

## Copy of the agreement dated 21.11.1972 between GoUP and GoHP

COPY OF AGREEMENT AS RECEIVED WITH LETTER No. 2150-PP/SEB/BC/63 dated 26.4.73 from JOINT SECRETARY, UPSEB ADDRESSED TO CHIEF ENGINEER, U.P. SEB.

THIS AGREEMENT made on the twenty-first day of November 1972 corresponding to Shuk. Samvat Kartik 30, Eak 1894 Between the Governor of Himachal Pradesh (hereinafter called 'Himachal Pradesh') of the one part AND THE Governor of Uttar Pradesh (hereinafter called 'Uttar Pradesh') of the other part;

WHEREAS the scheme known as the Yamuna Hydel Scheme Stage I comprising a Diversion Barrage at Dhakpathar across river Yamuna, 3 Km. down stream of its confluence with river Tons near Kalai, about 14 km. long power channel and two power stations at Dhakrui and Dhakrui having an installed capacity of 33.75 MW and 51 MW respectively has been completed and is owned and managed by the U.P. State Electricity Board.

AND WHEREAS another scheme known as the Yamuna Hydel Scheme Stage II is under construction by the Uttar Pradesh State Electricity Board comprising two parts, the first part being a diversion dam 47.5 m. high across the River Tons at Ichari, about 51 km. upstream of Kalai, a head-race tunnel from the diversion dam to Chibro and an underground power station at Chibro with a total installed capacity of 240 MW, and the second part envisaging the utilisation of water discharged from Chibro under ground power station for generation of power at Khodri using the remaining drop of 60 m. between Ichari and Dhakpathar comprising a head-race tunnel of 7.5 meter diameter from Chibro to Khodri and a power station of 120 MW installed capacity;

AND WHEREAS certain components/portions of the Yamuna Hydel Scheme come under the territory of the State of Himachal Pradesh and the Uttar Pradesh Government utilize the waters contributed partly from the catchment area in Himachal Pradesh.

AND WHEREAS in consideration of Himachal Pradesh having agreed not to do any act or permit any act to be done whereby the natural flow of water in river Tons may be diminished; the parties hereto execute these presents;

Contd....2

AND WHEREAS Uttar Pradesh has assured Himachal Pradesh that this agreement is within the knowledge and ~~the~~ concurrence of the U.P. State Electricity Board, and that Uttar Pradesh shall in so far as the covenants herein contained relate to anything to be done, observed and performed by the U.P. State Electricity Board cause the same to be done, observed and performed by the U.P. State Electricity Board, and Uttar Pradesh shall execute an agreement with the U.P. State Electricity Board to give effect thereto.

NOW THESE PRESENTS WITNESS AND the parties hereto hereby agree as follows:-

The usage rights of water of the Yamuna, and its tributaries (including the river Tons) emanating from the Himachal Pradesh territory, upstream of the Yamuna Hydel Scheme will be conveyed by Himachal Pradesh exclusively to Uttar Pradesh for the purpose of power development as hereinbefore mentioned, but subject to any existing facilities of irrigation, running of water mills and transport of timber enjoyed by the people of Himachal Pradesh being safeguarded. The Himachal Pradesh Government reserve the right to develop power themselves from any river or stream inside their own territory, provided such development does not reduce the natural flow and supply of water or otherwise adversely affect the said Yamuna Hydel Scheme.

2. Himachal Pradesh shall share 25% of the total energy generated at the power stations of Yamuna Hydel Scheme Stages I and II less energy consumed in the maintenance and operation of these power stations, such energy to be supplied by Uttar Pradesh at the busbars at the said power stations.

3. The share of power of Himachal Pradesh of Stage I will be made available to Himachal Pradesh at the busbars against payment at the cost of generation of Stage I as determined for each financial year PROVIDED THAT after the completion and commissioning of the power stations of Yamuna Hydel Scheme Stage II, the cost of generation to be paid by Himachal Pradesh shall be the pooled cost of generation at the busbars of both Stages I and II to be determined for each financial year.

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- 3 -

4. As Himachal Pradesh is not in a position to utilize its share of power as aforesaid, it will make this power available to Uttar Pradesh till March 31, 1979, in the first instance. Whereafter Himachal Pradesh, if it is still not in a position to consume its share itself, will continue to make it available to Uttar Pradesh on a preferential basis and at the rate determined in accordance with clauses 5(b) and 6 hereinafter.
- 5(a) ~~Himachal Pradesh shall not share the capital cost of the said schemes.~~
- 5(b) For the power made available to Uttar Pradesh out of the share of Himachal Pradesh as aforesaid from Yamuna Hydel Scheme, Stage I, Uttar Pradesh shall, with effect from February 8, 1972, pay Rs. 15 lacs (Rs. fifteen lacs) per annum to Himachal Pradesh for the anticipated availability of 100 million units of power i.e. 15 paise per unit which represents the fixed and agreed difference between the purchasing rate which is the cost of generation referred to in clause 3 hereinabove and the resale rate of the said electrical energy by Himachal Pradesh. Should, however, the actual quantum of energy made available to Uttar Pradesh fall short of or exceed 100 million units, the actual amount to be paid shall be pro-rata reduced or increased, as the case may be.
6. The amount to be paid by Uttar Pradesh to Himachal Pradesh for the latter's share of power made available to Uttar Pradesh from the power stations of Yamuna Hydel Scheme Stage II shall be determined on the same principles as aforesaid, after the commissioning of the power stations of that stage and the determination of the pooled cost as in clause 3 hereinabove.
7. Himachal Pradesh shall make available to Uttar Pradesh power from their Giri Bata Hydel project on a preferential basis.
8. The parties may enter into any supplementary agreement with a view to settling any other points of detail such as acquisition or requisition of land transport of timber, fisheries and service roads.
9. The stamp duty shall be borne by the Government of Uttar Pradesh.

Contd...4

10. The covenants herein contained shall in the case of each party hereto be binding upon and ensure for benefit of their respective successors.

Signed by-

For and on behalf of  
Uttar Pradesh

For and on behalf of  
Himachal Pradesh

Sd/-

(R.K. TRIVEDI)

Commissioner and Secretary,  
Power Department &  
Chairman, U.P. State Electricity  
Board, Lucknow.

Sd/-

(U. Hinglani) Tochhaw  
Secretary (MPP & Power  
to the Government of  
Himachal Pradesh

Witness:

1. Sd/-

(T.N. DHAR)  
Special Secretary (Power)  
21.11.1972

1. Sd/-

(B.D. SHARMA)  
Secretary (Law)  
Himachal Pradesh Govt.

2. Sd/-

(L.B. TEWARI)  
Member Engineering;  
U.P. State Electricity Board.

2. Sd/-

(U.H. SHARMA)  
Chairman,  
State Electricity Board,  
Himachal Pradesh

*True copy*

*Chakram*

*27/12/00*

*E.E (Com)*

**Annexure 1 (b)**

**YAMUNA HYDEL AGREEMENT**

THIS AGREEMENT made on the twenty first day of NOVEMBER, 1972 corresponding to Shak Samvat Kartik 30, Shak 1894 Between the Governor of Himachal Pradesh (hereinafter called 'Himachal Pradesh') of the one part AND THE Governor of Uttar Pradesh (hereinafter called 'Uttar Pradesh') of the other part;

WHEREAS the scheme known as the Yamuna Hydel Scheme Stage I comprising a Diversion Barrage at Dhakpathar across river Yamuna, 3 km. down stream of its confluence with river Tons near Kalsi, about 14 km. long power channel and two power stations at Dhakrani and Dhalipur having an installed capacity of 33.75 MW and 51 MW respectively has been completed and is owned and managed by the U.P. State Electricity Board.

AND WHEREAS another scheme known as the Yamuna Hydel Scheme Stage-II is under construction by the Uttar Pradesh State Electricity Board comprising two parts, the first part being a diversion dam 47.5 m. high across the River Tons at Ichari, about 51 Km. upstream of Kalsi, a head-race tunnel from the diversion dam to Chibro and an underground power station at Chibro with a total installed capacity of 240 MW, and the second part envisaging the utilization of water discharged from Chibro underground power station for generation of power at Khodri using the remaining drop of 60 m. between Ichari and Dhakpathar comprising a head-race tunnel of 7.5 meter diameter from Chibro to Khodri and a power station of 120 MW Installed Capacity;

AND WHEREAS certain components/portions of the Yamuna Hydel Scheme come under the territory of the State of Himachal Pradesh and the Uttar Pradesh Government utilize the waters contributed partly from the catchment areas in Himachal Pradesh.

AND WHEREAS in consideration of Himachal Pradesh having agreed not to do any act or permit any act to be done whereby the natural flow of water in river Tons may be diminished, the parties hereto execute these presents;

AND WHEREAS Uttar Pradesh has assured Himachal Pradesh that this agreement is within the knowledge and has the concurrence of the U.P. State Electricity Board and that Uttar Pradesh shall in so far as the covenants herein contained relate to anything to be done, observed and performed by the U.P. State Electricity Board cause the same to be done, observed and performed by the U.P. State Electricity Board, and Uttar Pradesh shall execute an agreement with the U.P. State Electricity Board to give effect thereto.

NOW THESE PRESENTS WITENESS And parties hereto hereby agree as follows:-

1. The usage rights of water of the Yamuna, and its tributaries (including the river Tons) emanating from the Himachal Pradesh territory, upstream of the Yamuna Hydel Scheme will be conveyed by Himachal Pradesh exclusively to Uttar Pradesh for the purpose of power development as hereinbefore mentioned, but subject to any existing facilities of irrigation, running of water mills and transport of timber enjoyed by the people of Himachal Pradesh being safeguarded. The Himachal Pradesh Government reserve the right to develop power themselves from any river or stream inside their own territory, provided such development does not reduce the natural flow and supply of water or otherwise adversely affect the said Yamuna Hydel Scheme.
2. Himachal Pradesh shall share 25% of the total energy generated at the power stations of Yamuna Hydel Scheme, Stages-I and II, less energy consumed in the maintenance and operation of these power stations, such energy to be supplied by Uttar Pradesh at the busbars at the said power stations.
3. The share of power of Himachal Pradesh of stage I will be made available to Himachal Pradesh at the busbars against payment at the cost of generation of Stage I as determined for each financial year PROVIDED THAT after the completion and commissioning of the power stations of Yamuna Hydel Scheme Stage II, the cost of generation to be paid by Himachal Pradesh shall be the pooled cost of generation at the busbars of both stages I and II to be determined for each financial year.
4. As Himachal Pradesh is not in a position to utilize its share of power as aforesaid, it will make this power available to Uttar Pradesh till March 31, 1979, in the first instance whereafter Himachal Pradesh, if it is still not in a position to consume its share itself, will continue to make it available to Uttar Pradesh on a preferential basis and at the rate determined in accordance with clause 5(b) and 6 hereinafter.
- 5(a) Himachal Pradesh shall not share the capital cost of the said schemes.
- 5(b) For the power made available to Uttar Pradesh out of the share of Himachal Pradesh as aforesaid from Yamuna Hydel Scheme, Stage I, Uttar Pradesh shall, with effect from February 8, 1972, pay Rs. 15 Lacs (Rs. Fifteen Lacs) per annum to Himachal Pradesh for the anticipated availability of 100 million units of power i.e. 1.5 paise per unit which represents the fixed and agreed difference between the purchase rate which is the cost of generation referred to in clause 3 herein above and the resale rate of the said electrical energy by Himachal Pradesh. Should, however, the actual quantum of energy made available to Uttar Pradesh fall short of or exceed 100 million units, the actual amount to be paid shall be pro-

rata reduced or increased, as the case may be.

6. The amount to be paid by Uttar Pradesh to Himachal Pradesh for the latter's share of power made available to Uttar Pradesh from the power stations of Yamuna Hydel Scheme Stage II shall be determined on the same principles as aforesaid, after the commissioning of the power stations of that stage and the determination of the pooled cost as in clause 3 hereinabove.

7. Himachal Pradesh shall make available to Uttar Pradesh power from their Giri Bata Hydel Project on a preferential basis.

8. The parties may enter into any supplementary agreement with a view to settling any other points of details such as acquisition or requisition of land transport of timber, fisheries and service roads.

9. The stamp duty shall be borne by the Government of Uttar Pradesh.

10. The covenants herein contained shall in the case of each party hereto be binding upon and ensure for benefit of their respective successors.

Signed by-

For and on behalf of  
Uttar Pradesh

For and on behalf of  
Himachal Pradesh

1. Sd/-  
(R.K. Trivedi)  
Commissioner and Secretary,  
Power Department & Chairman,  
U.P. State Electricity Board,  
Lucknow

Sd/-  
(L. Hmingliana Tochhaw)  
Secretary (MPP & POWER)  
to the Government of  
Himachal Pradesh

Witness:

1. Sd/-  
(T.N. DHAR)  
Special Secretary (Power)  
21.11.1972  
2. Sd/-  
(L.B. TEWARI)  
Member Engineering,  
U.P. State Electricity Board.

1. Sd/-  
(B.D. SHARMA)  
Secretary (Law)  
Himachal Pradesh Govt.  
2. Sd/-  
(U.N. SHARMA)  
Chairman,  
State Electricity Board,  
Himachal Pradesh.

Annexure 2(a)

Copy of the minutes of meeting between UPSEB and HPSEB held on 28.06.1978

Annexure-K. (21)

MINUTES OF THE MEETING HELD BETWEEN CHAIRMAN UPSEB AND CHAIRMAN  
HPSEB IN THE CHAMBER OF CHAIRMAN UPSEB AT LUCKNOW ON 28.6.78.

PRESENT.

U.P.S.E.B.

1. Sh. R.N. Bhargava  
Chairman.
2. Sh. B.N. Bose,  
Member (Generation).
3. Sh. R.K. Sanyal,  
Member (T&P).
4. Sri B.B. Jindal,  
Controller of  
Banking Operation & Accounts.
5. Sri P.A. Krishnaswami  
Addl. Chief of Engineer  
Design Yamuna.
6. Sri Brigendra Sen,  
Addl. Chief Engineer,  
(System Operation).
7. Sri J.C. Gupta,  
Addl. Chief Engineer,  
(Plan).
8. Sri P.K. Goel,  
Addl. Chief Engineer (Com).
9. Sri N.P. Jindal,  
Superintending Engineer  
(Com).
10. Sri Harish Chandra,  
S.E. (System Operation).

H.P.S.E.B.

1. Sh. W.F. Desouza, Chairman.
2. Sh. R.O. Oberoi, Member (P&A)
3. Sh. D.R. Sood, PC-cum-Sales  
Engineer.

9-7/6)  
24/11/06  
NVC. 11/5/79  
P-7/6/79  
2. with 35 (Com) 9/7/79  
22/x. Para 4. P2

At the outset, the Chairman U.P. State  
Electricity Board welcomed the Chairman, Himachal Pradesh  
State Electricity Board and other officers of Himachal Pradesh  
State Electricity Board. The Chairman, HPSEB mentioned that  
they have primarily come to discuss the problem regarding  
utilisation of Giri Power by U.P. State Electricity Board. The  
following points were discussed.

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Sale of power from Giri

The Chairman, HPSEB pointed out that since 22.6.78 UPSEB was not drawing the full power generated at Giri after meeting with the local requirements of Himachal Pradesh. He mentioned that in accordance with the decisions taken in the earlier meetings between the two Boards held on 26.7.77 and 6.1.78, HPSEB was to make available all surplus power generated at Giri to UPSEB on preferential basis which was also in accordance with Yamuna Hydel Agreement of 21.11.72. Accordingly it was not appropriate that UPSEB should impose any restrictions on the running of Giri Power House.

The Chairman HPSEB informed that in view of the varying load conditions in Uttar Pradesh where 600 to 700 Mw load disappears in respect of agriculture processes at the time of on set on monsoon it is not possible to absorb the Giri power on round the clock basis. In fact, UPSEB had to spill water from Chhibro and other hydro stations during the off-peak hours.

The Chairman, HPSEB informed that the Giri Power has got maximum potential when the requirement of power by UPSEB is less while Giri produces less power at the time when the demand for power in the State is maximum and as such the rate for power for these two periods should be different i.e. there shall be a different i.e. there shall be a different rate for the monsoon period which is generally from 15th June, to 15th September, and for the rest of the nine months.

Member (Finance) HPSEB informed that this point was not mentioned in the aforesaid meetings held between the representatives of both the State Electricity Board in July, 1977 and January 1978. He further mentioned that this stand of UPSEB has come as a surprise to HPSEB.

Member (T&D) UPSEB indicated that even if this matter was not discussed in the aforesaid meetings it may now be visualised in the correct perspective.

The Chairman, HPSEB, informed that there is no outlet for evacuating Giri Power at present and requested that the total generation from Giri be absorbed by Uttar Pradesh.

The Chairman, UPSEB fully appreciated the view point expressed by Chairman, HPSEB and stated that U.P. is very keen to take this power and finalise this issue as early as possible.

Chairman, HPSEB, informed that formal agreement regarding sale of power from Giri Project had already been sent to UPSEB in March, 1978 and that it has not yet been finalised in spite of repeated requests by HPSEB. The Chairman, UPSEB informed that the agreement shall now be examined in its totality before finalising it.

Contd. on page-3.

It was pointed out by UPSEB that certain technical details in respect of operation of Giri Project and availability of power from Giri had been requested in August, 1977 followed by subsequent reminders but the same are still awaited. HPSEB promised to supply these details. If necessary, UPSEB may send its representative to get the requisite details at a personal level.

Taking into consideration the view point of HPSEB that they have no other outlet for the generated power from Giri Power station, the Chairman, UPSEB, mentioned that during the monsoon when the agriculture load in the system does not exist, it will be difficult to absorb all the power from Giri without either spilling the water from Chibro or stopping some of the thermal units. Under those circumstances, UPSEB can agree to absorb all the power from Giri if, the same is given at a rate compatible to UPSEB's alternative generation cost. He therefore, mentioned that this power can be absorbed during the monsoon only if the rate is not more than 10 paise per unit for the supply made between 15th June to 15th Sept. Member (Finance) HPSEB, mentioned that the earlier rate of 18 paise per unit had been arrived at by taking into account the total annual working expenses. In case, therefore, the rate for the remaining period of the year shall get correspondingly increased or else they have to undergo loss. The Chairman, UPSEB, however, did not agree with this contention.

## 2. Re-sale rate of Yamuna Stage-II

Chairman HPSEB pointed out that in accordance with clause 6 of Yamuna Hydel Agreement dated 21.11.1972 the re-sale rate in respect of Stage-II has to be worked out on the same principles as in the case of Stage-I. He further quoted the D.O. letter, N.C.P.A.-Cs/71-Misc dated 30.12.1971 from Sri K.N. Channa, Chief Secretary Himachal Pradesh addressed to the Chief Secretary Uttar Pradesh (copy enclosed) wherein the principle on which the resale rate had to be worked out in respect of Stage-II had been enunciated. The contents of this letter were also read out in the meeting.

In accordance with the principle enunciated in this letter the re-sale rate of share of power of U.P. sold to U.P. from the Hydel Scheme had to be worked out on the principles of power Economy Committee Report of Government of India i.e. the re-sale rate would be the mean of the hydel and thermal rates.

The Chairman, HPSEB expressed the view that the rate of thermal power has no relevance with the working out of the re-sale rate. He felt that the royalty of 1.5 paise per unit, as is being given for stage-I should be continued for the subsequent stages also for use of water contributed by Himachal territory.

The HPSEB informed that there was a specific agreement of sharing of Yamuna benefits and that U.P. State Electricity Board was bound by the provisions of this agreement. They further mentioned that questioning of this basic principle shall amount to reopening of the entire issue of the agreement itself. In this connection he drew the attention of Chairman, UPSEB to the principle already agreed to in the Yamuna Agreement as elaborated in the aforesaid letter of Chief Secretary, Himachal Pradesh.

It was finally agreed that since the original agreement of November, 1972 had been signed at the Government level, the issue may be taken up at that level only.

Agreement for sharing of benefits from Stage-IV.

This issue had also earlier been discussed in the meeting held on 26.7.1977. The Chairman, HPSEB pointed out that the agreement for sharing of benefits from Stage-IV has to be entered into between U.P. and H.P. on the same basis as the agreement for stage I and II.

It was stated by UPSEB that the waters for Stage-IV are also contributed by ASAN river, the benefit of which should not go to H.P.

Sr. Sood of HPSEB stated that the contribution of water of ASAN river for stage IV was practically negligible and that the main waters for Stage-IV come from tail rate of Stage-I & II. It was agreed that the sharing of benefit of Stage-IV could take into account the contribution of water from ASAN river.

The Chairman UPSEB stated that HPSEB is certainly entitled to the share corresponding to the water flowing from their territory and that the benefits may be decided on the basis of principles of royalty and the question for all the stages should be examined in totality.

It was mentioned that since the agreement for Stage-IV is also to be entered into at the Government level the matter shall be taken up by both the sides with their respective Governments.

4.

Transformation losses in respect of stage-I & II

The HPSEB pointed out that they had been raising the bills for the sale of its share of power of 1% H.P. by taking the transformation losses at the rate of 1% plus the actual auxiliary consumption. As against this the UPSEB had been deducting the transformation losses @ 1% plus 0.5% on account of auxiliary consumption, at Ichhari, plus the actual auxiliary consumption. The HPSEB pointed out that the actual auxiliary consumption including Ichhari was not more than 0.25%. It was finally decided that a figure of 1.5% may be adopted in respect of the transformation losses as well as for the total auxiliary consumption including auxiliary consumption at Ichhari. The bills shall be corrected by HPSEB accordingly.

Sd/-(R.N. Bhargava)  
Chairman, UPSEB.  
Sd/-(B.N. Bose),  
Member (Generation) UPSEB.

Sd/-(R.K. Sanyal),  
Member (T&A) UPSEB.

Sd/-(W.F. DESOUZA),  
Chairman, HPSEB.

Sd/-(R.P. Oberoi),  
Member (T&A) HPSEB.

**Annexure 2(b)**

**MINUTES OF THE MEETING HELD BETWEEN CHAIRMAN UPSEB AND  
CHAIRMAN HPSEB IN THE CHAMBER OF CHAIRMAN UPSEB AT  
LUCKNOW ON 28.06.78**

PRESENT.

U. P. S.E.B.

1. Sh. R.N. Bhargava, Chairman
2. Sh. B.N. Bose, Member (Generation)
3. Sh. R.K. Sanyal, Member (T&P)
4. Sri B.B. Jindal, Controller of Banking  
Operation & Accounts.
5. Sri P.K. Krishanaswami, Addl. Chief  
of Engineer, Design, Yamuna.
6. Sri Brigendra Sen, Addl. Chief  
Engineer (System Operation).
7. Sri J.C. Gupta,  
Addl. Chief Engineer (Plan).
8. Sri P.K. Goel,  
Addl. Chief Engineer (Com).
9. Sri N.P. Jindal,  
Superintending Engineer (Com).
10. Sri Harish Chandra,  
S.E. (System Operation)

H.P.S.E.B.

1. Sh. W.F. Desouza, Chairman.
2. Sh. R.O. Oberoi, Member (F&A).
3. Sh. D.R. Sood, PC-cum-Sales Engineer.

At the outset, the Chairman U.P. State Electricity Board welcomed the Chairman, Himachal Pradesh State Electricity Board and other officers of Himachal Pradesh State Electricity Board. The Chairman, HPSEB mentioned that they have primarily come to discuss the problem regarding utilization of Giri Power by U.P. State Electricity Board. The following past points were discussed.

1. Sale of power from Giri

The Chairman, HPSEB pointed out that since 22.6.78 UPSEB was not drawing the full power generated at Giri after meeting with the local requirements of Himachal Pradesh. He mentioned that in accordance with the decisions taken in the earlier meetings between the two Boards held on 26.07.77 and 6.1.78., HPSEB was to make available all surplus power generated at Giri to UPSEB on preferential basis which was also in accordance with Yamuna Hydel Agreement of 21.11.72. Accordingly it was not appropriate that UPSEB should impose any restrictions on the running of Giri Power House.

The Chairman HPSEB informed that in view of the varying load conditions in Uttar Pradesh where 600 to 700 MW load disappears in respect of agriculture

processes at the time of on set on monsoon it is not possible to absorb the Giri power on round the clock basis. In fact, UPSEB had to spill water from Chhibro and other hydro stations during the off-peak hours.

The Chairman, HPSEB informed that the Giri Power has got maximum potential when the requirement of power by UPSEB is less while Giri produces less power at the time when the demand for power in the State is maximum and as such the rate for power for these two periods should be different i.e. there shall be a different rate for monsoon period which is generally from 15<sup>th</sup> June to 15<sup>th</sup> September, and for the rest of the nine months.

The Member (Finance), HPSEB informed that this point was not mentioned in the aforesaid meetings held between the representatives of both the State Electricity Board in July, 1977 and January 1978. He further mentioned that this stand of UPSEB has come as a surprise to HPSEB.

The Member (T&D) UPSEB indicated that even if this matter was not discussed in the aforesaid meetings it may be visualized in the correct perspective.

The Chairman, HPSEB, informed that there is no outlet for evacuating Giri Power at present and requested that the total generation from Giri be absorbed by Uttar Pradesh.

The Chairman, UPSEB fully appreciated the view point expressed by Chairman, HPSEB and stated that U.P. is very keen to take this power and finalise this issue as early as possible.

Chairman, HPSEB, informed that formal agreement regarding sale of power from Giri Project had already been sent to UPSEB in March, 1978 and that it has not yet been finalized inspite of repeated requests by HPSEB. The Chairman, UPSEB informed that the agreement shall now be examined in its totality before finalizing it.

It was pointed out by UPSEB that certain technical details in respect of operation of Giri Project and availability of power from Giri had been requested in August, 1977 followed by subsequent reminders but the same are still awaited. HPSEB promised to supply these details. If necessary, UPSEB may send its representative to get the requisite details at a personal level.

Taking into consideration the view point of HPSEB that they have no other outlet for the generated power from Giri Power station, the Chairman, UPSEB, mentioned that during the monsoon when the agriculture load in the system does not exist, it will be difficult to absorb all the power from Giri without either spilling

the water from Chibro or stopping some of the thermal units. Under these circumstances, UPSEB can agree to absorb all the power from Giri if, the same is given at a rate compatible to UPSEB's alternative generation cost. He therefore, mentioned that this power can be absorbed during the monsoon only, if the rate is not more than 10 paise per unit for the supply made between 15<sup>th</sup> June to 15<sup>th</sup> Sept. Member (Finance) HPSEB, mentioned that the earlier rate of 18 paise per unit had been arrived at by taking into account the total annual working expenses. In case, therefore, the rate for the remaining period of the year shall get correspondingly increased or else they have to undergo loss. The Chairman, UPSEB, however, did not agree with this contention.

## 2. Re-sale rate of Yamuna Stage - II

Chairman, HPSEB pointed out that in accordance with clause 6 of Yamuna Hydel Agreement dated 21.11.1972 the re-sale rate in respect of Stage - II has to be worked out on the same principles as in the case of Stage - I. He further quoted the D.O. letter No. PA-Cs/71-Misc dated 30.12.1971 from Sri K.N. Channa, Chief Secretary, Himachal Pradesh addressed to the Chief Secretary, Uttar Pradesh (copy enclosed) wherein the principle on which the resale rate had to be worked out in respect of Stage - II had been enunciated. The contents of this letter were also read out in the meeting.

In accordance with the principle enunciated in this letter the re-sale rate of share of power of H.P. sold to U.P. from the Hydel Scheme had to be worked out on the principles of power Economy Committee Report of Government of India i.e. the re-sale rate would be the mean of the hydel and thermal rates.

The Chairman, HPSEB expressed the view that the rate of thermal power has no relevance with the working out of the re-sale rate. He felt that the royalty of 1.5 paise per unit, as is being given for Stage - I should be continued for the subsequent stages also for use of water contributed by Himachal territory.

The HPSEB informed that there was a specific agreement of sharing of Yamuna benefits that U.P. State Electricity Board was bound by the provisions of this agreement. They further mentioned that questioning of this basic principle shall amount to reopening of the entire issue of the agreement itself. In this connection he drew the attention of Chairman, UPSEB to the principle already agreed to in the Yamuna Agreement as elaborated in the aforesaid letter of Chief Secretary, Himachal Pradesh.

It was finally agreed that since the original agreement of November, 1972 had been signed at the government level, the issue may be taken up at that level only.

3. Agreement for sharing of benefits from Stage – IV

This issue had also earlier been discussed in the meeting held on 26.7.1977. The Chairman, HPSEB pointed out that the agreement for sharing of benefits from Stage – IV has to be entered into between U.P. and H.P. on the same basis as the agreement for stage – I and II.

It was stated by UPSEB that the waters for Stage – IV are also contributed by ASAN river, the benefits of which should not go to H.P.

Sri Sood of HPSEB stated that the contribution of water of ASAN river for stage IV was practically negligible and that the main waters for Stage – IV come from tail rate of Stage – I & II. It was agreed that the sharing of benefit of Stage – IV could take into account the contribution of water from ASAN river.

The Chairman UPSEB stated that HPSEB is certainly entitled to the share corresponding to the water flowing from their territory and that the benefits may be decided on the basis of principles of royalty and the question for all the stages should be examined in totality.

It was mentioned that since the agreement for Stage – IV is also to be entered into at the government level the matter shall be taken up by both the sides with their respective Governments.

4. Transformation losses in respect of Stage – I and II

The HPSEB pointed out that they had been raising the bills for there – sale of its share of power. If H.P. by taking the transformation losses at the rate of 1% plus the actual auxiliary consumption. As against this the UPSEB had been deducting the transformation losses @1% plus 0.5% on account of auxiliary consumption at Ichhari plus the actual auxiliary consumption. The HPSEB pointed out that the actual auxiliary consumption including Ichhari was not more than 0.25%. It was finally decided that a figure of 1.5% may be adopted in respect of the transformation losses as well as for the total auxiliary consumption including auxiliary consumption at Ichhari. The bills shall be corrected by HPSEB accordingly.

Sd/-(R.N. Bhargava)  
Chairman, UPSEB  
Sd/-(B.N. Bose)  
Member (Generation), UPSEB  
Sd/-(R.K. Sanyal)  
Member (T&A), UPSEB

Sd/-(W.F. Desouza)  
Chairman, HPSEB  
Sd/-(R.P. Oberai)  
Member (F&A), HPSEB

**Copy of the minutes of meeting between UPSEB and HPSEB held from 29.09.1982  
to 02.10.1982 and on 10.03.1983 to 11.03.1983**

- (a)
- The following officers were present:-
- H.P. STATE ELECTRICITY BOARD.
1. Mr. R.K. Sanyal, Chairman.
  2. Mr. A.K. Gupta, Member (C&D) (not present on 10.3.1983 & 11.3.83)
  3. Sri H. Srivastava, Member (Finance & Accounts).
  4. Sri V. Prakash, Deputy Controller (C&F).
- H.P. STATE ELECTRICITY BOARD.
1. Mr. Kallash Chand Mahajan, Chairman.
  2. Mr. A.F. Dasouza, Member (Electrical).
  3. Sri K.B. Das Bhownik, Member (Finance & Accounts).
  4. Mr. K.K. Maistha, Director (Commercial).
1. SHARE OF POWER OF H.P. FROM KULHAL POWER STATION OF STAGE-IV OF THE YAMUNA HYDEL PROJECT.
- (a) After considering the respective positions taken by UPSEB and HPSEB on the issue, it was agreed that the share of power to H.P. from Kulhal Power House of stage-IV of the Yamuna Hydel Project, would be 20 percent of the units generated at the power house minus auxiliary consumption. The position regarding other power houses coming under this stage would be examined as and when the power houses come up.
- (b) As to the rate of resale of power by HPSEB to UPSEB from this project (stage-IV), it was agreed that UPSEB will work out the rate and send detailed calculations in support thereof which is subject to verification by HPSEB. The working details in support of this rate have been made available to HPSEB for necessary action).
2. DRAVAL OF SHARE OF POWER BY H.P. FROM YAMUNA HYDEL COMPLEX.
- Uttar Pradesh had requested UPSEB for 220 K.V. tap from the Chibro Power House for the drawal of full share of power of HPSEB from Yamuna Complex. It was, however, explained by UPSEB that due to technical difficulties, it would not be possible to allow this tap from Chibro. Instead, the UPSEB suggests that to begin with, Uttar Pradesh should draw its share of power from Chibro and Khodri Hydro Power Stations by taking a 220 K.V. tap from Khodri. About the share of H.P. from other Power Houses



If Yamuna Complex, UPSED agreed to examine the feasibility of giving taps subject to HPSEB bearing the transmission losses involved and paying the appropriate wheeling charges to UPSED. The same stipulations shall be applicable to the drawal of HPSEB's share from Chibro Power House at Khodri. Subject to this, UPSED may initiate steps for erection of 220 K.V. line from Khodri to draw its share of power.

IMPORT OF POWER BY HPSEB FROM KULHAL POWER HOUSE OF UPSED- ADJUSTMENT THEREOF AGAINST ITS SHARE OF POWER FROM YAMUNA HYDEL COMPLEX.

Himachal Pradesh suggested that during the period the Giri Power House is shut-down and HPSEB draws power from Kulhal power house, the power drawn should be treated as HP's share of power from the Yamuna Complex of power houses and that the rate to be charged for this drawal should accordingly be the pooled cost of the generation of the Yamuna Complex of power houses. UPSED agreed subject to such drawals being limited to HPSEB's share in Kulhal Power House and the power being used locally to feed the areas being fed by the Giri Power House.

SALE OF POWER FROM GIRI POWER HOUSE TO UPSEB.

The agreement regarding the rate of sale of power from the Giri Power House to UPSEB had expired on 31-3-1981. The rate to be charged subsequently was discussed in detail and it was agreed that the sale of power from Giri to UPSEB shall be sold at the rate of 26 paise per unit (exclusive of excise duty). This rate shall be effective for a period of 5 years from 1.4.1981. During this period, no restrictions shall be placed by UPSED on generation at Giri Power House. It was also agreed that during this period HPSEB shall make available to UPSEB the entire available power from Giri Power House on preferential basis, in terms of the original agreement dated 21-11-1972.

RATE FOR RESALE OF POWER TO UPSEB FROM THE POWER HOUSES AT YAMUNA HYDEL PROJECT- STAGE I AND II.

1) Stage-I.

UPSED indicated that so far as the rate for resale of power to UPSED by HPSEB from Stage-I of the Yamuna Project is concerned, the same had been worked out as 3.6 paise per unit, based on the pooled cost of generation at Yamuna Stage-I and Stage-II vis-a-vis (b) (a). This rate

For stage-II power house with effect from 1-4-1975 till the next power house at Khodri is commissioned, when the rate would be worked out afresh as based on the pooled cost of generation of all the power houses of stage-I and II commissioned till then, and revised accordingly. HPSEB agreed to this rate subject to verification of the calculations leading to the above rate of 3.6 paise per unit as made available to them.

(b) Stage-I.

UPSEB referred to clause 4 and 5(b) of the agreement dated 21-11-1972, wherein it had been clearly laid down that for the power made available to UPSEB out of the share of HPSEB from stage-I, the rate shall be 1.5-paise per unit which represented the fixed and agreed difference between the purchase rate and resale rate. No revision in this rate was accordingly called for. The HPSEB agreed to this.

C. It was agreed that:

- (a) the issues already settled as incorporated in this agreement shall not be reopened in future.
- (b) this agreement shall supercede all understandings, minutes of meetings/ agreement arrived at between the two Boards till date except the original agreement dated 21-11-1972.

*Kailash Chandra Mahajan*  
11/3/83  
( KAILASH CHANDRA MAHAJAN )  
CHAIRMAN,  
U.P. STATE ELECTRICITY BOARD.

*R.K. Sarin*  
11/3/83  
( R.K. SARIN )  
CHAIRMAN,  
U.P. STATE ELECTRICITY BOARD.

**Annexure 3 (b)**

**MINUTES OF MEETING HELD AT SHIMLA CHAIL FROM 29.09.1982 TO 02.10.1982 AND SHIMLA ON 10.03.1983 TO 11.03.83**

The following officers were present: -

**U. P. STATE ELECTRICITY BOARD**

1. Er. R. K. Sanyal, Chairman
2. Er. A. K. Gupta, Member (C&D) not present on 10.3.1983 & 11.3.83)
3. Sri, N. Srivastva, Member (Finance & Accounts).
4. Sri. V. Prakash, Deputy Controller (C&F).

**H. P. STATE ELECTRICITY BOARD**

1. Er. Kailash Chand Mahajan, Chairman
2. Er. W. F. Desouza, Member (Electrical)
3. Sri. K. B. Dass Bhowmik Member (Finance & Accounts)
4. Er. R.K. Kaistha, Director (Commercial).

**1. SHARE OF POWER OF H.P. FROM KULHAL POWER STATION OF STAGE-IV OF THE YAMUNA HYDEL PROJECT.**

(a) After considering the respective positions taken by UPSEB and HPSEB on the issue, it was agreed that the share of power to H.P. from Kulhal Power House of Stage-IV of the Yamuna Hydel Project, would be 20 percent of the units generated at this power house minus auxiliary consumption. The position regarding other power houses coming under this stage would be examined as and when these power houses come up.

(b) As to the rate of resale of power by HPSEB to UPSEB from this Project (Stage-IV) it was agreed that UPSEB will workout the rate and send detailed calculations in support thereof for verification by HPSEB (UPSEB has worked out a rate of 3.15 paise per unit for Stage-IV (Kulhal effective from 1.4.1976, which is subject to verification by HPSEB. The working details in support of this rate have been made available to HPSEB for necessary action).

**2. DRAWL OF SHARE OF POWER BY H.P. FROM YAMUNA HYDEL**

**COMPLEX**

Himachal Pradesh had requested UPSEB for 220 K.V. tap from the Chibro Power House for drawal of full share of power of HPSEB from Yamuna Complex. It was, however, explained by UPSEB that due to technical difficulties it would not be possible to allow this tap from Chibro. Instead, the UPSEB suggested that to begin with, Himachal Pradesh should draw its share of power from Chibro and Khodri Hydel Power Stations by taking a 220 K.V. tap from Khodri. About the share of H.P. from other Power Houses of Yamuna Complex, UPSEB agreed to examine the feasibility of giving taps subject to HPSEB bearing the transmission losses involved and paying the appropriate wheeling charges to UPSEB. The same stipulations shall be applicable to the drawal of HPSEB's share from Chibro Power at Khodri. Subject to this, HPSEB may intimate steps for erection of 220 KV line from Khodri to draw its share of power.

**3. IMPORT OF POWER BY HPSEB FROM KULHAL POWER HOUSE OF UPSEB ADJUSTMENT THEREOF AGAINST H.P.'s SHARE OF POWER FROM YAMUNA HYDEL COMPLEX.**

Himachal Pradesh suggested that during the period the Giri Power House is shut down and HPSEB draws power from Kulhal power house, the power drawn should be treated as HP's share of power from the Yamuna Complex of power houses and that rate to be charged for this drawal should accordingly be the pooled cost of the generation of the Yamuna Complex of power houses. UPSEB agreed subject to such drawals being limited to HPSEB's share in Kulhal Power House and the power being used locally to feed the areas being fed by the Giri Power House.

**4. SALE OF POWER FROM GIRI POWER HOUSE TO UPSEB**

The agreement regarding the rate of sale of power from the Giri Power House to UPSEB had expired on 31.03.1981. The rate to be charged subsequently was discussed in detail and it was agreed that the sale of power from Giri to UPSEB shall be paid @ 26 paise per unit (exclusive of excise duty). The rate shall be effective for a period of 5 years from 1.4.1981. During this period no restrictions shall be placed by UPSEB on generation at Giri Power House. It was also agreed that during this period HPSEB shall make available to UPSEB the entire saleable power from Giri Power House on preferential basis in terms of the original agreement dated 21.11.1972.

5. **RATE RESALE OF POWER TO UPSEB FROM HP POWER HOUSE AT YAMUNA HYDEL PROJECT STAGE-I AND -II.**

(a) Stage-II

UPSEB INDICATED THAT SO FAR AS RATE FOR RESALE of power to UPSEB by HPSEB from Stage – II of Yamuna Project is concerned, the same had been worked out as 3.6 paise per unit based on the pooled cost of generation at Yamuna Stage – I and II vis-à-vis Obra (A). This rate was payable by HPSEB for Stage – II power house w.e.f. 01.04.1975 till the next power house at Khodri is commissioned, when the rate would be worked out afresh as based on the pooled cost of generation at all the power houses of stage – I & II commissioned till then, and revised accordingly. HPSEB agreed to this rate subject to verification of the calculations leading to the above rate of 3.6 paise per unit as made available to them.

(b) Stage – I

UPSEB referred to clause 4 and 5(b) of the agreement dated 21.11.1972, wherein it had been clearly laid down that for the power made available to UPSEB out of the share of HPSEB from Stage-I, the rate shall be 1.5 paise per unit which represented the fixed and agreed difference between the purchase rate and resale rate. No revision in this rate was accordingly called for. The HPSEB agreed to this.

6. It was agreed that,

- (a) The issue already settled as incorporated in this agreement shall not be reopened in future.
- (b) This agreement shall supercede all understandings/minutes of meetings/ agreement arrived at between the two Boards till date except the original agreement dated 21.11.1972.

Sd/-  
(Kailash Chand Mahajan)  
Chairman,  
HP State Electricity Board

Sd/-  
(R.K. Sanyal)  
Chairman,  
UP State Electricity Board

## Copy of the minutes of meeting between UPSEB and HPSEB on 15.10.1994

Minutes of the meeting held between Chairman UPSEB and Chairman, HPSEB at Lucknow on 15.10.1994.

The following were present :

UPSEB

1. Sri G.P. Singh, Chairman
2. Sri A.K. Vashistha, Member (Distribution)
3. Sri S.C. Manchanda, S.E.

HPSEB

1. Sri B.B. Tandon, Chairman
2. Sri R.N. Thakur, Member (Tech./Operation)

The points discussed in the meeting and the decisions taken are as under :-

1. Drawal of share of power by HPSEB from Dhakrani and Dhalipur power houses of Yamuna Stage-I

It was agreed in principle that HPSEB can draw power as per their share in respect of Yamuna Stage-I power houses through Khodri at 220 kV. The wheeling charges and the line losses will be borne by HPSEB. This can be mutually worked out by the officers of the two Boards.

2. Share of HPSEB in Khara power house :

Chairman HPSEB pointed out that in the meeting held between the engineers of UPSEB and HPSEB at Simla on 13th April 1987, it was agreed that the share of H.P. in the power generation (at bus) at Khara Hydro project will be the same as that in Kulhal power house, i.e. 20%. However, the HP's share is not being made available to HPSEB so far. Chairman HPSEB requested that HP's share in Khara power house be made available to HPSEB at Khodri at 220 kV bus bar for which the line losses and wheeling charges will be borne by HPSEB. This was agreed by the Chairman, UPSEB. However, HPSEB shall draw such power only for their use.

3. Payment of outstanding dues from UPSEB to HPSEB:

Chairman HPSEB pointed out that UPSEB owes about Rs. 45 crores to it. Chairman UPSEB indicated that as per his information the dues to HPSEB are only of the order of about Rs. 23 crores. It was agreed that the concerned officers of the two Boards will meet at Lucknow after about a week to reconcile the dues. It was also agreed that during the remaining 6 months of 1994-95, Rs. 6 crores on the basis of Rs. 1 crore per month, will be paid by UPSEB to HPSEB. Accordingly the sum of Rs. 1 crore was paid to HPSEB today (15.10.94).

(G.P. Singh)  
Chairman, UPSEB

(A.K. Vashistha)  
Member (Distn.) UPSEB

(B.B. Tandon)  
Chairman, HPSEB

(R.N. Thakur)  
Member (Tech./Operation)  
HPSEB

(S.C. Manchanda)  
S.E., UPSEB

**Annexure 4(b)**

**Minutes of the meeting held between Chairman UPSEB and Chairman, HPSEB at Lucknow on 15.10.1994**

The following were present:

<u>UPSEB</u>	<u>HPSEB</u>
1. Sri O.P. Singh, Chairman	1. Shri D.D. Tandon, Chairman
2. Shri A.K. Vashistha Member (Distribution)	2. Shri R.K. Thakur, Member (Tech./Operation)
3. Shri S.C Manchanda, S.E.	

The points discussed in the meeting and the decisions taken are as under:

1. Drawal of share of power by HPSEB from Dhakrani and Dhalipur Power houses of Yamuna Stage- I

It was agreed in principle that HPSEB can draw power as per their share in respect of Yamuna Stage-I power houses through Khodri at 220 kV. **The wheeling charges and the line losses will be borne by HPSEB.** This can be mutually worked out by the officers of the two Boards.

2. Share of HPSEB in Khara power house:

Chairman HPSEB pointed out that in the meeting held between the engineers of UPSEB and HPSEB at Simla on 13<sup>th</sup> April 1987, it was agreed that the share of H.P. in the power generation (at bus) at Khara Hydro project will be the same as that in Kulhal power house, i.e. 20%. However, the HP's share is not being made available to HPSEB so far. Chairman HPSEB requested that HP's share in Khara power house be made available to HPSEB at Khodri at 220 kV bus bar for which the line losses and wheeling charges will be borne by HPSEB. This was agreed by the Chairman, UPSEB. However, HPSEB shall draw such power only for their use.

3. Payment of outstanding dues from UPSEB to HPSEB :

Chairman HPSEB pointed out that UPSEB owes about Rs. 45 crores to it.

Chairman UPSEB indicated that as per his information the dues to HPSEB are only of the order of about Rs 23 crores. It was agreed that the concerned officers of the two Boards will meet at Lucknow after about a week to reconcile the dues. It was also agreed that during the remaining 6 months of 1994-95, Rs. 6 crores on the basis of Rs. 1 crore per month will be paid by UPSEB to HPSEB. Accordingly the sum of Rs 1 crore was paid to HPSEB today (15.10.94).

O.P. Singh,  
Chairman, UPSEB

A.K. Vashistha  
Member (Distn.) UPSEB

D.D. Tandon,  
Chairman , HPSEB

Shri R.M. Thakur,  
Member (Tech./Operation)  
HPSEB

Shri S.C Manchanda  
S.E., UPSEB



Annexure-5

Central Government's notification dated 11.09.2000 omitting  
Section 43A for the State of U.P.

2 THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3 (ii)]

अधिसूचना  
नई दिल्ली, 11 सितम्बर, 2000

क्र.आ. 826(अ)।—विद्युत विनियामक आयोग अधिनियम, 1998 (1998 का 14) की धारा 51 द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए केन्द्र सरकार इस अधिसूचना के प्रकाशन की तारीख से एतद्वारा यह तारीख नियमित करती है जिस तारीख से आंध्र प्रदेश, कर्नाटक, उत्तर प्रदेश, पश्चिम बंगाल, मध्य प्रदेश और दिल्ली राज्यों के संबंध में विद्युत (प्रदाय) अधिनियम, 1948 (1948 का 54) की धारा 43 को उपधारा (2) निकाल दी जाएगी।

[फा. सं. 25/24(ii)/98-आर एंड आर]  
अजय शंकर, संयुक्त सचिव

NOTIFICATION

New Delhi, the 11th September, 2000

S.O. 826(E).—In exercise of the powers conferred by section 51 of the Electricity Regulatory Commission Act, 1998 (14 of 1998), the Central Government hereby appoints with effect from the date of publication of this notification, as the date on which sub-section (2) of section 43A of the Electricity (Supply) Act, 1948 (54 of 1948) shall be omitted in respect of the States of Andhra Pradesh, Karnataka, Uttar Pradesh, West Bengal, Madhya Pradesh and Delhi.

[F. No. 25/24(ii)/98-R&R]  
AJAY SHANKAR, Jr. Secy.

Annexure 6(a)

MoP Order dated 05.11.2001 under UP Reorganisation Act, 2000

**No. 42/7/2000-R&K  
Government of India  
Ministry of Power**

**Shram Shakti Bhavan, Rafi Marg,  
New Delhi, November-5, 2001**

**ORDER**

Whereas the Government of the State of Uttaranchal have constituted the Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited in pursuance of sub-section (4) of section 63 of the Uttar Pradesh Reorganisation Act, 2000, and have requested the Central Government to make provisions enabling the Corporations so constituted to take over undertakings, assets, rights and liabilities etc.;

And whereas the Central Government convened meetings with the representatives of the Government of Uttar Pradesh and the Government of Uttaranchal to ascertain their respective views ;

Now, therefore, in exercise of powers conferred upon it by clause (a) of sub-section (4) of section 63 of the Uttar Pradesh Re-organisation Act, 2000, after due consideration of views expressed by representatives of both the State Governments, the Central Government, hereby makes the following provisional order, namely :-

1. In this order-

- (a) 'ratio of consumption of power' means ratio of consumption of power between the States of Uttar Pradesh and Uttaranchal, which is 90:10 subject to actual verification.
- (b) 'ratio of hydro power capacity' means the ratio of State owned hydro capacity between the States of Uttar Pradesh and Uttaranchal, which is 1:2.

2. The assets, liabilities, rights and undertakings of the Uttar Pradesh Power Corporation Limited shall be provisionally divided between Uttar Pradesh Power Corporation Limited and to the Uttaranchal Power Corporation Limited and that of Uttar Pradesh Jal Vidyut Nigam Ltd between Uttar Pradesh Jal Vidyut Nigam Limited and Uttaranchal Jal Vidyut Nigam Limited in the following manner.

**(a) Assets :**

- (i) Fixed assets (land and buildings, installed plants and machinery, transmission and distribution systems, etc.) of Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited situated in Uttaranchal, shall be transferred to Uttaranchal Power Corporation Ltd. and Uttaranchal Jal Vidyut Nigam Ltd., as the case may be. Fixed assets situated in the successor State of Uttar Pradesh will remain with Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited.**
- (ii) Movable assets and stores of the field units shall be transferred on the basis of location. Stores, furniture and vehicles of the Head Offices shall be apportioned according to the year of purchase in the ratio of consumption of power in the case of Uttar Pradesh Power Corporation Limited and in the ratio of hydro power capacity in the case of Uttar Pradesh Jal Vidyut Nigam Limited, except the project/scheme-specific stores which shall be allocated to the concerned Corporation to whom the project/scheme related liabilities are being transferred.**

**(b) Liabilities :**

- (i) Project/ Asset specific liabilities of the Uttar Pradesh Power Corporation Limited, and Uttar Pradesh Jal Vidyut Nigam Limited shall be passed on to the Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited, as the case may be, where such project/asset has been transferred to Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited as the case may be.**
- (ii) The liabilities of the Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited which cannot be assigned under sub-clause (i) to any project/asset, shall be apportioned between Uttar Pradesh Power Corporation Limited and Uttaranchal Power Corporation Limited, and between Uttar Pradesh Jal Vidyut Nigam Limited and Uttaranchal Jal Vidyut Nigam Limited in the ratio of consumption of power.**

**(c) Rights:**

The Uttar Pradesh Power Corporation Limited, and the Uttaranchal Power Corporation Limited, shall have the right to collect revenues/arrears from consumers located within the territory of the concerned State.

**(d) Contracts:**

The Contracts shall be assigned to the Corporations to whom the scheme, or assets, for which contract has been entered into have been transferred.

**(e) Employees:**

Employees of the Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited, who are, on the appointed day, posted in the area falling within the State of Uttaranchal, shall stand transferred on deputation to Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited, as the case may be. The employees of the head office of the Uttar Pradesh Power Corporation Limited will be divided on the ratio of consumption of power while the employees of the head office of the Uttar Pradesh Jal Vidyut Nigam Limited will be divided on the ratio of hydro power capacity existing in two States.

**3. Arrangement regarding Power:**

In exercise of the powers conferred under Section 64 of the Uttar Pradesh Re-organisation Act, 2000 the Central Government hereby orders that the State of Uttar Pradesh shall have the first right of purchase in respect of any surplus power left over from the power generated by the units of the Uttar Pradesh Jal Vidyut Nigam Ltd., existing as on date of this transfer, after meeting the consumption requirements of Uttaranchal. The rates for sale/purchase will be decided by mutual agreement failing which the rates will be decided by the Chairman, Central Electricity Authority. The position regarding this clause will be reviewed by the Central Government after a period of two years.

4. Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd:

All undertakings, assets, rights, liabilities and employees of UP Rajya Vidyut Utpadan Nigam shall stand transferred to Uttar Pradesh.

5. This order shall come into force from 9.11.2001.

Haj Mahla  
(Ajay Shankar)  
Joint Secretary  
5.11.2001

1. Chief Secretary, Government of Uttar Pradesh
2. Chief Secretary, Government of Uttaranchal
3. Secretary, Ministry of Coal, New Delhi.
4. Spl Secretary, Ministry of Home Affairs
5. Secretary(Energy), Government of Uttar Pradesh.
6. Secretary(Energy), Government of Uttaranchal
7. CMD, National Thermal Power Corporation
8. CMD, National Hydro-Electric Power Corporation
9. CMD, Power Grid Corporation of India Ltd.
10. CMD, Power Finance Corporation



**Annexure 6(b)**

No. 42/7/2000-R&R  
Government of India  
Ministry of Power

Shram Shakti Bhavan, Rafi Marg,  
New Delhi, November 5, 2001

**ORDER**

Whereas the Government of the State of Uttaranchal have constituted the Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited in pursuance of sub-section (4) of section 63 of the Uttar Pradesh Reorganisation Act, 2000, and have requested the Central Government to make provisions enabling the Corporations so constituted to take over undertakings, assets, rights and liabilities etc.;

And whereas the Central Government convened meetings with the representatives of the Government of Uttar Pradesh and the Government of Uttaranchal to ascertain their respective views;

Now, therefore, in exercise of powers conferred upon it by clause (a) of sub-section (4) of section 63 of the Uttar Pradesh Re-organisation Act, 2000, after due consideration of views expressed by representatives of both the State Governments, the Central Government, hereby makes the following provisional order, namely:-

1. In this order-
  - (a) 'ratio of consumption of power' means ratio of consumption of power between the States of Uttar Pradesh and Uttaranchal, which is 90:10 subject to actual verification.
  - (b) 'ratio of hydro power capacity' means the ratio of State owned hydro capacity between the States of Uttar Pradesh and Uttaranchal is 1:2.
2. The assets, liabilities, rights and undertakings of the Uttar Pradesh Power Corporation Limited shall be provisionally divided between Uttar Pradesh Power Corporation Limited and to the Uttaranchal Power Corporation Limited and that of Uttar Pradesh Jal Vidyut Nigam Ltd between Uttar Pradesh Jal Vidyut Nigam Limited and Uttaranchal Jal Vidyut Nigam Limited in the following manner.
  - (a) **Assets:**
    - (i) Fixed assets (land and buildings, installed plants and machinery, transmission and distribution systems etc.) of Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited situated in Uttaranchal, shall be transferred to Uttaranchal Power Corporation Ltd. and Uttaranchal Jal Vidyut Nigam Ltd., as the case may be. Fixed assets situated in the successor State of Uttar Pradesh

will remain with Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited.

- (ii) Movable assets and stores of the field units shall be transferred on the basis of location. Stores, furniture and vehicles of the Head Offices shall be apportioned according to the year of purchase in the ratio of consumption of power in the case of Uttar Pradesh Power Corporation Limited and in the ratio of hydro power capacity in the case of Uttar Pradesh Jal Vidyut Nigam Limited, except the project/scheme- specific stores which shall be allocated to the concerned Corporation to whom the project/scheme related liabilities are being transferred.

**(b) Liabilities:**

- (i) Project/Assets specific liabilities of the Uttar Pradesh Power Corporation Limited, and Uttar Pradesh Jal Vidyut Nigam Limited shall be passed on to the Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited, as the case may be, where such project/asset has been transferred to Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited as the case may be.
- (ii) The liabilities of the Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited which cannot be assigned under sub-clause (i) to any project/asset, shall be apportioned between Uttar Pradesh Power Corporation Limited and Uttaranchal Power Corporation Limited, and between Uttar Pradesh Jal Vidyut Nigam Limited and Uttaranchal Jal Vidyut Nigam Limited in the ratio of consumption of power.

**(c) Rights :**

The Uttar Pradesh Power Corporation Limited, and the Uttaranchal Power Corporation Limited, shall have the right to collect revenues/arrears from consumers located within the territory of the concerned State.

**(d) Contracts :**

The Contracts shall be assigned to the Corporations to whom the scheme or assets, for which contract has been entered into have been transferred.

**(e) Employees :**

Employees of the Uttar Pradesh Power Corporation Limited and Uttar Pradesh Jal Vidyut Nigam Limited, who are, on the appointed day, posted in the area falling within the State of Uttaranchal, shall stand transferred on deputation to Uttaranchal Power Corporation Limited and Uttaranchal Jal Vidyut Nigam Limited, as the case may be. The employees of the head office of the Uttar Pradesh Power Corporation Limited will be divided on the ratio of consumption of power while the employees of the head office of the Uttar Pradesh Jal Vidyut Nigam Limited will be divided on the ratio of hydro power capacity existing

in two States.

**3. Arrangement regarding Power:**

In exercise of the powers conferred under Section 64 of the Uttar Pradesh Re-organisation Act, 2000 the Central Government hereby orders that the State of Uttar Pradesh shall have the first right of purchase in respect of any surplus power left over from the power generated by the units of the Uttar Pradesh Jal Vidyut Nigam Ltd. existing as on date of this transfer, after meeting the consumption requirements of Uttaranchal. The rates for sale/purchase will be decided by mutual agreement failing which the rates will be decided by the Chairman, Central Electricity Authority. The position regarding this clause will be reviewed by the Central Government after a period of two years.

**4. Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd.:**

All undertakings, assets, rights, liabilities and employees of the UP Rajya Vidyut Utpadan Nigam shall stand transferred to Uttar Pradesh.

5. This order shall come into force from 9.11.2001.

(Ajay Shankar)  
Joint Secretary  
5-11-2001

1. Chief Secretary, Government of Uttar Pradesh
2. Chief Secretary, Government of Uttaranchal
3. Secretary, Ministry of Coal, New Delhi
4. Spl. Secretary, Ministry of Home Affairs
5. Secretary (Energy), Government of Uttar Pradesh
6. Secretary (Energy), Government of Uttaranchal
7. CMD, National Thermal Power Corporation
8. CMD, National Hydro-Electric Power Corporation
9. CMD, Power Grid Corporation of India Ltd.
10. CMD, Power Finance Corporation



**Annexure- 7**

**Relevant extract of Electricity Rules, 2005**

surcharge and the manner of payment and utilization of such surcharge as may be specified by the Appropriate Commission of the State in which the consumer is located under sub-section (2) of section 42 of the Act.

- 7. Consumer Redressal Forum and Ombudsman.-** (1) The distribution licensee shall establish a forum for redressal of grievances of consumers under sub-section (5) of section 42 which shall consist of officers of the licensee.
- (2) The Ombudsman to be appointed or designated by the State Commission under sub-section (6) of section 42 of the Act shall be such person as the State Commission may decide from time to time.
- (3) The Ombudsman shall consider the representations of the consumers consistent with the provisions of the Act, the Rules and Regulations made hereunder or general orders or directions given by the Appropriate Government or the Appropriate Commission in this regard before settling their grievances.
- (4) (a) The Ombudsman shall prepare a report on a six monthly basis giving details of the nature of the grievances of the consumer dealt by the ombudsman, the response of the Licensees in the redressal of the grievances and the opinion of the ombudsman on the Licensee's compliance of the standards of performance as specified by the Commission under section 57 of the Act during the preceding six months.
- (b) The report under sub-clause (a) above shall be forwarded to the State Commission and the State Government within 45 days after the end of the relevant period of six months.
- 8. Tariffs of generating companies under section 79.-** The tariff determined by the Central Commission for generating companies under clause (a) or (b) of sub-section (1) of section 79 of the Act shall not be subject to re-determination by the State Commission in exercise of functions under clauses (a) or (b) of sub-section (1) of section 86 of the Act and subject to the above the State Commission may determine whether a Distribution Licensee in the State should enter into Power Purchase Agreement or procurement process with such generating companies based on the tariff determined by the Central Commission.
- 9. Inter-State trading Licence.-** A licence issued by the Central Commission under section 14 read with clause (e) of sub-section (1) of section 79 of the Act to an electricity trader for Inter-State Operations shall also entitle such electricity trader to undertake purchase of electricity from a seller in a State and resell such electricity to a buyer in the same State, without the need to take a separate licence for intra-state trading from the State Commission of such State.
- 10. Appeal to the Appellate Tribunal.-** In terms of sub-section (2) of section 111 of the Act, the appeal against the orders passed by the adjudicating officer or the

**Annexure 8**

**MoP's letter giving clarification on Rule 8 of Electricity Rules, 2005**



**ALOK KUMAR**  
Director

☎ 2371 4000

भारत सरकार  
GOVERNMENT OF INDIA  
विद्युत मंत्रालय  
MINISTRY OF POWER

DO No.23/23/05-R&R

28<sup>th</sup> August 2006

Dear Dr. Aditi,

Please refer to your DO letter dated 16.5.06 in which you have sought clarification as to which Regulatory Commission should approve the PPA in case of inter-State projects.

2. Your attention is drawn to Rule 8 of Electricity Rules 2005 which prescribes that the tariff determined by CERC for generating companies under clause (a) or (b) of sub-section 1 section 79 of the Act shall not be subject to re-determination by SERC and with this condition, the State Commission may determine whether a distribution licensee in the State should enter into PPA or procurement process with such generating companies based on the tariff determined by CERC.

3. Therefore, the concerned SERC has the jurisdiction to regulate electricity purchase and procurement process of a distribution licensee under section 86(1)(b) of the Act except the tariff and tariff related matters of the PPA.

4. It is further clarified that the PPA, in cases where tariff has been determined through competitive bidding process under section 63 of the Act and in accordance with the relevant guidelines issued by the Central Government, is finalised within the bidding process and the Appropriate Commission is required to adopt the tariff in accordance with the provisions of the law.

With regards,

Yours sincerely,

*Alok*  
(Alok Kumar)

Dr. Aditi Raja,  
Director(Fin.),  
Karnataka Power Transmission Corp. Ltd.,  
Kaveri Bhawan,  
Bangalore - 560 009

Annexure 9

GoU letter regarding responsibility of UPCL for sale of electricity to HP

Keshav Desiraju,  
Secretary.

D.O.No. 240 /SIP/PS-2002.

Government of Uttaranchal,  
Irrigation & Power.

Dated : Dehradun : April 3 ,2002

*Acw En agamnl,*

Over the course of last two months there has been extensive correspondence between Chairman & Managing Director, Uttaranchal Power Corporation Ltd. (UPCL) and Chairman & Managing Director, Uttaranchal Jal Vidyut Nigam Ltd. (UJVNL) on the issue of sale of energy generated by the UJVNL from its existing plants. This is an extremely important subject for the State and it is appropriate that it receives continuous attention both in Government and in the Corporations. However, it is somewhat unfortunate that there should have been so much correspondence on the matter, without any clear solution.

The issues raised in your letters have been examined in Government and it has been decided as follows :

1. Sale of electricity to Himachal Pradesh will be done through the successor Corporation of the Corporation in Uttar Pradesh which undertook this work prior to reorganization. Presumably this is UPCL. You are both aware that this matter came up for discussion also at the last Board meeting of the UJVNL, when it was agreed that full details of the trade with Himachal Pradesh would be obtained and studied in the context of such agreement as may have been made in the past. UPCL will commence this exercise without delay.
2. Sales of surplus energy generated in Uttaranchal will, for the present, be made by the UPCL. This implies that all the energy generated by plants of the UJVNL will be bought by the UPCL and further sold or otherwise traded. Accordingly, in lines with the Government of India orders of 5.11.2001, UPCL may immediately proceed to negotiate an acceptable rate with the Uttar Pradesh Power Corporation Ltd. (UPPCL). Due attention must be paid to the ability of UPPCL to buy and the safeguards that UPCL need to impose.

It will be seen that these directions are broadly in accordance with the option-I suggested by the Chairman & Managing Director, UJVNL in his letter of 5.3.2002 and reiterated in letter of 22.3.2002. I trust that correspondence on this matter will now cease.

*Regard*

Yours sincerely,

*Keshav*

(Keshav Desiraju)

*3 Apr*

✓ Sri A.R. Agarwal,  
Chairman & Managing Director,  
Uttaranchal Power Corporation Ltd.,  
Dehradun.

Sri A.B. Giri,  
Chairman & Managing Director,  
Uttaranchal Jal Vidyut Nigam Ltd.,  
Dehradun.