actions to be taken under these presents unless otherwise expressly provided herein, shall be exercised and given by the signatories to this agreement or by the authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. Nomination of authorized representative(s) shall be informed likewise in writing by

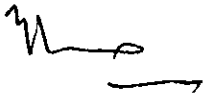


the Bulk Power Customer within one month of signing of the Agreement.

The Tripartite Agreement signed between Govt. of India, Reserve Bank of India and State Govt. shall form an integral part of this Agreement. In case, any of the provisions of this Agreement are inconsistent with the provisions of the Tripartite Agreement, mentioned above, then the provisions of Tripartite Agreement shall prevail during the period of validity of the Tripartite Agreement.

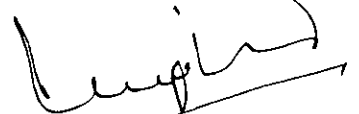
In WITNESS WHEREOF, the parties have executed these presents through their duly authorised representatives caused on the day month and year first above written.

For and on behalf of  
NHPC Ltd



**NIKKA RAM**  
CE (Commercial)  
NHPC Office Complex, Sector-33,  
Faridabad, (Haryana)

For and on behalf of  
U.P. Power Corporation Ltd.



**CE. (P.P.A.)**  
**U.P.P.C.L.**  
Shakti Bhawan Extn  
Lucknow

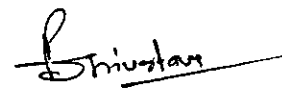
Witness

1. 

**MANOJ KR. JHA**  
Dm (Comm/)

Witness

1.



Executive Engineer  
Special Power Agreement &  
Tariff Circle, U.P.P.C.L.  
Shakti Bhawan, Lucknow