



# Himachal Pradesh Power Corporation Ltd.

(A State Govt. Undertaking)

Sale of Power, HPPCL, Himfed Building, BCS, Shimla-171009 (H.P.).

Email: dgm\_sale@hppcl.in.

Website: www.hppcl.in.

No. HPPCL/SoP/ STSoP/KHEP/2018-2624-40.

Dated: 5/5/18.

To, The Chief Engineer (SO),  
HPSEBL, Vidyut Bhawan,  
Distt. Shimla (H.P.)

Sub:- Scheduling of Kashang HEP power at IEX.

Sir,

In this connection, it is intimated that 87% share of HPPCL Kashang HEP power will now be scheduled at IEX w.e.f 07.05.2018 at 00:00 Hrs onwards and the further supply from Kashang HEP will not be available to HPSEBL from the date and time as mentioned above.

This is for your information please.

Thanking you,

Yours faithfully,

Dy. General Manager (SoP)  
O/o General Manager (Gen.),  
HPPCL, Shimla-09.

CC:-

1. The P.S. to Managing Director, HPPCL, Himfed Building, BCS, Shimla-09 for kind information of the Managing Director please.
2. The P.S. to Director (Electrical), HPPCL, Himfed Building, BCS, Shimla-09 for kind information of the Director please.
3. The P.S. to Director (Finance), HPPCL, Himfed Building, BCS, Shimla-09 for kind information of the Director please.
4. The P.S. to Director (Civil), HPPCL, Himfed Building, BCS, Shimla-09 for kind information of the Director please.
5. The General Manager (Generation), HPPCL, Himfed Building, BCS, Shimla-09.
6. The General Manager (Electrical), HPPCL, Himfed Building, BCS, Shimla-09.
7. The General Manager (CP), HPPCL, Himfed Building, BCS, Shimla-09.
8. The General Manager, Integrated Kashang HEP, HPPCL, Reckong-Peo, Kinnaur (H.P.).
9. The Chief Engineer (E), DoE, Sector 4 Rd, Kangana Dhar, New Shimla, Shimla-171009.
10. The Chief Engineer, Himachal Pradesh State Load Dispatch Center, Shimla-Kangra Rd, Totu, Shimla-171011.
11. The General Manager (C&D), HPPTCL, Himfed Bhawan, Panjari (Below Old MLA Quarters) Shimla 171005.
12. The Addl. General Manager (Fin.), HPPCL, Himfed Building, BCS, Shimla-09.
13. The Dy. General Manager (E), Integrated Kashang HEP, HPPCL, Reckong-Peo, Kinnaur (H.P.) for necessary action.
14. The IEX, INDIAN ENERGY EXCHANGE LIMITED (IEX), Unit No. 3,4,5 and 6, Fourth Floor, TDI Centre, Plot No - 7, Jasola, New Delhi - 110025.
15. PTC Control Room, PTC India Limited, PTC India Limited, 2nd Floor, NBCC Tower, 15 Bhikaji Cama Place, New Delhi - 110066, India.
16. The SE, PR&ALDC, HPSEBL, TOTU, Shimla-11.

Dy. General Manager (SoP)  
O/o General Manager (Gen.).



सत्यमेव जयते

# INDIA NON JUDICIAL

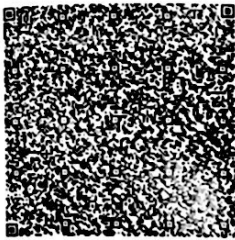
## Government of National Capital Territory of Delhi

### e-Stamp

Certificate No.  
Certificate Issued Date  
Account Reference  
Unique Doc. Reference  
Purchased by  
Description of Document  
Property Description  
Consideration Price (Rs.)

First Party  
Second Party  
Stamp Duty Paid By  
Stamp Duty Amount(Rs.)

: IN-DL88058222869624Q  
: 14-Feb-2018 11:54 AM  
: IMPACC (IV)/ dl708203/ DELHI/ DL-DLH  
: SUBIN-DL70820378398045636942Q  
: PTC INDIA LTD.  
: Article 5 General Agreement  
: Not Applicable  
: 0  
: (Zero)  
: PTC INDIA LTD  
: AS APPLICABLE  
: PTC INDIA LTD  
: 50  
: (Fifty only)



.....Please write or type below this line.....

### AGREEMENT BETWEEN HIMACHAL PRADESH POWER CORPORATION

### LIMITED

And

PTC INDIA LIMITED

### FOR SALE OF POWER AT POWER EXCHANGE

This Agreement is entered on 2<sup>nd</sup> day of May Two Thousand Eighteen by and



Statutory Declaration  
1. The authenticity of this document should be verified at "www.stamp.com". Any discrepancy in the details on this document shall render it invalid.  
2. The onus of verification is on the users of the certificate.  
3. In case of any discrepancy, the user should report the same to the Competent Authority.

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PTC India Limited, a public limited company incorporated under the Companies Act 1956, having its registered office at 2<sup>nd</sup> floor, NBCC Tower, 15-Bhikaji Cama Place, New Delhi 110066 (hereinafter referred to as "PTC", which expression shall unless repugnant to the context or meaning thereof shall be deemed to include its successors and permitted assigns), of the First Part.

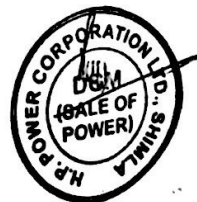
and

Himachal Pradesh Power Corporation Limited, having its registered office at Himfed Building BCS, Shimla Himachal Pradesh 171009 (hereinafter referred to as "HPPCL", which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns) of the Second Part

(Each individually referred as "Party" and collectively referred to as the "Parties")

**WHEREAS**

- i) PTC has been established with an objective, inter alia, to carry on the business of purchase of all forms of electrical power from Independent Power Producers (IPPs), Captive Power Plants (CPPs), other Generating Companies, State Electricity Boards/State Governments etc., and for sale to SEB's, Power Distribution Companies, other organisations, bulk power consumers and Power Exchanges etc., in India and abroad. -
- ii) HPPCL is desirous to sell the power from Integrated Kashang HEP and PTC is desirous to purchase power for a period as stated in Clause iii) of this agreement or for such extended period as may be mutually agreed between the parties, subject to availability of Corridor, through Exchange (IEX/PXIL) or Bilateral Market on the terms & conditions appearing hereinafter. Further, the Parties agree that the trading margin of PTC, annual registration fees of Exchange and other charges (if any) will also be payable by the HPPCL for Kashang HEP as mentioned in this agreement.
  - a) In addition to Trading of HPPCL entitlement power on Power Exchange, PTC agrees to provide Power Status Report on daily basis.
  - b) PTC will guide HPPCL officials in executing this transaction.



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This Agreement shall be valid up to 31<sup>st</sup> December 2018 and can be extended further at mutually agreed terms & conditions through exchange of letters.

iv) The power shall be supplied by HPPCL from its respective unit as applicable at the delivery point which is the boundary of its respected Northern Regional transmission system or as specified by guidelines of Power Exchange or as approved by CERC from time to time.

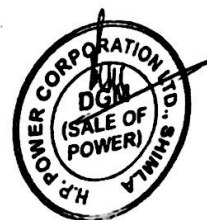
v) Subject to the applicable laws and regulations, depending on quantum available, price preferred etc. for trading through Bilateral route the Delivery point shall be as mutually agreed terms between the Parties and in case of Exchange route the Delivery point shall be the periphery of respective Northern Regional Transmission System or as specified by guidelines of Exchange or as approved by CERC from time to time.

**NOW, THEREFORE,** it is hereby agreed by and between the Parties hereto as under:

1. Further subject to the terms and conditions of the Agreement, HPPCL is willing to sell power to PTC in accordance with the Boundary Conditions. PTC shall sell the said power through Exchange or Bilateral Market on mutually agreed terms between the Parties from time to time and shall be subject to availability of corridor and power at Exchange and Bilateral market on those terms/Boundary Conditions.
2. That HPPCL is willing to sell power as per the procedure indicated in Clause 2(e) & (f) on Power Exchange to PTC and therefore PTC is willing to bid for the sale of power procured from HPPCL on the following general terms and conditions: -

a) **Delivery Point:**

It is agreed by and between the parties that for trading through bilateral route, the delivery point shall be as per mutually agreed terms between the parties and in case of Exchange, the delivery point shall be the periphery of Northern Regional Transmission System or as specified by guidelines of Exchange or as approved by CERC from time to time.



## Transmission, Scheduling and Operating Charges:

### b) Following Charges shall be payable by the HPPCL:

All Open Access charges up to the delivery point including Transmission Charges (PoC Charges. State Transmission and Distribution, etc.), the scheduling and operating charges of Regional Load Dispatch Centre (RLDC), National Load Dispatch Centre (NLDC) and State Load Dispatch Centre (SLDC) including application fee and concurrence charges of SLDC etc., if any, for trading of power in the Exchange shall be borne by HPPCL. Such charges shall be based on Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) Regulations, 2008 read with amendments issued, if any, and/or that may be issued during the currency of this Agreement.

### c) Transaction charges and Client Fee:

Transaction Charges levied by Power Exchange along with service tax/ GST as applicable, or any other tax as levied from time to time, relating to transactions undertaken by PTC on behalf of HPPCL shall also be reimbursed by HPPCL in full to PTC.

HPPCL would pay the annual client registration fee of Rs.1.00.000/- (One Lakh) along with the applicable taxes separately for maintaining each portfolio every year to PTC as the same shall be deposited by PTC to Power Exchange for maintaining the client account every year. However, in case of any change of annual fee by the power exchange, the same shall also be applicable to HPPCL

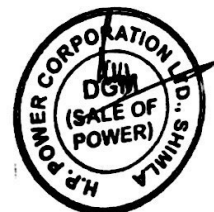
### d) Transmission Losses:

All the transmission losses up to the Delivery Point shall be borne by HPPCL.

### e) Bidding & Scheduling:

The procedure for submission of sale bid of power procured from HPPCL on the Power Exchange platform on day ahead basis shall be as follows:

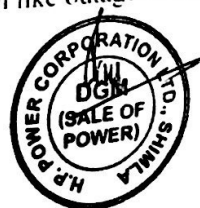
The procedure for sale of power to Exchange by PTC on day ahead basis for the availability of HPPCL shall be as follows:



- HPPCL shall inform PTC through PTC-Software by 10:00 AM on daily basis indicating its availability of power, quantum and period of availability for different time blocks for the next day with 1 hour or 15 minute resolution as per the Boundary Conditions. However, PTC shall accept such quantum and periods from HPPCL up to 11:30 AM. HPPCL may also place bids for the subsequent days on PTC-Software as per their requirement to PTC for bidding.
- PTC shall act on the basis of timely instructions received from HPPCL through PTC-Software as mentioned above and in turn, PTC shall submit bids at Exchange platform between 10.00 AM & 12.00 PM, in accordance with the procedure laid down by the Exchange. PTC shall issue the respective login details of PTC-Software to the authorised signatory(s) of HPPCL only (to be intimated separately). However, PTC would be indemnified against the consequential liabilities/ losses which may arise due to any error/ omission in bid placed by HPPCL/HPPCL's officials on PTC-Software.
- PTC shall inform the day ahead schedule of power to be purchase from HPPCL to PTC through PTC-Software by 6.00 PM or any other time frame as informed by Exchange. Any deviation from schedule in real time by HPPCL will be treated as Unscheduled Interchange (UI) and settled by HPPCL as per the UI mechanism defined in prevalent CERC/SERC order as applicable from time to time.

**f) Pricing at Power Exchange platform will be decided keeping in mind the following factors:**

- PTC will bid the rates to be quoted for the next day in IEX at the same level as discovered for the current day and further reduced by 50 paisa per kWh.
- Bid price calculation as per f (i) above shall be intimated by 0900 Hrs to HPPCL.
- The pricing methodology will be different for bidding for Saturday, Sunday and holidays as the Market clearing price is expected to be lower than the normal weekdays working day price. Hence on Saturday, Sunday and Holidays, the pricing will be around 80 % of calculated price.
- Pricing methodology may change during abnormal grid situation like outage of inter regional links and during abnormal weather conditions etc.



- v) HPPCL may modify any condition of the above mentioned pricing methodology through a written directive.
- vi) Based at the data provided by PTC or as modified by HPPCL, bid shall be placed by HPPCL in PTC software.

3. The scheduling and Despatch of the power shall be coordinated by PTC with respective Power Exchange, NLDC, RLDCs & SLDCs as per the relevant provisions of IEGC and as per the decisions of NLDC and RPCs. HPPCL shall schedule this power in full except in case of curtailment by National/Regional Load Despatch Centre.
4. All the commercial terms and conditions shall be applicable as detailed in Annexure – 1.
5. All Notices for Load Dispatch must be delivered by e-mail or facsimile or registered post to the following addresses:-

**For HPPCL:**

Address : Himachal Pradesh Power Corporation Limited  
Integrated Kashang HEP (3X65MW), HPPCL Kinfe  
Bhawan, Reckong peo Distt. Kinnaur (H.P)

Attention : Er. Bisheshwar Sharma  
DY. General Manager (SoP)

Facsimile No. : 0177-2671821

Telephone No. : 0177-2671397

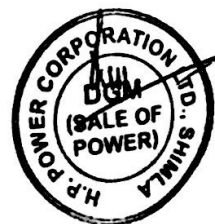
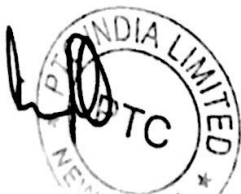
**For PTC:**

Address : PTC India Limited.  
2<sup>nd</sup> Floor, NBCC Tower  
15, Bhikaji Cama Place.  
New Delhi-110066.

Attention : Control Room in Charge

Facsimile No. : 011-41659142

Telephone No. : 011-41659131



6. All Notices for correspondence and billing/invoices must be delivered by e-mail or facsimile or registered post to the following addresses:-

**For HPPCL:**

Address : Himachal Pradesh Power Corporation Limited  
Integrated Kashang HEP (3X65MW), HPPCL. Kinfed Bhawan,  
Reckong peo Distt. Kinnaur (H.P.)

Attention : Er. Bisheshwar Sharma  
DY. General Manager (SoP)

Facsimile No. : 0177-2671821

Telephone No. : 0177-2671397

Mobile No : 9418035522

**For PTC:**

Address : PTC India Limited,  
2<sup>nd</sup> Floor, NBCC Tower  
15, Bhikaji Cama Place,  
New Delhi-110066.

Attention : Executive Vice President (Operations)

Facsimile No. : 011-41659142

Telephone No. : 011-41659131

7. Both parties shall be bound by the Bye Laws, Rules and Business Rules of Power Exchanges and the Clearing House of the Power Exchanges, Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) Regulations, 2008 and as amended from time to time, IEGC Regulations. etc
8. That HPPCL and PTC shall obtain necessary approvals and consents of Government(s) / statutory authority (ies) including the standing clearance/ no objection certificate from Generator/SLDC that they require for sale of above power.
9. The transactions under this Agreement shall become effective from date of signing the agreement and for the period the Open Access is provided by NLDC.

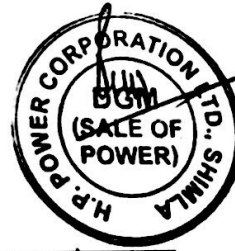


IN WITNESS whereof the duly authorised representatives of the Parties have signed on the day and year first hereinbefore written.

For and on behalf of  
PTC India Limited

For and on behalf of  
Himachal Pradesh Power  
Corporation Limited

  
RAJIB K MISHRA  
Director  
PTC India Limited  
2nd Floor, NBCC Tower  
15, Bhikaji Cama Place, New Delhi-110068



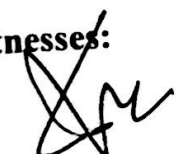
Signature with seal

Signature with seal

Witnesses:

  
(SHASHANK SINGH)

Witnesses:

  
(Gulshan Kumar)

## Commercial terms & conditions

Annexure-I

### a) **Tariff for Energy Transaction:**

- i) PTC shall submit bids for sale of Power procured from HPPCL at Power Exchange platform as per procedure detailed in Clause No. 2 e) & f) of the Main Agreement.
- ii) Settlement of "sell" transaction shall be done as per the actual price and volume discovered on Exchange platform for the HPPCL. The actual price as mentioned above is on the energy delivered at the Delivery Point with appropriate adjustment for Transmission Losses as per Para 2 (d) of main Agreement, wherever applicable. The prices as mentioned above is exclusive of any taxes, cess or levies applicable under any law in force at present on the sale transactions through Exchange and these charges if applicable on the above transactions under any law in force shall be borne and paid/reimbursed by HPPCL.

### b) **Tariff for Bilateral Transaction:**

**To be decided on case to case basis on mutually agreed terms and conditions.**

### c) **Trading Margin for Exchange Transaction:**

The Trading Margin shall be 1 (One) paisa per kWh of Power procured from HPPCL and sold by PTC on Power Exchange Platform. The Trading Margin payable to PTC will be in addition to the Power Exchange transaction charges.

The above trading margin is exclusive of any taxes, cess or levies at present. Any taxes, duty cess such as service tax/ GST as applicable on "Trading Margin" shall however be reimbursed by HPPCL at actual.

### d) **Billing Cycle, Billing and payment schedule :**

For the purpose of invoices, HPPCL will be raising weekly bills covering the volume and actual price of the energy sold including Trading Margin. Each month will be divided into four parts, starting from 00:00 hrs (or any other time decided by Northern Regional Power Committee (NRPC)) of 1<sup>st</sup>, 9<sup>th</sup>, 16<sup>th</sup> and 24<sup>th</sup> day of the



month to 24:00 hrs (or any other time decided by RPC) of 8<sup>th</sup>, 15<sup>th</sup>, 23<sup>rd</sup>, and last day of the month respectively.

The invoices will be raised on or after 9<sup>th</sup>, 16<sup>th</sup>, 24<sup>th</sup> and last day of the month based on the actual energy data obtained from Exchange and in accordance with terms of this Agreement for the energy sold at delivery point. Such the invoices shall also be updated on PTC-Software.

Any mismatch in energy indicated in REA issued by RPC and the daily scheduled energy, will be taken up/settled by PTC and only after settlement by Power Exchange with RPC/NLDC, PTC will pay to HPPCL for additional energy. Decision of RPC/NLDC in this regard shall be final and binding on both the parties.

**e) Due Date:**

Amount due to HPPCL shall be remitted by PTC in HPPCL's saving bank account in the name of "HP Power Corporation Limited" in Yes Bank, Timber House, Shimla having account No. 009194600000040 and IFSC Code: YESB0000091, through electronic transfer, within 1 (one) working day after the delivery of power. Payments due on Banking Holidays at Delhi will be made on next working Day. The payment will be released by PTC based on the obligation report received from Power Exchange minus the PTC Trading Margin as mentioned in Para (c) above.

**f) Surcharge for late Payment :**

A surcharge of 15% (Fifteen Percent) per annum shall be payable by PTC on all payments outstanding after the due date of payment as per Clause (c) above. This surcharge would be calculated on a day-to-day basis.

**g) Scheduling:**

The power shall be scheduled and dispatched as per the relevant provisions of Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) Regulations, 2008 and as amended from time to time. All the schedules at power exchange platform shall be firm and HPPCL shall adhere to the schedules of power exchange. CTU/NLDC Procedure for Scheduling of Collective transaction dated 30<sup>th</sup> June 2011 shall be as applicable or as amended from time to time. PTC shall not be responsible for any liability arising out of non-compliance.



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Settlement Mechanism (DSM) and the same will be settled by HPPCL. HPPCL and PTC shall provide at least two fax numbers which shall be available on line 24\*365 basis.

**h) Force Majeure**

Any restriction imposed by NLDC / RLDC of the intermediate region or the RLDC of the importing/exporting region on scheduling of power supply shall be treated as Force Majeure without any liability on either side.

- i) In case of change in law or restriction imposed by electricity regulator (Central or State) and/or Government (Central or state) and/or Appellate Tribunal on any aspect for sale or purchase of power, the same shall be binding on both the parties.
- j) In case PTC submits the bid for reduced quantity of Power in any time block as compared to the quantity of Power provided by HPPCL through PTC software/ E-mail. PTC shall compensate HPPCL for shortfall in off-take vis-a vis offered quantity at 100% of tariff discovered in Power Exchange in that time block, for the delivery date, minus the UI charges/rate recovered by Kashang HEP for such energy injected in the grid. Maximum quantum of power at any time block should not be higher than the NOC given by SLDC.

**k) Dispute Resolution Mechanism:**

Any dispute(s) or difference, arising under, out of, or in connection with this contract shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications thereto. Notwithstanding the existence of any dispute(s) and difference(s) referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement.

The decision of the Arbitrator shall be subject to the exclusive jurisdiction of competent Court at Shimla only.

**l) Payment Security Mechanism:**

PTC shall initially provide irrevocable revolving Letter of Credit (LC) for Rs 50 Lakhs (Rupees Fifty Lakhs) only and this amount of LC shall be further increased to Rs 100 Lakhs (Rupees One Hundred Lakhs) only.



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decreased based on volumes & average market clearing price of the preceding month. All L.C Charges viz Opening, Operation, Negotiation and recoupment etc shall be borne by PTC.

**m) Termination:**

In the event of non compliance, violation, breach of the terms & conditions by either party, the affected party shall have the right to terminate the arrangement under this Agreement with due intimation to the other party in writing.

**n) Tenure of the Agreement:**

The tenure of the agreement will be upto 31<sup>st</sup> December 2018 and can be extended further as mutually agreed by the parties.

