



उत्तर प्रदेश UTTAR PRADESH POWER SUPPLY AGREEMENT

DT 932728

BETWEEN
NORTH EASTERN ELECTRIC POWER CORPORATION LIMITED
AND
U.P. POWER CORPORATION LIMITED

11 JUL 2011

THIS POWER PURCHASE AGREEMENT is entered into on this 24th day of July Two Thousand Seventeen between North Eastern Electric Power Corporation Limited, a Company incorporated under the Companies Act, 1956, having their registered office at Brookland Compound, Lower New Colony, Shillong-793003 (hereinafter referred to as "NEEPCO", which expression shall unless repugnant to the context or meaning thereof include their successors and assigns) as party of the first part and U.P. Power Corporation Limited, 14-Ashok Marg, Lucknow, Uttar Pradesh (hereinafter referred to as "Bulk Power Customer", which expressions shall unless repugnant to the context shall include their respective successors and assigns) as party of the second part.

WHEREAS NEEPCO is the Generating Company of Government of India and shall own and operate the Kameng Hydro Electric Project (600 MW) and the Bulk Power Customer shall off-take the power as allocated by the Ministry of Power, Government of India from the Kameng Hydro Electric Project.

Now, therefore, in consideration of the premises and mutual covenant and conditions set forth herein, it is hereby agreed by 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. The words/expressions mentioned below shall have the same meanings as respectively assigned to them hereunder:

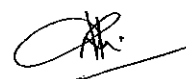
- a. Month : Means English calendar month.
- b. Year : Means financial year commencing on 1st April and ending on 31st March.
- c. Project : Means Kameng Hydro Electric Project in the District of West Kameng, in the State of Arunachal Pradesh, owned & to be operated by NEEPCO.
- d. Energy : Means the Electrical Energy.
- e. Power : Means the Electrical Power.
- f. REA : Means a monthly statement prepared by the North Eastern Regional Power Committee (NERPC), showing Regional Energy Accounting for each State of North Eastern Region for the purpose of billing.
- g. LC : Means Letter of Credit.
- h. CERC : Means Central Electricity Regulatory Commission.
- i. GOI : Means Government of India
- j. IEGC : Means Indian Electricity Grid Code.
- k. MOP : Means Ministry of Power.
- l. Outage : Means the State of component of the Project, when it is not available to perform its intended function due to some event directly associated with that component.
- m. NERPC : Means North Eastern Regional Power Committee.
- n. NERLDC : Means North Eastern Regional Load Despatch Centre.
- o. DPR : Detailed Project Report as submitted to MOP at March, 2015 Price level.

2.0 INSTALLED CAPACITY & ALLOCATION OF POWER:

- 2.1 The installed capacity of Kameng Hydro Electric Project shall be 600 MW. The installed capacity is, however, subject to de-rating/up-rating, as determined from time to time by CEA or any other agency authorised to do so.
- 2.2 The allocation of power from the project among the Bulk Power Customers shall be in accordance with the instructions regarding allocation of power issued/or to be issued by the MOP, Govt. of India from time to time which shall form an integral part of this Agreement.
- 2.3 The Generating Units will be declared commercially operative by NEEPCO in accordance with the guidelines specified/to be specified by GOI/CEA/CERC. The date of commercial operation of the each of the units of Kameng Hydro Electric project will be an integral part of this Agreement.

3.0 GENERAL OBLIGATIONS:

- 3.1 NEEPCO is a Generating Company, as defined under Section 2(28) of the Electricity Act, 2003 and shall perform duties, as defined under section 10 of the Electricity Act, 2003 for supply of Electricity to the Bulk Power Customer.



3.2 The energy to be supplied under this agreement shall be in the form of 3- Phase, 50 Hertz, Alternating Current, at a voltage of 400 KV or as the case may be. The frequency and voltage of energy 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 NEEPCO. The supply of energy to Bulk Power Customer is subject to outages as may be necessary on account of shutdown of the generating units of the project and associated transmission system for inspection, maintenance or repair or any other reason beyond the reasonable control of NEEPCO. The periodicity and duration of such outages shall be such as may be determined by NEEPCO in consultation with NERPC/NERLDC.

4.0 DELIVERY POINT / EVACUATION OF POWER FROM NEEPCO STATION.

400 kV Bus bar or any other point designated at the Project shall be the delivery point for supply of energy to the Bulk Power Customer. Evacuation of power from the delivery point of the project shall be through the transmission system of POWER GRID or any other agency as the case may be. The Bulk Power Customer shall make arrangements separately with the concerned agency for evacuation of power & payments of evacuation charges etc. and NEEPCO shall not be responsible for the same in any manner.

5.0 METERING ARRANGEMENTS:

Metering arrangements, including its installation, testing, maintenance of and collection, transmission and processing of data required for energy accounting 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.

6.0 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 REA issued by NERPC. The REA, including amendments, if any, as issued by NERPC shall form the basis for billing and shall be binding on both the parties.

7.0 TARIFF:

7.1 The tariff to be charged and its associated terms and conditions for the energy to be supplied by NEEPCO from the Project shall be determined by CERC and NEEPCO shall file tariff petition before CERC within 6 (six) month from the Date of Commercial Operation of the Project.

7.2 Till such time the tariff is determined by CERC, NEEPCO shall work out the provisional tariff on the basis of estimated completion cost of the Project and as per the CERC (Terms & Conditions of Tariff) Regulations, as applicable from time to time. NEEPCO shall inform the Bulk Power Customer of such provisional tariff



and both the parties shall mutually agree to the provisional tariff for the purpose of billing on provisional basis, subject to adjustment, as soon as the final tariff is determined by CERC.

- 7.3 In addition to the energy tariff, the Bulk Power Customer shall also be liable to pay to NEEPCO, in accordance with any law in force, all payments payable by it on account of taxes, duties, cess, levy, fees etc., levied or to be levied in future by the GOI or any other statutory authority, in respect of generation, transmission and supply of energy including, activities incidental and ancillary thereto.

8.0 BILLING:

- 8.1 NEEPCO shall prepare bills for the energy supplied to the Bulk Power Customer on the basis of REA issued by NERPC *and as per prevailing CERC Tariff Regulations*, and the Bulk Power Customer shall accept these bills for payment.
- 8.2 In case the Bulk Power Customer has any objection as to the accuracy of any bill(s), it shall lodge a written objection with NEEPCO within 15 (fifteen) days of presentation of such bill(s). On such objection being upheld by NEEPCO, the same shall be rectified within a period of 30 (thirty) days from the date of receipt of written objection and necessary effect to the same shall be given in the subsequent bill(s). However, payment of the bills originally submitted by NEEPCO should not be kept withheld by the Bulk Power Customer.

The settlement of all disputed dues shall be governed as per the directives of CERC/GOI as issued from time to time and the same shall form an integral part of this agreement.

9.0 PAYMENT:

- 9.1 For the 1st 12 (twelve) months of operation, NEEPCO shall raise the bills as per clause-7.2 & 8.1 of this Agreement against energy supplied and the Bulk Power Customer shall pay the bill within 30 (thirty) days from the date of the billing every month. After the 1st 12 (twelve) months of operation, the Bulk Power Customer shall establish a confirmed, revolving, irrevocable Letter of Credit in favour of NEEPCO for an amount equivalent to 105 percent of their average monthly billing of preceding 12 (twelve) months with appropriate bank, *negotiating Bank at Shillong* as mutually acceptable to the parties. All the bank charges towards establishment of the LC shall be borne by the Bulk Power Customer.
- 9.2 NEEPCO shall present the bill(s) to the *negotiating Bank* with a copy to the Bulk Power Customer. The bill(s), so presented by NEEPCO, shall be paid by the Bank immediately on presentation.
- 9.3 Notwithstanding what is contained above, if the bill(s) are not paid by Bulk Power Customer to NEEPCO within 60 (sixty) days from the date of billing, NEEPCO shall have the liberty to regulate the supply to the Bulk Power Customer in accordance with the directives/guidelines issued by CERC/GOI from time to time.



10.0 SURCHARGE ON LATE PAYMENT AND REBATE:

10.1 The provision for levy of surcharge shall be governed as per the notification/directives/guidelines issued/to be issued by CERC/GOI from time to time as per prevailing statutes and same shall form an integral part of this agreement.

10.2 The provision for allowing rebate shall be regulated as per notification/directives/guidelines issued by CERC/GOI from time to time and the same shall form an integral part of this agreement.

11.0 ARBITRATION:

11.1 All questions, differences or disputes between the parties arising out of or in connection with this Agreement save and except as provided under Clause-6.0 of this Agreement to the extent of power vested with NERPC, shall be settled through arbitration in accordance with the provision of Arbitration and Conciliations Act, 1996 and amendment thereof issued from time to time. However, before referring the matter to arbitration, efforts shall be made by the parties to settle the disputes through mutual discussion and conciliation within a period of 90 days.

In the event the parties are unable to resolve any dispute, controversy or claim relating to or arising under this agreement as stated above, which are falling under provisions of Electricity Act'2003, the same shall be dealt in accordance with the provisions under section 79(f) and 158 of the said Act.

11.2 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.

12.0 FORCE MAJEURE:

Both the parties shall ensure compliance of the terms of this agreement. However, no party shall be liable 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, epidemic, plague, fire, explosion, flood, drought, cyclone, lightning, earthquake, war or other forces, accident, landslide, sabotage, communal violence, terrorism, malicious act of kidnapping 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).

13.0 DURATION OF AGREEMENT:

This Agreement shall come into force from the date of signing and shall remain in force for 35(thirty five) years from the Date of Commercial Operation of the last unit of the Project, provided that 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 mutually agree to. However, the provisions of



this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced, in case the Bulk Power Customer continues to get power from the Project even after expiry of this Agreement without further renewal or formal extension thereof.

14.0 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 by the respective parties. Each such notice shall be deemed to have been duly served by any of the parties, if the same is delivered or sent by Registered Mail / Speed Post to the other party.

A. TO / FROM NEEPCO :

The Executive Director (Commercial),
NEEPCO Ltd., Brookland Compound,
Lower New Colony, Shillong-793 003

With a copy to:

The Head of Project,
Kameng hydro Electric Project,
District: West Kameng,
Arunachal Pradesh.

B. TO / FROM Bulk Power Customer:

Chief Engineer(PPA)
U.P.Power Corporation Limited,
Shakti Bhawan Extension,
14 Ashok Marg, Lucknow-226 001.
E Mail: spatcircle2010@gmail .com,
Tele Fax No. 0522 2218659.

15.0 IMPLEMENTATION OF THE AGREEMENT:

All discretions to be exercised and directions, 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 authorised 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.

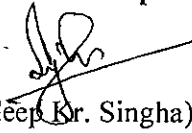


Nomination of authorised representative(s) shall be informed likewise in writing by the Bulk Power Customer within one month of signing of this Agreement.

It is specifically agreed that this Agreement shall supersede all previous discussions and meetings held and correspondence exchanged between Bulk Power Customer and NEEPCO in respect of this Agreement and any decisions arrived at therein in the past and before signing of this Agreement if repugnant to the provisions made herein and will have no relevance with reference to matters covered under this Agreement and no reference of such discussions or meetings or past correspondence etc. shall be entertained for interpreting that Agreement or its implementation.

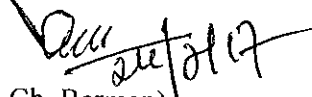
In WITNESS WHEREOF the parties have executed these presents through their duly authorised representatives caused on the day month and year first above written.

**For and on behalf of
North Eastern Electric Power Corporation Limited**



(Pradeep Kr. Singha)
Executive Director (Commercial),
NEEPCO Ltd., Brookland Compound,
Lower New Colony, Shillong-793 003
E Mail: neepcocommercial@gmail.com,
Tele /Fax No. 0364-2501903/2505879/2225035.


WITNESS:

1. 
(Paresh Ch. Barman)
General Manager (Commercial)
NEEPCO Ltd, Shillong-793 003.

सहाप्रबंधक (धं.)
General Manager (EL)
कार्यालय निदेशक (वाणिज्यिक) का कार्यालय
O/o The Executive Director (Comm)
नीपको लि., शिलांग
NEEPCO Ltd., Shillong

कार्यपालक निदेशक (वाणिज्यिक)
नीपको लि. शिलांग
Executive Director (Comm.)
NEEPCO Ltd. Shillong


**For and on behalf of
U.P. Power Corporation Limited,**



CB. (P.P.A.)
(V. P. Srivastava) U.P.P.C.L.
Chief Engineer (RBA) Shakti Bhawan Extn.,
Lucknow

U.P. Power Corporation Limited,
10th Floor, Shakti Bhawan Extension,
14 Ashok Marg, Lucknow-226 001.

WITNESS:

1. 
(Vikram Singh)
Executive Engineer (SPATC)
10th floor, Shakti Bhawan Extension
Lucknow
SPAT CIRCLE
U.P. Power Corp. Ltd.
Lucknow