

Model Energy Wheeling Agreement for third party purchase
(To be executed between STU/Distribution Licensee and third party
buyer for purchase from other than NCES)

This agreement made at _____ on this _____ day of _____ Two thousand _____ between M/s. _____ (Name of the third party consumer) hereinafter called “the consumer”, which expression shall wherever the context so permits means and includes the successors in interest, executors, administrators and assigns represented by Thiru. _____ as Party of the First part and M/s _____ (Name of the STU/Distribution Licensee) _____ having its office at _____ hereinafter called “the STU/Distribution Licensee”, which expression shall wherever the context so permits means and includes the successors in interest, administrators and assigns represented by the _____ (Designation of the STU/Distribution Licensee’s officer) as Party of the Second part;

WHEREAS the consumer proposes to wheel the energy (Power) from _____ (Name and address of the Generating Plant) hereinafter called “the Generating Plant” to the destination of consumption through the Transmission / Distribution network of the STU/Distribution Licensee;

WHEREAS the consumer has sent to the STU/Distribution Licensee, his proposal to wheel the energy generated from the Generating Plant having capacity of _____ MW installed at _____ village _____ taluk in _____ district / commissioned / to be commissioned on or about _____ through the STU/Distribution Licensee’s Transmission/Distribution network to his use bearing HT service

Numbers ____ (HT Tariff._____) of _____ in
_____ Distribution Circle;

WHEREAS the consumer has paid the open access registration fee, agreement fee and other fees as notified / ordered by the Tamil Nadu Electricity Regulatory Commission hereinafter called “the Commission”;

AND WHEREAS the STU/Distribution Licensee has accepted the proposal of the consumer for wheeling of energy from the Generating Plant to his destination use through the STU/Distribution Licensee’s Transmission/Distribution networks as per Lr. No. _____ on the terms and conditions hereinafter mentioned.

NOW THESE PRESENTS WITNESSETH AND THE PARTIES HEREBY AGREE AS FOLLOWS:

TERMS AND CONDITIONS. –

In this agreement, -

1. Definitions. -

(a) “**Force Majeure**” means any event which is beyond the control of the parties to this agreement which they could not foresee or with a reasonable amount of diligence could not have foreseen or which could not be prevented and which substantially affect the performance by either party such as but not limited to. –

- (i) natural disasters (earthquakes, hurricane, floods);
- (ii) wars, riots or Civil Commotions and other upheavals; and
- (iii) grid / distribution system's failure not attributable to parties hereto.

(b) **“Inter connection point”** means the Captive Generating Plant's switchyard at which point the interconnection is established between the Captive Generating Plant and the grid / distribution system;

(c) **“Interface line”** means the electric line between the interconnection point and the nearest point at which the electric line could technically be connected to the existing grid or distribution system; and

(d) **‘Meter’** means a ‘Meter’ as defined in the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time.

2. Connectivity to the Grid. -

(a) The consumer and the STU/Distribution Licensee shall comply with the provisions contained in Central Electricity Authority (Technical Standards for Interconnecting to the Grid) Regulations, 2007 which includes the following namely. –

- (i) Connection Agreement;
- (ii) Site responsibility schedule;
- (iii) Access at Connection site;
- (iv) Site Common Drawings;
- (v) Safety;
- (vi) Protection System and Co-ordination; and
- (vii) Inspection, Test, Calibration and Maintenance prior to Connection.

(b) The consumer agrees to comply with the safety measures contained in section 53 of the Electricity Act, 2003 (Act 36 of 2003);

- (c) Both the parties shall comply with the provisions contained in the Indian Electricity Grid Code, Tamil Nadu Electricity Grid Code, the Electricity Act, 2003, other Codes and Regulations issued by the Commission / Central Electricity Authority and amendments issued thereon, from time to time; and
- (d) Both the parties shall comply with the guidelines issued by the Government of India / Government of Tamil Nadu, from time to time.

3. Operation and Maintenance. -

- (a) The consumer agrees that the drawal demand from the Transmission/distribution network shall not exceed his sanctioned demand;
- (b) The consumer agrees to minimize drawal of reactive power from the STU/Distribution Licensee's Transmission/Distribution network at an interconnection point as per the provisions of the Tamil Nadu Electricity Grid Code and the Indian Electricity Grid Code, as the case may be;
- (c) The consumer agrees to maintain the equipments at his premises including the transformer, switch gear and protection equipments and other allied equipments at his cost to the satisfaction of the authorized officer of the STU/Distribution Licensee;
- (d) The changing of the rupturing capacity of the switch gear and settings of the relays, if any, shall be subject to the approval of the authorized officer of the STU/Distribution Licensee;
- (e) The sub-station at the consumer premises shall be maintained effectively and operated by competent and qualified personnel;
- (f) Grid availability shall be subject to the restriction and control as per the orders of the State Load Dispatch Centre and as per Tamil Nadu Electricity Grid Code; and
- (g) The consumer can avail the power from the Generating Plant subject to the Restriction and Control measures imposed / approved by the Commission from time to time.

4. Metering Arrangements. -

- (a) The metering arrangements with facilities to record export and import of energy shall be provided in accordance with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, Tamil Nadu Electricity Regulatory Commission's Intra State Open Access Regulations, Tamil Nadu Electricity Distribution Code and Indian Electricity Grid Code / Tamil Nadu Electricity Grid Code in consultation with STU/Distribution Licensee. The periodicity of testing, checking, calibration etc., will be governed by the Regulations issued by the Central Electricity Authority / Commission in this regard;
- (b) Main and Check Meters shall have facility to communicate its reading to State Load Dispatch Centre / Distribution Control Centre on real time basis or otherwise, as may be specified by the Commission. Meter reading shall be taken as per the procedure devised by the STU/Distribution Licensee;
- (c) The STU/Distribution Licensee may provide Check Meters of the same specifications as that of Main Meters;
- (d) The consumer can have a standby meter of the same specification, tested and sealed by the STU/Distribution Licensee;
- (e) The Main and Check Meters shall be tested for accuracy as per the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006. The meters may be tested using NABL accredited mobile laboratory or at any accredited laboratory in the presence of parties involved. Both parties shall seal Main and Check meters. Defective meter shall be replaced immediately;
- (f) Reading of Main and Check meters shall be taken periodically at appointed day and hour by authorized officer of the STU/Distribution Licensee in the presence of the consumer or his representative;
- (g) Check meter readings shall be considered when Main Meters are found to be defective or stopped. Provided that, if difference between the readings of main and check meter vis-à-vis main meter reading

exceeds twice the percentage error applicable to relevant class, both meters shall be tested and the one found defective shall be immediately replaced and reading of other will be considered;

- (h) If during test or calibration, both the main meter and the check meter are found to have errors beyond permissible limits, the bill shall be revised for the previous 3 (Three) months or for the exact period if known and agreed upon by both the parties, by applying correction as determined by the STU/Distribution Licensee to the consumption registered by the meter with lesser error;
- (i) The consumer shall check the healthiness of meters (due to blowing of the P.T. fuses or due to any other causes) by superficially checking indicator lamps or by taking readings as frequently as possible. If both the main meter and the check meter fail to record energy either due to the blowing of the P.T. fuses or due to any other causes, the energy imported /exported may be arrived at based on the standby meter, if available, or by mutual agreement of the parties involved; and
- (j) The interface meters may be Special Energy meters (ABT compliant energy meters) with appropriate communication facilities to be connected with SLDC / Distribution Control Centre;

5. Adjustment of Energy Generated and Wheeled. -

- (a) The minimum limit of load for sale through open access by the consumer shall be governed by the Intra State Open Access Regulations. The net energy consumption shall be adjusted on unit-to-unit basis as detailed below. -

- (i) Peak generation shall be adjusted against peak consumption;
- (ii) Normal generation shall be adjusted against normal consumption;
- (iii) Off peak generation shall be adjusted against off peak consumption; and

- (iv) Peak and normal generation may be adjusted against lower slot consumption at the request of the consumer.
- (b) As and when the Commission implements the Intra-State ABT, the adjustment of energy is subject to the Intra-State ABT regulation in force.

6. Charges. -

- (a) Transmission and Wheeling charges. - Transmission and Wheeling charges shall be payable by the Consumer as per the order of the Commission for the time being in force;
- (b) Losses to be paid in kind. - The consumer agrees to compensate the average loss from the point of injection to the point of drawal as per the order of the Commission for the time being in force;
- (c) Scheduling and System operation Charges. - These charges shall be payable as per the order of the Commission for the time being in force;
- (d) Cross Subsidy Surcharge. - The cross subsidy surcharge shall be payable by the consumer as per the order of the Commission for the time being in force;
- (e) Grid availability /Grid Support Charges. -
 - (i) In case of outage of generator, the power drawn by the consumer for back up and other purpose shall be charged at the rate fixed in the Commission's order for the time being in force; and
 - (ii) When the scheduled generation is not maintained by the Generating Plant and when the drawal by the consumer from the Transmission/Distribution network is more than the generation from the Generating Plant, the charges shall be levied as per the order of the Commission for the time being in force.
- (f) Power Factor disincentive. - Power factor disincentive shall be as per the Tariff Order for the time being in force based on the gross energy

and applicable demand charges. The average power factor recorded will be the reference for calculation of power factor disincentive;

- (g) Reactive energy charges. - Reactive Power Charges is recoverable as per the regulation / Code /order in force;
- (h) Peak hour extra charges and off-peak hour rebate. - Peak hour extra charges and off-peak hour rebate shall be on net energy consumption after deducting generation in the Generating Plant during the respective peak hour block and off-peak hour block;
- (i) Any additional charges that may be approved by the Commission at a later date shall also be levied, with retrospective effect or from the date as approved by the Commission.

7. Billing. -

- (a) The distribution licensee shall raise bills for the net energy consumed by the consumer after adjusting the wheeled energy, where the consumption by the consumer is more than the generation from the Generating Plant at the rate applicable to that category of consumer;
- (b) The distribution licensee shall raise bills on the consumer for the charges payable for back up power and power drawn for other purpose, wheeling charges, excess demand & excess energy charges, etc, as per the order / regulations of the Commission for the time being in force; and
- (c) The STU shall raise bills on the consumer for the charges payable towards transmission charges, scheduling and system operation charges, etc. as per the order / regulations of the Commission for the time being in force.

8. Payment of Security Deposit. -

The consumer drawing power from the Generating Plant shall pay to the distribution licensee a security deposit for the net energy supplied by the

distribution licensee as specified by the Commission in its orders / regulations for the time being in force.

9. Applicability of the Acts, Regulations and Guidelines. -

The parties shall be bound by the provisions contained in the Electricity Act, 2003, Regulations, notifications, orders and subsequent amendments, if any, made thereunder from time to time by the Commission and the guidelines issued by the Government of India / Government of Tamil Nadu, as the case may be;

10. Agreement Period. -

(a) The tenure of this agreement shall be _____ (years/months/days/hours) calculated from the date of this agreement and thereafter the tenure may be extended for further periods based on the mutual agreement between the STU/Distribution Licensee and the consumer consistent with the Commission's Intra-State Open Access regulations. The classification of the terms (Long term, Short term, etc.) is as per the Commission's Intra State Open Access Regulations; and

(b) The parties to the agreement may at any time renegotiate the existing agreement mutually within the framework of the relevant regulations, codes and orders of the Commission in force.

11. Settlement of Disputes. -

If any dispute or difference of any kind whatsoever arises between the parties to this agreement, it shall, in the first instance, be settled amicably, by the parties, failing which either party may approach the Commission for the adjudication of such disputes under section 86 (1) (f) of the Electricity Act, 2003.

12. Force Majeure. -

Both the parties shall ensure compliance of the terms and conditions of this agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of this agreement to the extent that such failure is due to force majeure. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event(s);

In witness whereof Thiru. _____ acting for and on behalf of _____ (consumer) and _____ Authorized Officer of the STU/Distribution Licensee acting for and on behalf of the STU/Distribution Licensee have hereunto set their hands on the day, month and year hereinabove first mentioned.

In the presence of witnesses:

1)

Signature

Consumer

Common seal

2)

In the presence of witnesses:

1)

Authorized Officer of the STU/Distribution Licensee

2)

Signature

(By the order of the Commission)

**Secretary,
Tamil Nadu Electricity Regulatory Commission.**