

**BEFORE THE HON'BLE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION**

PETITION NO \_\_\_\_\_

CASE NO \_\_\_\_\_

IN THE MATTER OF

APPROVAL OF OPEN ACCESS CHARGES OF MEGHALAYA ENERGY CORPORATION LIMITED (MeECL) WITHIN THE STATE OF MEGHALAYA FOR THE FINANCIAL YEAR 2012-13 UNDER THE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF OPEN ACCESS) REGULATION 2012 AND UNDER SECTION-62, READ WITH SECTION 86, OF THE ELECTRICITY ACT 2003.

AND IN THE MATTER OF

MEGHALAYA ENERGY CORPORATION LIMITED, LUMJINGSHAI, SHILLONG – 793001, MEGHALAYA.

**PETITIONER**

IT IS RESPECTFULLY SUBMITTED BY THE PETITIONER THAT:

1. The Power Supply Industry in Meghalaya had been under the control of the erstwhile Meghalaya State Electricity Board (MeSEB) with effect from 21<sup>st</sup> January 1975. On 31<sup>st</sup> March 2010, the Government of Meghalaya issued a Notification, "The Meghalaya Power Sector Reforms Transfer Scheme 2010", thereby giving effect to the transfer of assets, properties, rights, liabilities, obligations, proceedings and personnel of the erstwhile MeSEB to, viz. (i) Meghalaya Energy Corporation Limited (MeECL), the Holding Company; (ii) Meghalaya Power Distribution Corporation Limited (MePDCL), the Distribution Utility; (iii) Meghalaya Power Generation Corporation Limited (MePGCL), the Generation Utility; & (iv) Meghalaya Power Transmission Corporation Limited (MePTCL), the Transmission Utility. However, the Government of Meghalaya, vide Notification dated 19<sup>th</sup> May 2011, authorized that the transfer scheme of the MeECL be extended for another period of 1 (one) year with effect from 1<sup>st</sup> April 2011.
2. As in FY 2011-12, the Meghalaya Energy Corporation Limited (MeECL) is functioning as a Holding Company and the other utilities, viz. Meghalaya Power Distribution Corporation Limited (MePDCL); Meghalaya Power Generation Corporation Limited

(MePGCL) and Meghalaya Power Transmission Corporation Limited (MePTCL) have not yet commenced commercial operation as independent entities. Hence, separate accounts are yet to be maintained for the three entities, due to which the Meghalaya Energy Corporation Limited (MeECL), which is the Holding Company, under the Clause 3(4) of the Meghalaya State Electricity Regulatory Commission (Determination of Tariff) Regulation 2011, had filed a single tariff petition for the Financial Year 2012-13. In this regard, the Hon'ble Commission, in its Tariff Order dated 20.01.2012, at page 60 has observed as follows:

*“Since this Tariff Petition has been filed by the holding company i.e. MeECL as a single petition for all three business of Generation, Transmission and Distribution and to determine the consumer’s tariff, the Commission has decided to determine the Tariff on the basis of norms as laid down in the Regulations for distribution business. The Commission has, while allowing a consolidated petition, considered the State Government decision for allowing MeECL time for separation of accounts by 31.3.2012.”*

Similarly, the Meghalaya Energy Corporation Limited (MeECL) is filing a petition for determination of open access charges payable to the Transmission Licensee and the Distribution Licensee, as the case may be.

3. As in FY 2011-12, the Meghalaya Energy Corporation Limited (MeECL) is still functioning as a single entity and therefore it is not having any separate accounting system for generation, transmission and distribution. Considering the existing accounting constraints faced by MeECL, it is necessary to adopt a methodology that is rational and logical, so as to arrive at the amount that will more or less reflect the true expenditure incurred under generation, transmission and distribution. The methodology adopted is as below:
  - (i) The total expenditure / income incurred were separated into two parts:
    - (a) The expenditure / income directly associated with generation, transmission and distribution, and
    - (b) Other expenditure / income common to all are segregated equally under generation, transmission and distribution.
  - (ii) The expenditure / income under generation at (a), is then added to that segregated under generation at (b), to get the total expenditure / income under generation. A similar procedure has been adopted in respect of transmission and distribution.

(iii).The actual (pre-audited) data of 2010-11 and the approved annual revenue requirement of 2011-12 and 2012-13 have been adopted.

4. Using the above methodology, the Annual Revenue Requirement (ARR) for the year 2012-13 as approved by the Hon'ble Commission [page 94 of Tariff Order dated 20.01.2012] has been segregated for Generation, Transmission and Distribution, and is enclosed at **Annexure - A**. Moreover, the ARR as per the approved format given by the Hon'ble Commission for Generation is enclosed at **Annexure – B** and the ARR for Transmission is enclosed at **Annexure - C**. It may be seen that the ARR for Generation during the year 2012-13 is Rs 172.31 crore, the ARR for Transmission is Rs 40.88 crore and the ARR for Distribution is Rs 448.22 crore.

#### 5. Transmission charge (Intra-State)

The formula prescribed by the Hon'ble Commission at Clause 21 of the Open Access Regulation 2012 for the computation of transmission charges of open access customer is as given hereunder:

Transmission Charges =  $ATC / (ALST \times 365)$  (in Rs/MW-day), wherein,

ATC= Annual Transmission Charges determined by the Hon'ble Commission for the State transmission system and associated facilities for the concerned year, and

ALST= Average load projected to be served by the State transmission system in concerned year

During 2012-13, energy sale approved is 1592.96 MU [page 94 of Tariff Order dated 20.01.2012]. Hence,  $ALST = 1592.96 / (24 \times 365)$  or 181.84 MW.

Therefore, Transmission Charge = Rs  $[40, 88, 00,000 / (181.84 \times 365)]$  per MW-day  
= Rs 6159 per MW-day  
= 25.66 paisa per unit

The MeECL submits that as per Agreement between the MeECL and Assam Electricity Grid Corporation Ltd (AEGCL), the MeECL shall pay wheeling charges to AEGCL as approved by the Hon'ble Assam State Regulatory Commission (AERC). A copy of the Agreement between the MeECL and AEGCL is enclosed as **Annexure – D**. The Hon'ble

AERC has determined the transmission charge for FY 2010-11 to 2012-13 @ 36.40 paisa per unit. This transmission charges is also payable by open access consumers. Therefore, the MeECL proposes a transmission charges of (26.66 + 36.40) or 63.06 paisa per unit.

## 6. Wheeling Charge

The formula prescribed by the Hon'ble Commission at Clause 23 of the Open Access Regulation 2012 for computation of wheeling charges for open access customer is as hereunder:

Wheeling Charges = (ARR – PPC – TC) / (ALSD X 365) (in Rs/MW-Day), wherein,

ARR = Annual Revenue Requirement of the distribution licensee in the concerned year.

= Rs 448.22 crore approved for 2012-13

PPC = Total Power Purchase Cost of distribution licensee in the concerned year

= Rs 353.83 crore approved for 2012-13 [page 85 of Tariff Order dated 20.01.2012]

TC = Total transmission charges paid by distribution licensee for State and Inter-State transmission system for the concerned year

= Rs 52.00 crore approved for 2012-13 [page 85 of Tariff Order dated 20.01.2012]

ALSD = Total Average load projected to be served by the concerned distribution system in the concerned year.

During 2012-13, energy sale approved is 1592.96 MU [page 94 of Tariff Order dated 20.01.2012].

The sale for EHT is 456.80 MU, and Bilateral sale = 50.00 MU

Therefore, the sale for Distribution licensee = 1592.96 - 456.80 - 50.00 = 1086.16 MU

Hence, ALSD= 1086.16 / (24X365) or 124 MW

Therefore, wheeling Charge = Rs  $\frac{(448,22,00,000-353,83,00,000-52,00,00,000)}{(124 \times 365)}$  per MW-day  
 = Rs 9367 per MW-day  
 = 39.03 paisa per unit

## 7. Cross Subsidy Surcharge

The Hon'ble Commission at Clause 24 of the Open Access Regulation 2012 has specified that cross-subsidy surcharge shall be levied on open access customers as determined by the Hon'ble Commission, keeping in view the loss of cross-subsidy from customers opting to take supply from a person other than the incumbent distribution licensee. The ARR approved for 2012-13 is Rs 661.41 crore against the approved sales of 1592.96 MU

[page 94 of Tariff Order dated 20.01.2012]. The projected revenue from the revised tariff for the year 2012-13 is Rs 662.45 crore [page 110 of Tariff Order dated 20.01.2012]. Therefore, the overall average tariff is Rs 4.16 paise per kwhr. The average tariff of IEHT and IHT category is given below:

Serial No.	Category	IEHT	IHT	Remarks
1	Contract Demand (CD) in KVA	97740.00	165560.00	Pg 30 & 31 of TP*
2	Billing demand = 75 % of CD	73305.00	124170.00	
3	Fixed charge per KVA (Rs)	115.00	115.00	Pg 108 of TO**
4	Total Fixed charge (Rs in lakh)	84.30	142.80	
5	Approved Kwhr sale (MU)	456.80	463.36	Pg 96 of TO*
6	Kvah Sale at 0.85 pf (MU)	537.41	545.13	
7	Rate per Kvah (Rs)	4.10	4.24	Pg 108 & 109 of TO**
8	Total energy charge (Rs in lakh)	22033.88	23113.49	
9	Total Amount (Rs in lakh)	22118.18	23256.28	
10	Average tariff (Rs per kwhr)	4.84	5.02	

\* TP – Tariff petition for FY 2012-13

\*\* TO – Tariff order for FY 2011-12 & 2012-13

Therefore, the cross subsidy payable is as follows:

(i) IEHT consumers = Rs (4.84 – 4.16) or Rs 0.68 per kwhr.

(ii) IHT consumers = Rs (5.02 – 4.16) or Rs 0.86 per kwhr.

Since open access is being sought only by industrial consumers, cross subsidies for other categories have not been determined.

## 8. Additional Surcharge

The Hon'ble Commission in Clause 25 of the Open Access Regulation 2012 has specified that additional surcharge shall be levied on open access customers, to meet the fixed cost of such distribution licensee arising out of its obligation to supply. However, the

additional surcharge for obligation to supply shall become payable only if it is conclusively demonstrated that the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such contract.

The distribution licensee whose consumer intends to avail open access shall submit to the Hon'ble Commission, within thirty days of receipt of application an account of fixed cost paid by such open access user which the licensee is incurring towards his obligation to supply and demonstrate if any part of the fixed cost has become stranded. The Hon'ble Commission shall scrutinize the statement of accounts submitted by the licensee and obtain objections, if any, of the consumer and determine the amount of additional surcharge, if any, payable by the consumer on case to case basis. The additional surcharge shall be levied for such period not normally exceeding one year as the Commission may determine.

As there is no instance of any consumer applying for open access, the licensee humbly submit that the Hon'ble commission may determine the additional surcharge as and when any consumer applying for open access.

## **9. Scheduling and System Operation Charges**

The Hon'ble Commission at Clause 22 of the Open Access Regulation 2012 has specified that the Scheduling and System Operation Charges shall be payable by an Open Access customer. The MeECL submits that the expenditure is for the following activities:

- a) Constant monitoring of power flow.
- b) Downloading of data for each 15 minutes block of energy scheduled.
- c) Preparation of daily / monthly statement for scheduled and actual drawal of power.
- d) Hourly / daily downloading of meter readings from ABT meters.
- e) Preparation of weekly / monthly UI bills, including revised bills, if any.
- f) Preparation of weekly / monthly reactive charges, including revised bills, if any.
- g) Operation and Maintenance of UI accounts, including collection & disbursement.
- h) Speech and Data Communication with NERLDC / IEX including consumable items.
- i) Posting & Uploading of open access information on the website.
- j) Preparation of monthly / annual report on open access information.
- k) Inspection of meters at site whenever required.

Accordingly, the MeECL proposes the charges as below:

### **(i) In respect of inter-State Open Access**

For Long-term access and Medium-term open access - Rs 3000/- (Rupees three thousand) per day for each transaction.

**(ii) In respect of intra-State Open Access**

For Long-term access and medium-term open access - The MeECL proposes that the SLDC fees and charges @ Rs 5000/- (Rupees five thousand) per day for each transaction.

**10. Losses**

Losses at 132 KV level - Energy audit of MeECL system has not been carried out. Therefore, the MeECL is not in a position to determine the loss percentage at different levels. In the above circumstance, the MeECL proposes that the system losses at the 132 KV level be fixed at 4%.

Losses at 33 KV level - The Tariff Order 2012-13 dated 20.01.2012 at page 113 has mentioned that “.... *The CEA and for that matter the MOP/Govt. of India has circulated through the R-APDRP that the standard accepted loss level in the country should be 15%.*”

Accordingly, the MeECL proposes that the system losses at the 33 KV level be fixed at 15%.

**Prayer:**

It is respectfully prayed that the Hon’ble Commission may be pleased to kindly:

- i. Approved the open access charges as submitted under this petition.
- ii. To condone any inadvertent omissions, errors & shortcomings and permit the applicant to add/change/modify/alter this filing and make further submissions as may be required at later stages.
- iii. Pass such order as the Hon’ble Commission may deem fit and appropriate under the circumstances of the case.

Petitioner  
Superintending Engineer  
Regulatory Affairs and Franchisee Development  
Meghalaya Energy Corporation Limited

Meghalaya Energy Corporation Limited  
PRO-RATA SEGREGATION OF ANNUAL REVENUE REQUIREMENT

ANNEXURE-A

ANNUAL REVENUE REQUIREMENT

(Rs. in Crores)

S.N	Item of expenditure	2010-11 (Pre-audit)				2011-12 (Estimated)				2012-13 (Projected)			
		Gen	Trans	Dist	Total	Gen	Trans	Dist	Total	Gen	Trans	Dist	Total
1	Cost of Power Purchase			303.62	303.62			347.98	347.98			405.83	405.83
2	Employee costs	26.03	16.87	85.83	128.73	36.61	20.65	105.66	162.91	46.10	23.42	121.68	191.20
3	R&M expenses	9.23	2.93	10.62	22.78	10.01	2.88	10.44	23.33	13.61	3.53	12.80	29.94
4	Adm. & Gen. Expenses	1.11	1.64	8.95	11.70	3.83	1.39	5.32	10.54	3.88	1.61	6.18	11.67
5	Depreciation	14.05	2.40	10.57	27.02	17.92	1.93	8.51	28.37	30.61	2.23	9.84	42.68
6	Interest charges	19.14	0.99	23.90	44.03	6.50	0.20	2.90	9.60	68.96	0.67	19.06	88.69
7	Return on equity	9.43	9.43	9.43	28.28	9.43	9.43	9.43	28.28	9.43	9.43	9.43	28.28
8	Income Tax												
9	Provision for bad and doubtful debt			11.24	11.24			5.00	5.00			5.00	5.00
10	Total revenue requirement	78.99	34.25	464.16	577.40	84.29	36.48	495.24	616.01	172.59	40.88	589.82	803.29
	Less: Non tariff income	0.28	0	87.52	87.80	0.22	0.00	81.39	81.61	0.28	0	105.27	105.55
11	* including subsidy			12.32	12.32			13.28	13.28			14.00	14.00
	** including outside sale			19.84	19.84			6.00	6.00			22.33	22.33
12	Net revenue requirement (10-11)	78.71	34.25	344.48	457.44	84.07	36.48	394.57	515.12	172.31	40.88	448.22	661.41

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## ANNUAL REVENUE REQUIREMENT FOR GENERATION

Sl. No.	Particulars	Approved ARR for 2011-12	Approved ARR for 2012-13
1	Gross Generation (MU)	528.61	858.40
2	Auxiliary consumption (MU)	1.80	4.00
3	Net Generation (MU)	526.81	854.40
4	Interest on Loan (Rs. in Crore)		
	Interest on working capital	6.50	68.96
5	Depreciation (Rs. in Crore)	17.92	30.61
6	Employee costs (Rs. in Crore)	36.61	46.10
7	R&M expenses (Rs. in Crore)	10.01	13.61
8	A&G Expenses (Rs. in Crore)	3.83	3.88
9	Return on equity (Rs. in Crore)	9.43	9.43
10	Income Tax (Rs. in Crore)	0.00	0.00
11	Total revenue requirement (Rs. in Crore)	84.29	172.59
12	Less: Non tariff income (Rs. in Crore)	0.22	0.28
13	<b>Net revenue requirement (11-12)</b>	<b>84.07</b>	<b>172.31</b>

## ANNUAL REVENUE REQUIREMENT FOR Transmission

(Rs in Crore)

Sl. No.	Particulars	Approved ARR for 2011-12	Approved ARR for 2012-13
1	Employee costs	20.65	23.42
2	R&M expenses	2.88	3.53
3	Adm. & Gen. Expenses	1.39	1.61
4	Depreciation	1.93	2.23
5	Interest charges on loan & working capital	0.20	0.67
6	Return on equity	9.43	9.43
7	Income Tax	0.00	0.00
8	Other charges, if any	0.00	0.00
9	Total Fixed costs (Sum 1 to 9)	36.48	40.88
10	Less: Expenses capitalized	0.00	0.00
11	Total Transmission charges (10-11)	36.48	40.88
12	Less: Non tariff income	0.00	0.00
13	Net revenue requirement (12-13)	36.48	40.88

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ANNEXURE - D



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01A8-004608

**AGREEMENT**

THIS AGREEMENT is made on this 12<sup>th</sup> day of MAY 2011 between MeECL (MeSEB) a Board constituted by Government of Meghalaya having its Head Quarters at Shillong(hereafter referred to as "MeECL" or "Owner" which expression shall unless repugnant to the context or meaning thereof include its Administrators, Successor, Executors and Permitted assigns) of the one Part.

And

AEGCL a company owned by Government of Assam having its Head Quarter at Bijulee Bhawan ,Paltan Bazar ,Guwahati-781007.(Here in after referred to as "AEGCL" or "consultant" which expression shall unless repugnant to the context or meaning thereof include its Administrators, Executors and Permitted assigns) of the Other Part.

MeECL and AEGCL are hereinafter individually referred to as the party and collectively as "parties")

WHEREAS AEGCL has constructed and commissioned one 132 KV D/C Transmission Line, two (2) numbers of 132KV bays and one 220/132KV auto transformer in the premises of 220 KV Grid Sub Station of AEGCL at Sarusajai, Guwahati as an deposit work of MeECL, MeECL desires to obtain consultancy services of AEGCL for operation and Maintenance (O and M) of the above 132 KV bays and the auto transformer.

  
Chief Engineer  
Transmission,  
Meghalaya Energy Corporation Ltd.  
Lumlingnei, Shillong.

  
Chief General Manager (S.D.C.)  
AEGCL, Kati Bazar, Guwahati-78

And whereas AEGCL has consented for taking up Operation & Maintenance work of a above 132KV bays and the 220/132 KV auto transformer, constructed/commissioned in the premises of AEGCL at Sarusajai S/S on the terms and conditions stipulated herein. Accordingly, this agreement is drawn between MeECL and AEGCL, which will hold good for a period of minimum 3 (three) years.

NOW, THEREFORE, THIS AGREEMENT WITHSTAND AS UNDER:

For the purpose of this agreement, the terms used herein shall, unless repugnant to the context thereof, have the meaning assigned to them as under:

**1.0 DEFINITIONS:**

- 1.1 "Agreement" means the agreement herein containing the Terms & Conditions set forth & agreed therein, including all other documents expressly annexed thereto or incorporated therein.
- 1.2 "Work" shall mean Operation & Maintenance of the 132KV bays and the 220/132 KV autotransformer, constructed/commissioned in the premises of AEGCL at Sarusajai S/S.
- 1.3 "Engineer" shall mean the officer nominated by the Owner in writing to act as coordinator for this work.
- 1.4 "Project Manager" shall mean the nominated by the Consultant in writing who shall be responsible for coordination with the Owner for all activities concerning the subject work.
- 1.5 "Equipment/Material" shall mean the equipment/material procured by AEGCL/MeECL for this work.
- 1.6 Words singular shall include the plural and vice versa, where the context so desire.

**2.0 SCOPE OR SERVICES:**

**2.1 SCOPE OF SERVICES TO BE PERFORMED BY AEGCL:**

- 1.7 The scope of services to be provided by the AEGCL for operation and maintenance of the 132 KV bays and the 220/132 KV autotransformer, constructed/commissioned in the premises of AEGCL at Sarusajai S/S shall be as follows:
  - i) Routine and preventive maintenance of the bays & the Transformer not requiring shutdown.
  - ii) Minor rectification/ repair works involving shutdown but not involving and kind of collapse / failure.
  - iii) Breakdown rectification works due to natural calamities / acts of God or otherwise involving any kind of collapse / failure etc. which are capital nature.
  - iv) In case of requirement, the spare of switchyard equipments like CT, CVT, LA, C&R panels, auxiliary system and spare line materials like Disc Insulator, Hardware Fittings including accessories, conductor, E/W etc. shall have to be arranged or paid for by MeECL. In case, the same is arranged / procured by AEGCL with the consent of MeECL the cost for the same shall be borne by the Owner.
  - v) In case of major maintenance, if hiring of T&Ps like crane, oil filtration plant, SF<sub>6</sub> gas evacuation plant, Emergency Restoration System etc. are necessary, the charges for the same shall have to be borne by MeECL.
  - vi) In case of services of expert engineers of manufacturers are required for attending any defects, the charges for the same shall have to be borne by MeECL.

  
Chief Engineer  
Transmission,  
Mahataya Energy Corporation Ltd.  
Lunjingshai, Shilong.

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12/5/11  
Chief Engineer, Mahataya (S.D.C.)  
P.O. P.O. No. 1, Jorhat-781004

**3.0 GENERAL TERMS AND CONDITION:**

- 3.1 The schedule of maintenance for the 132KV bays and the 20/132KV autotransformer shall as per the following norms:
- 3.2 The cost of repairs required for minor rectification works mentioned at clause No.2.1 (i) & (ii) above shall be borne by AEGCL.
- 3.3 Regarding scope of works for breakdown rectification mentioned at clause No.2.1 (iii) above, it is mentioned that these breakdowns are unpredictable nature and the quantum of material and labour required are also unknown. Therefore, AEGCL shall get these breakdown works carried out through contractor(s) and shall charge such extra amount as paid to the contractor(s) towards these breakdowns and is not included in the Annual Maintenance Charges of the 132KV bays and the 220/132KV autotransformer by and the line to MeECL. All the cost for supply of materials, labour, transportation, insurance etc. on account of such repairs shall be borne by MeECL.
- 3.4 The total power flow through both the circuits will be limited to 100 MVA.

**4.0 RELEASE OF FUND:**

- 4.1 To facilitate smooth Operation & Maintenance of the 132KV bays and the 220/132KV autotransformer, MeECL shall ensure that the required fund is released as per clause No.7 of this agreement.
- 4.2 AEGCL's scope of work under this agreement shall commence after receipt of initial advance payment as indicated in Clause 7.0 (a) below:
- 4.3 It is clearly understood by the parties that AEGCL shall not finance any portion of the work at any time during the Operation and Maintenance of the 132KV bays and the 220/132KV autotransformer.

**5.0 OPERATION & MAINTENANCE CHARGES PAYABLE TO AEGCL:**

- a) 1<sup>st</sup> year -- Rs. 2,98,500.00  
b) 2<sup>nd</sup> year -- Rs. 2,98,500.00  
c) 3<sup>rd</sup> year -- Rs. 2,98,500.00

The total Operation and Maintenance charges shall be Rs. 8,95,500.00 (Rupees Eight lakhs ninety five thousand and five hundred) only for three years.

- 5.1 In addition to above MeECL will pay wheeling charges to AEGCL as approved by AERC for wheeling the Central Sector Power through its Network not included in the new Transmission Tariff Policy.

**6.0 TAXES AND DUTIES:**

The Operation and Maintenance charges mentioned above do not include any Taxes and Duties. All present and future Taxes/Duties as may be applicable from time to time shall be payable extra by MeECL at actual at the time of Quarterly payments. The present service tax as applicable will be levied on the above charges that are to be reimbursed by MeECL along with quarterly payment on submission of required documents.

**7.0 TERMS OF PAYMENT:**

- a) The quarterly invoice of the annual O&M charges along with applicable Taxes and Duties shall be submitted accordingly for operation & Maintenance works of the bay. MeECL shall release the payment within 30 days of submission of the invoice.
- b) In case of repairs of Breakdown maintenance works of Capital nature as mentioned at Clause-2.1 (iii) above, the charges shall be paid extra at actual and is not included in the Operation & Maintenance charges mentioned at Clause No-5.0 above. In the event of Breakdown, estimate shall be prepared

20/11/11  
Chief Engineer,  
Transmission,  
TSP Corporation Ltd.

(13)

15/11/11

for attending such maintenance works and on submission of estimate to MeECL the full amount shall be released as advance immediately.

- c) No Bank Guarantee shall be furnished by AEGCL for receiving payments from MeECL.

8.0 CONTRACT PERIOD:

The work of Operation & Maintenance of the 132KV bays and the 220/132KV autotransformer shall be initially for a period of 3 (three) years as per annual charges mentioned at Clause No-5.0 above which can be extended for another two years on mutually agreed terms and conditions

9.0 FORCE MAJURE:

9.1 Force majeure is hereby defined as any cause, which is beyond the control of AEGCL or its Contractor (s) or MeECL as the case may be, which they could not foresee or with a reasonable amount of diligence could not have foreseen and which substantially affects the performance of the said work including, but not limited to the following:

- a) Natural phenomena including but not limited to floods, droughts, earthquakes, epidemic etc.
- b) Acts of any Government, domestic or foreign, including but not limited to war, declared or undeclared, quarantines, embargoes etc.
- c) Hostilities, revolutions, riots, civil commotions, strikes, terrorism including in the premises of the Contractors.

- 9.2.1 AEGCL or MeECL shall not be liable for any delays in performing its obligation resulting from Force Majeure causes as referred to and/or defined herein above. Should one or both parties be prevented from fulfilling their obligations by state of Force Majeure lasting for a period of two months, the two (2) parties shall consult each other and decided as to further course of action.

10.0 TAKING OVER BY THE OWNER:

On the expiry of this agreement, the responsibility of AEGCL for Operation & Maintenance of the bay & line will cease unless the MeECL & AEGCL sign a new Agreement for the same.

11.0 TERMS OF AGREEMENT:

- 11.1 In the event when both the parties mutually agree to terminate the Agreement, on account of force majeure or any other reason, termination shall take effect from the date and time to be agreed upon mutually.
- 11.2 In the event of non satisfactory work performed by AEGCL under this agreement, the owner may terminate the agreement after serving 60 days advance notice in writing. Similarly, in the event of default made the Owner in making prompt payment under the agreement AEGCL shall have the right to terminate the agreement after serving 60 days written notice to the MeECL.
- 11.2.1 In the event of termination of this agreement, compensation shall be paid to AEGCL for all services performed by it up to the date of termination.

12.0 SETTLEMENT OF DISPUTE & ARBITRATION:

- 12.1 This agreement shall be governed by and construed in accordance with the law of India. Any dispute or difference arising out of this agreement shall be amicably settled between Parties.

12/5/11  
Chief Engineer  
Transmission,  
Mysa Energy Corporation Ltd.  
L. Singhat, Shillong.

14

12/5/11  
Chief General Manager (S.CC)  
M.E.C., Kalyan, Gwalior-10

12.2 In case of non-settlement of dispute or differences, the matter shall be within 30 days referred to arbitrator mutually appointed.

12.3 In the event of any dispute or difference, relating to the interpretation and application of this agreement, is not settled, then the dispute or differences shall be referred by either party to the Arbitration. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Court of Law. Upon such reference, the dispute shall bind the parties finally and conclusively. The parties to the dispute will share equally the cost of the Arbitration as intimated by Arbitrator.

12.4 The venue of arbitration shall be at Guwahati.

12.5 This agreement shall be subject to the jurisdiction of the court at Guwahati.

12.6 If any litigation, Arbitration cases crop up due to the various contract orders placed by AEGCL in execution of the work the parties shall resolve the same themselves during pendency of this agreement. MeECL shall provide necessary assistance, if required. Cost of such litigation/arbitration and liability arising out of the award thereof, if any, shall be borne by AEGCL.

13.0 AMENDMENT:

This agreement may be amended if necessary by a written document signed by the Parties and the same shall be considered as an integral part of this agreement.

14.0 EFFECTIVE DATE:

This agreement shall be deemed to have come into force with effect from the date of expiry of the earlier agreement. All rights obligation and responsibilities of MeECL and AEGCL shall be deemed to have commenced and accrued from the above date.

15.0 NOTICE OF DEFAULT:

Notice of default given by either party to the other party under this agreement shall be in writing and shall be deemed to have been duly and properly served upon the parties hereto if delivered against acknowledgement due, addressed to the Signatories to this agreement.

  
Chief Engineer  
Transmission,  
Meghalaya Energy Corporation Ltd.  
Lumjinhai, Shillong.

  
12/5/10  
Chief Engineer (R.E.C.)  
AEGCL, Kakhimara, Guwahati-78

IN WITNESS WHEREOF the Parties hereto have fully executed these present through their duly authorized representatives on the day, month and year as mentioned above.

FOR AND BEHALF OF MeECL

Signature [Signature] 12/5/11

Name and Designation K. Marbanlang

Chief Engineer  
Transmission;  
Meghalaya Energy Corporation Ltd.  
Lumjingshai, Shillong

FOR AND BEHALF OF AEGCL

Signature [Signature] 12/5/11

Name and Designation E. K. Das

Address [Address]

Witness

Signature [Signature] 12/5/11

Name and Designation M. K. CHETRI

Superintending Engineer (T)  
C/O the Chief Engineer (T)  
Meghalaya Energy Corporation Ltd.  
Lumjingshai, Shillong

Witness

Signature [Signature] 12/5/2011

Name and Designation Sai Kinshore Kumar Das

Address [Address]



মেঘালয়া MEGHALAYA

00AA 897437

BEFORE THE HON'BLE MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION

PETITION NO \_\_\_\_\_

CASE NO \_\_\_\_\_

IN THE MATTER OF

APPROVAL OF OPEN ACCESS CHARGES OF MEGHALAYA ENERGY CORPORATION LIMITED (MeECL) WITHIN THE STATE OF MEGHALAYA FOR THE PERIOD 01-04-2012 TO 31-03-2013 UNDER MEGHALAYA STATE ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS OF OPEN ACCESS) REGULATION 2012 AND UNDER SECTION-62 READ WITH SECTION 86 OF THE ELECTRICITY ACT 2003.

AND IN THE MATTER OF

MEGHALAYA ENERGY CORPORATION LIMITED, LUMJINGSHAL, SHILLONG - 793001, MEGHALAYA.

PETITIONER.



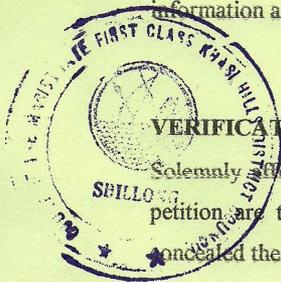
Affidavit verifying the Petition

Shri Pynkhraborlang Sahkhar, aged 46 years, son of (L) Darwin Blah, residing at

Umshing, Mawlai, PO Mawlai, Shillong - 793008, do solemnly affirm and say as follows:-

I am working as Superintending Engineer, Regulatory Affairs and Franchisee Development, at Meghalaya Energy Corporation Limited (MeECL), is the petitioner in the above matter and I am duly authorized to make this petition.

That the statement made in reply to the petition herein annexed and enclosed is based on information as derived from the records and I believe them to be true.



**VERIFICATION**

Solemnly affirm at Shillong on this 30<sup>th</sup> day of May 2012 that the contents of the above petition are true to my knowledge and no part of it is false and no material has been concealed there from.

In acknowledgement thereof, I swear this affidavit before the Magistrate First Class, Shillong on this 30<sup>th</sup> day of May 2012

Identified by:

  
(M. K. KHONGSEE)  
Advocate, Shillong

  
(Pynkhraborlang. Sahkhar)  
Petitioner

  
Magistrate First Class,  
Subordinate District Council Court,  
Knasi Hills, Shillong.