



**NUCLEAR POWER
CORPORATION
OF INDIA LIMITED**

(A Govt. of India Enterprise)

16th & 20th Floor, Centre-1,
World Trade Centre,
Cuffe Parade, Mumbai-400 025.
Phone : 2182171 / 2183152 / 2182177
Gram : ATOMPPOWER.
Fax : 022-2180109

No.NPCIL/ Dir (E &C) /2001/M/

July 18, 2001

The Chairman,
Kerala State Electricity Board,
Vaidyuthi Bhavanam,
Pattom,
Thiruvananthapuram - 695 004.

Sub: Kaiga Atomic Power Station- Bulk Power Supply Agreement (BPSA)
signed on 29.12.2000-Original Agreement – Reg.

Sir,

One original Bulk Power Supply Agreement (BPSA) for Kaiga Atomic Power Station duly signed by all the beneficiaries is attached for your retention and records.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,

(K.J.Sebastian)

Director (Economic & Commercial)

BD
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21/7
CE
21/7



2216
28.12.2000

NPCL

P. Saraswathi
P. Saraswathi
STAMP VENDOR
L.C. No. 2251579
Mount Road, Chennai-3

BULK POWER SUPPLY AGREEMENT
BETWEEN
NUCLEAR POWER CORPORATION OF INDIA LIMITED
AND
TRANSMISSION CORPORATION OF ANDHRA PRADESH LTD.
(formerly Andhra Pradesh State Electricity Board)
KARNATAKA POWER TRANSMISSION CORPORATION LTD.
(formerly Karnataka Electricity Board)
KERALA STATE ELECTRICITY BOARD
TAMIL NADU ELECTRICITY BOARD
AND
ELECTRICITY DEPARTMENT, GOVT. OF PONDICHERRY

This AGREEMENT entered into on this 29th day of December Two thousand at Chennai (29.12.2000) between Nuclear Power Corporation of India Limited (A Government of India Enterprise wholly owned by Department of Atomic Energy), a company incorporated under the Companies Act, 1956, having its registered office at 424-425, World Trade Centre, Barakhamba lane, Connaught Place, New Delhi-110 001, hereinafter referred to as 'NPCIL', (which expression shall, unless repugnant to the context, include its representatives, successors and assigns) as party of the first part and Transmission Corporation of Andhra Pradesh Ltd., Vidyut Soudha, Hyderabad-500 049, Karnataka Power Transmission Corporation Limited, Cauvery Bhavan, Bangalore-560 009, Kerala State Electricity Board, Vaidyuthi Bhavanam, Pattom, Thiruvananthapuram -695 004, and Tamil Nadu Electricity Board, NPKRR Maaligai, 800, Electricity Avenue, Anna Salai, Chennai-600 002, all constituted under the Electricity (Supply) Act, 1948, and Electricity Department, Govt of Pondicherry, Pondicherry - 605 001, hereinafter referred to individually as 'APTRANSCO'(formerly APSEB), 'KPTCL' (formerly KEB), 'KSEB', 'TNEB' and 'Pondicherry' respectively and collectively called as 'Bulk Power Recipients' (which expression shall unless repugnant to the context include their representatives, successors and permitted assigns) as parties of the second, third, fourth, fifth and sixth part respectively.

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v)	MAIN IMPORT METER	Shall mean already installed static electronic energy meters of 0.2 class accuracy required for measurement in kilowatt-hours of active energy import by/at the Power Station at its 220 kv Bus Bars for energy accounting, billing and payment purposes.
vi)	MAIN EXPORT METER	Shall mean already installed static electronic energy meters of 0.2 class accuracy required for measurement in kilowatt-hours of active energy export by/from the Power Station at its 220 kv Bus Bars for energy accounting, billing and payment purposes.
vii)	CHECK IMPORT/EXPORT METER	Shall mean already installed static electronic meters of 0.2 class accuracy required for maintaining a check on performance of Main Import/Export meter.
viii)	DAE	Shall mean Department of Atomic Energy
ix)	GOI	Shall mean Government of India.
x)	LC	Shall mean irrevocable revolving Letter of Credit
xi)	REGIONAL ENERGY ACCOUNTING	Shall mean Monthly Energy Account including amendments/revisions thereof, prepared/issued by Commercial Committee of SREB for billing and payment purposes of the drawals of energy individually by BPR from each of the Central Generating Stations in Southern Region namely Ramagundam STPS, Second Thermal Power Station at Neyveli, Madras Atomic Power Station and Kaiga Atomic Power Station determined as per the methodology and the terms and conditions decided by the BPR from time to time.
xii)	SOUTHERN REGIONAL GRID	Shall mean the electric power Transmission Systems owned in Southern Region by Power Grid Corporation of India Ltd. And also by the Bulk Power Recipients which are operated in synchronous/ integrated mode.
xiii)	SRLDC	Shall mean Southern Regional Load Despatch Centre.
xiv)	DPC	Delayed payment charges

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2.0 ALLOCATION OF CAPACITY

Allocation of power from the Power Station shall be in proportion to the allocation made by the Government of India, Ministry of Power vide letter No. 8/9/99-Th. 3 Dated 19/3/1999.

NAME OF THE STATE/UT	SHARE IN (MWe)
Andhra Pradesh	115
Karnataka	108
Kerala	38
Tamil Nadu	105
Pondicherry	8
Unallocated	66
*** Total ***	440

However, the total active electrical energy output from the Power Station after meeting all the requirements of Power Station including its staff colony as well as the requirements of the facilities belonging to the Department of Atomic Energy, Government of India in the southern region shall be shared pro-rata amongst the Bulk Power Recipients in the ratio of the Megawatt allocations made to them and described in clause 2.0. The allocation of the unallocated power shall be made by the Government of India, from time to time.

3.0 POWER SUPPLY FROM THE POWER STATION

- 3.1 The drawal of power by the Bulk Power Recipients from the Power Station shall be in accordance with the conditions detailed in Annexure of this Agreement. Bulk Power Recipients shall draw their respective allocation of power detailed in clause 2.0 through the transmission systems owned in the Southern Region by Power Grid Corporation of India Ltd. and the transmission systems of Bulk Power Recipients directly and/or by displacement method. The Bulk Power Recipients shall regulate their drawal in accordance with the allocations detailed in clause 2.0.
- 3.2 The Power Station shall feed its output into the transmission system of PGCIL / KPTCL at its 220 KV Switchyard. The Bulk Power Recipients shall regulate their drawal in accordance with the allocations detailed in clause 2.0.
- 3.3 NPCIL shall at all time endeavor to operate the Power Station at as high plant load factor as a base load station as is possible considering the system conditions and safety of the Power Station. The Bulk Power Recipients shall at all times endeavor to draw all the power which the Power Station is in a position to sell. However, in the event of high frequency conditions in the Southern Regional Grid, the Power Station would be the last resort in the Southern Regional Grid to regulate the generation to the extent feasible consistent with safety of the Power Station.
- 3.4 In the event of any additional investment made with the approval of DAE, towards the modification of the Power Station facilities, to meet the safety requirements, the tariff will be revised as per notification issued by the GOI / CERC as the case may be. However, in case of any additional investments towards modifications / improvement of operational efficiency, the Bulk Power Recipients shall be consulted in advance.

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4.0 SYSTEM OF SUPPLY

- 4.1 The supply of electrical energy to the Bulk Power Recipients shall be in the form of three phase, alternating current, at a normal frequency of 50 Hertz and at a potential of 220 KV subject to the variation limits permitted by the Indian Electricity Rules, 1956 as amended from time to time. In the event of the grid frequency falling below 49.0 Hertz or rising above 50.5 Hertz, the Bulk Power Recipients and the Power Station shall take all measures expeditiously to restore the frequency as per SRLDC instructions.

5.0 POINT OF DELIVERY/ENERGY, METERING AND ACCOUNTING

The point of delivery of power/energy from the Power Station to the Bulk Power Recipients and the points for measurement for billing and payment purpose of active electric energy shall be located at 220 KV bus at the Power Station as per the memorandum of instructions for the assessment of energy sold, appended as Annexure to this Agreement.

6.0 AUXILIARY POWER REQUIREMENTS OF THE POWER STATION

- 6.1 If, at any time, the Generating Station is unable to meet its own auxiliary power requirements and/or the requirements of other Power Station facilities of the the Department of Atomic Energy, GOI, in the southern region which are supplied power directly from the Generating Station, full requirement of power as and when required by the generating Station and other units of DAE (GOI) for its facilities including staff colonies, buildings and plants used for that purpose, shall be made available by Southern Grid at 220 KV Bus Bars of the Power Station. The actual active energy so supplied will be adjusted against the energy supplied from the Power Station subsequently in REA.
- 6.2 KPTCL shall ensure reliable start up power to the extent required from two independent sources of the interconnected transmission system of KPTCL.

7.0 RATES OF SUPPLY

- 7.1 Based on the agreement between NPCIL and Bulk Power Recipients of the southern region on 30.6.2000 and as per the notification issued by the Govt. of India vide No.1/2(11)/2000-Power/ dated...20.11.2000, the tariff for the supply of active energy from Kaiga – Unit 2 was fixed at 295, 310, 325, 340 and 350 p/kwh in the 1st, 2nd, 3rd, 4th and 5th year respectively (from the date of commercial operation i.e from 16.3.2000). Since Kaiga – 1 has been declared commercial from 16.11.2000, the tariff for the supply of active energy from Kaiga –1 would be:

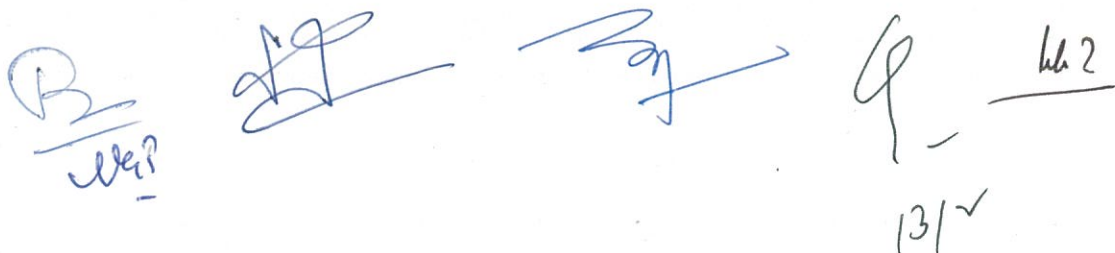
295 p/KWh from 16.11.2000 to 30.06.2001

310 p/KWh from 01.07.2001 to 30.06.2002

325 p/KWh from 01.07.2002 to 30.06.2003

340 p/KWh from 01.07.2003 to 30.06.2004 and

350 p/KWh from 01.07.2004 to 30.06.2005. There will not be any additional increase in tariff due to fuel and heavy water adjustment charges during the validity period of this agreement i.e. from 16.03.2000 to 15.03.2005 for Unit-2 and 16.11.2000 to 30.06.2005 for Unit-1.

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9.0 BILLING AND PAYMENTS

9.1 The Bulk Power Recipients shall pay to the Power Station all bills for the active energy supplied to them by the Power Station as well as the bills for the interest charges, if any, levied under clauses 9.2 and 9.3 below on presentation of such bills by the Power Station . The date of presentation of the bill shall be deemed to be the third working day from the date of issue of bills by the Power Station. The procedure for assessment of supply of energy shall be as laid down in the memorandum of instructions appended as Annexure-A to this Agreement.

9.1.1 Such bills shall be in accordance with the tariff in force.

9.2 ESTABLISHMENT OF LC AND PAYMENT OF BILLS.

9.2.1 Payment of all bills shall be made by the Bulk Power Recipients through an LC, opened in favour of NPCIL at a branch of the State Bank of India or any nationalised bank for an amount equivalent to one month's average billing based on past three months billing.

9.2.2 If the amount of bill is more than the amount of LC, NPCIL will prepare two bills, one bill equal to the amount of LC and the other for the balance amount for direct payment by the Bulk Power Recipients.

The LC shall be without any limitation or restriction with regard to the manner and dates when bill(s) can be presented to the Bank by NPCIL. The bills so presented by NPCIL to the the bank shall be promptly paid on their presentation. The amount of LC shall be reviewed each quarter commencing April, July, October and January in each financial year and its amount shall be enhanced/reduced accordingly. The LC charges shall be borne by the respective Bulk Power Recipients.

9.2.3 REBATE ON PAYMENT THROUGH LC

NPCIL shall allow a rebate of 2.5% only (two and a half percent only) (excluding duties, levies, etc.) on the amount paid through LC immediately upon presentation of the bills by NPCIL to Bank. Thereafter, NPCIL shall allow a rebate of 1.5% (one and a half percent) only on the amount paid through LC upto 20th day from the date of presentation of the bills. Where the payments are made subsequently through LC or otherwise upto 30 th day from the date of presentation of the bills, a rebate of 1% (one percent) only will be allowed. Where, the payments are made between 31 st day and 60 th day there shall be no rebate and no interest charge.

The rebate shall be limited on the amount of NPCIL bills excluding wheeling charges (if any), levies, duties, cess etc. billed therein.

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9.2.4 SURCHARGE DUE ON LATE PAYMENT

If LC is opened for a lower amount or though the LC is opened and the payment is not received, the bill amount not received would be payable with an interest @ 0.067% (zero point zero six seven percent) per day (i.e. 2% per month) reckoned from 60 days of the presentation of bill. Also, no rebate referred in Clause 9.2.3 above will be admissible on such amount.

This interest shall automatically become due and payable by the Bulk Power Recipients. Such interest shall be calculated and billed on monthly basis.

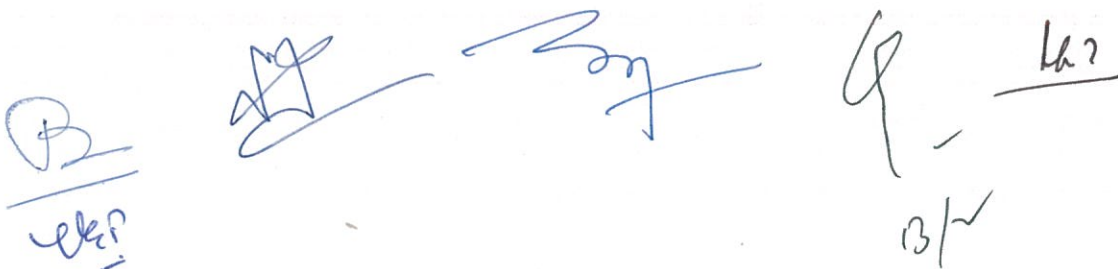
9.2.5 SUPPLEMENTARY BILLS

If the bill amount is greater than normal LC amount as per the average amount given in sub-clause 9.2.1 above. NPCIL will raise supplementary bill for the balance amount. The due date of payment for the supplementary bill will be 60 days from the date of presentation of the bill.

- (i) If the supplementary bill is paid within 7 (Seven) days of presentation of the bill, a rebate of 2.5% (two and a half percent only) excluding levies, duties, cess etc. will be allowed.
- (ii) If the payment of the supplementary bill is made through LC or otherwise between 8th (Eighth) day and 20th (Twentieth) day, a rebate of 1.5% (one and a half percent only) excluding levies, duties, cess etc. will be allowed.
- (iii) If the payment of the supplementary bill is made through LC or otherwise between 21 st (twenty first) day and 30 (thirtieth) day, a rebate of 1% (one percent only) excluding levies, duties, etc. will be allowed. If the payment is made between 31 st day and 60 th day there shall be no rebate and no interest charge.
- (iv) If the supplementary bill is paid beyond the 60th (Sixtieth) day, the interest will be payable @ 0.067%(zero point zero six seven percent) per day (2% per month) beyond the 60th (Sixtieth) day of presentation of the supplementary bill.

9.3 ERROR/REVISION IN THE BILLS

- 9.3.1 In the event of any error in the bills coming to the notice of the Bulk Power Recipients, the same shall be intimated by the Bulk Power Recipients within 30 days of the presentation of the bill to the Power station in writing and a copy endorsed each to NPCIL, Mumbai and SREB. The Bulk Power Recipients shall pay the portion of the bill as admitted by them within due date in respect of which an error is noticed in accordance with clause 9.2. The Power Station will modify the bill, if found necessary and the excess amount, if any, shall be adjusted against outstandings owed by the Bulk Power Recipients to the Power Station, else, the excess amount will be refunded to Bulk Power Recipients with a simple interest calculated @ 0.067% per day (2% p.m.) from the date of receipt of amount to the date of refund.



9.3.2 If the action of the Power station, on intimation of error in the bill, is disputed by the Bulk Power Recipients, a reference shall be made to Arbitration, as provided under clause 12, herein below. If on Arbitration, it is decided that the amount paid was not payable by the Bulk Power Recipients, NPCIL shall refund the same to the extent found not admissible by the Arbitrator along with such simple interest as may be determined by the Arbitrator, subject to this simple interest rate not exceeding 2% per month.

9.4 NON-PAYMENT OF BILLS AND NON-ESTABLISHMENT OF LC

It is agreed that the Bulk Power Recipients will make all efforts to open LC within a month. In the event of failure to establish/enhance LC within a month or alternatively in the absence of LC, if any bill(s) remain unpaid for a period exceeding two months from the date of receipt of the bill, NPCIL, shall have the authority to discontinue/reduce the supply of power from the Power station to such Bulk Power Recipients in consultation with the SREB.

10.0 PERIOD OF AGREEMENT

The Agreement shall be deemed to have come into effect from the date of Commercial Operation of Kaiga Unit – 2 (16.3.2000) and shall continue to remain in force upto 30.06.2005 , provided that this Agreement may be mutually extended, renewed or replaced by another Agreement on such terms and or such further period as the parties may mutually agree. In case, the Bulk Power Recipients continue to get power from the Power station even after expiry of this Agreement without further renewal or formal extension thereof, then all the provisions of this Agreement shall continue to operate till this Agreement is formally renewed, extended or replaced.

11.0 FORCE MAJEURE

The parties shall ensure compliance of the terms of this Agreement. However, no party shall be liable for any claims for loss, damage or compensation whatsoever arising out of failure to carry out the terms of this agreement, to the extent such failure is due to force majeure events such as war, rebellion, civil commotion, mutiny, riot, strike, lockout, fire, explosion, tempest, flood, lightning, earthquake or other forces, accident or any cause beyond the reasonable control of any party, or act of God or due to any restraint or regulation of the State or Central Government. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such an event and written notice within 30 (thirty) days to the other party to this effect. Generation /drawal of power shall be started as soon as practicable by the parties concerned after such eventuality has come to an end or ceased to exist.

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12.0 ARBITRATION

- 12.1 All differences or disputes between the parties arising out of or in connection with these presents, save any question or matter(s) or dispute(s) which falls within the scope and purview of the statutory arbitration under the provisions of Electricity (Supply) Act, 1948 as amended, shall be settled through arbitration as provided herein.
- 12.2 In the event of questions, differences, or disputes between the parties and failing settlement of the same through mutual discussions amongst the parties concerned and/or at SREB forum, any party may, within three months by a written notice to the other party or parties request for appointment of a sole Arbitrator to be agreed and decided mutually by the parties concerned. In case of disagreement, the sole arbitrator shall be nominated and appointed by Chairman, CEA.
- 12.3 The arbitration proceeding shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (No. 26 of 1996) and any statutory modifications thereto and rules framed thereunder.
- 12.4 In an arbitration invoked at the instance of either party to this agreement, the sole arbitrator shall be free to consider the counter claim(s) of other party or parties even though they are not mentioned in the reference to arbitration.
- 12.5 Notwithstanding the existence of any disputes and differences referred to arbitration, the parties hereto shall continue to perform their respective obligations under this Agreement and payment of any bill referred to arbitration shall not be withheld by the Bulk Power Recipients for any reason whatsoever during the pendency of arbitration proceedings.
- 12.6 In case CERC is entrusted with fixing of tariff for Atomic Power Stations, then CERC shall be the arbitrator.

13.0 IMPLEMENTATION OF THE AGREEMENT

- 13.1 All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the authorised representative(s) that each party may nominate in this behalf and notify in writing to the other party by Registered Post from time to time. Nomination of authorised representative(s) shall be informed likewise in writing by the Bulk Power Recipients within one month of signing of the Agreement.

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

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14.0 NOTICE

14.1 All notices required or referred to under this agreement shall be in writing and be signed by the authorities mentioned below. Each such notice shall be deemed to have been duly given upon receipt by the party involved, if delivered or sent by Registered Post/ Speed Post with postage prepaid and with an acknowledgment of receipt from the other party as follows:

To or by the NPC:

Chairman & Managing Director,
Nuclear Power Corporation of India Ltd.
16th Floor, Centre-1, World Trade Centre,
Cuffe Parade, Mumbai - 400 005.

To or by the Power Station:

Station Director,
Kaiga Atomic Power Station,
Kaiga, Karwar - 581 400

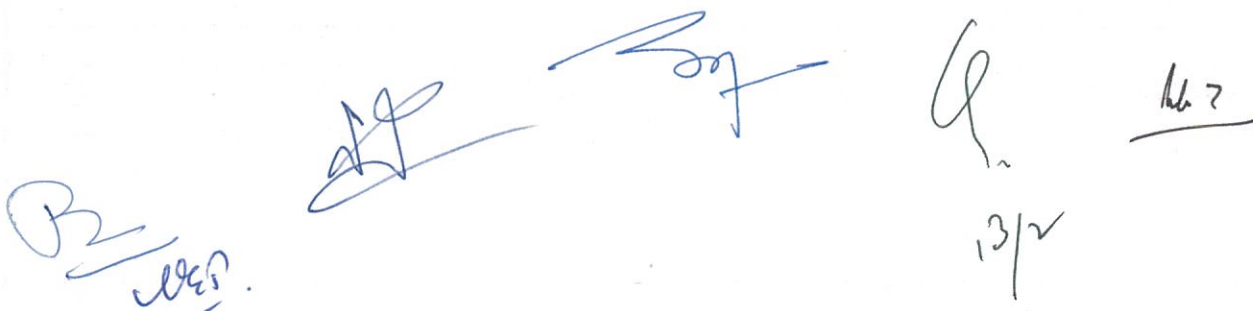
The Chairman,
Tamil Nadu Electricity Board,
NPKRR Maaligai,
800 Anna Salai,
Madras - 600 002.

The Chairman & Managing Director
Transmission Corporation of Andhra Pradesh Ltd.,
Vidyut Soudha,
Hyderabad - 500 049.

The Chairman & Managing Director
Karnataka Power Transmission Corporation Ltd.
Cauvery Bhavan,
Bangalore - 560 009.

The Chairman,
Kerala State Electricity Board,
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram - 695 004.

The Principal Secretary (Power)
Electricity Department,
Govt. of Pondicherry,
Pondicherry-605 001.

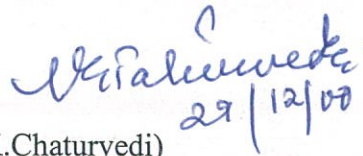
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In witness whereof the parties hereto have caused this Agreement to be executed by their respective duly appointed representatives on the day, month and the year first above written.

Witness :



(K.J. Sebastian)
Director (Economic & Commercial)
Nuclear Power Corporation
of India Limited, 16th Floor,
World Trade Centre,
Mumbai - 400 005.


29/12/00

(V.K. Chaturvedi)
Chairman & Managing Director
Nuclear Power Corporation
of India Limited, 16th Floor,
World Trade Centre,
Mumbai - 400 005.



(S. Thammimalai)
Member (Generation),
TNEB, 800, Anna Salai,
Chennai - 600 002.



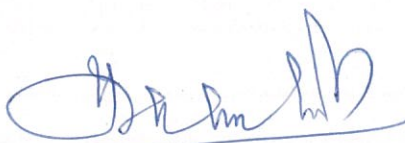
(R. Poornalingam)
Chairman,
Tamil Nadu Electricity Board,
KPKRR Maaligai, Electricity Avenue,
800, Anna Salai, Chennai - 600 002.



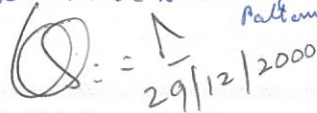
(Gopalachary)
Director (Transmission),
Transmission Corporation of Andhra Pradesh Ltd.
Vidyut Soudha, Hyderabad - 500 049.


29/12/2000

(S. Shivamallu)
Director (Transmission),
Karnataka Power Transmission Corporation Ltd,
Cauvery Bhavan, Bangalore- 560 009.



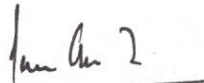
P.T. Johannan,
Chief Engineer, Investment Promotion
& Business Development,
Kerala State Electricity Board,
Pattom, Thiruvananthapuram - 695 004.


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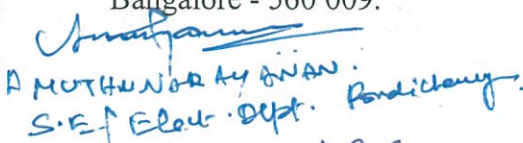
(K. Srinivasa Rao)
Superintending Engineer
Southern Regional Electricity Board,
Bangalore - 560 009.



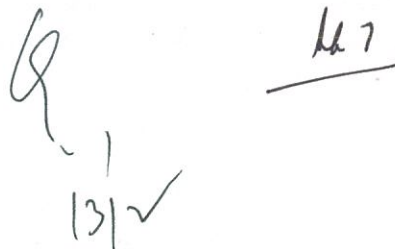
(G. Rajasekaran) 13/2/2001
Chairman,
Kerala State Electricity Board,
Vaidyuthi Bhavanam,
Pattom, Thiruvananthapuram - 695 004.



(Navin B. Chawla)
Principal Secretary (Power)
Electricity Department, Govt. of Pondicherry,
Pondicherry - 605 001


A. MUTHUNATHAN
S.E. Elect. Dept. Pondicherry.




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MEMORANDUM OF INSTRUCTIONS FOR THE ASSESSMENT OF ENERGY SOLD TO THE BULK POWER BENEFICIARIES

A.1. This memorandum jointly approved by the Bulk Power Beneficiaries and NPCIL lays down the legal procedure to be followed for the assessment and billing of electrical energy supplied from the Power Station to the Bulk Power Beneficiaries using Southern Regional Grid.

A.2. For supplying power from the station, a total of 6 lines are envisaged, which are owned by KPTCL/PGCIL. The details of these lines are given below :

Kaiga-Kadra	220 KV Single circuit line
Kaiga-Kodasalli	220 KV Single circuit line.
Kaiga-Sirsi-Davanegere (Initially operated at 220KV)	400 KV double circuit line
Kaiga-Narendra (Dharwad)-Kolhapur (Initially operated at 220 KV)	400 KV double circuit line

A.3. Bulk Power Beneficiaries shall enter into suitable arrangement with PGCIL, other Bulk Power Beneficiaries or Agencies for wheeling the energy generated by the Power Station. The Wheeling charges will be payable directly by the Bulk Power Beneficiaries receiving energy to PGCIL or other Agencies wheeling energy. The payments of NPCIL bills in any case shall not be affected as a result of any dispute amongst the Bulk Power Beneficiaries, PGCIL or other agencies and no deductions from NPCIL bills would be permissible on this account.

A.4. As the 220 KV lines from the Power Station are connected to Southern Regional Grid, apart from evacuating the power from the Power Station, there will also be power flow from and to the Southern Regional Grid through these lines. When Power Station is totally shut down, the power requirement of the Power Station and their facilities belonging to the department will be obtained from Southern Regional Grid through these lines and these exigencies would be accounted in the Regional Energy Accounts.

A.5. The Power Station shall prefer bills for the net energy supplied to the Bulk Power Beneficiaries on the basis of "Regional Energy Accounts" prepared by SREB under the agreement, from meter reading as described below.

A.6. For assessing and billing the energy supplied by the Power Station to the Bulk Power Beneficiaries and vice versa, the following metering arrangements are made:

A.6.1 MAIN AND CHECK SYSTEM.

A.6.1.1 Two sets of metering by main and check are provided to ensure that metering arrangement is reliable.

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A.6.1.2 Two sets of Energy meters are provided on 220 KV side of Generator Transformer and start-up transformer of each unit. For this purpose CTs are provided on 220 KV side and PT supply is taken from Electromagnetic Voltage Transformer connected to 220 KV buses.

A.6.1.3 Energy meters connected to Generator transformer side will record the energy exported to grid whereas those connected to Start-Up-Transformer side will record the energy imported from the Southern Regional Grid.

A.7. For billing purposes, the net energy supplied from the Power Station will be arrived at by subtracting the energy recorded in Import (Main) from Export (Main). In case the energy imported by the Power Station is more than the net energy supplied from the Power Station, it will be arrived at by subtracting the energy recorded by Export Meter (Main) from energy recorded in Import Meter (Main). The meters Import (Main), Export (Main) and others are provided with reverse stop arrangement to prevent recording of energy when the meters run in reverse direction.

A.8. In case of the Export and Import Main meters failure, the net energy calculation shall be made from the readings of check meters.

A.9. NPCIL will generate power and would inject the same into the Southern Regional Grid, SRLDC shall monitor and co-ordinate as per agreed guidelines the drawals by Bulk Power Beneficiaries as per their entitled share(s). The respective Bulk Power Beneficiaries shall so regulate their power system parameters as to draw their shares of NPCIL's power from the grid.

A.10. All the main and check meters accuracy is $\pm 0.2\%$ class. They shall be jointly inspected and sealed on behalf of the parties concerned and shall not be interfered with by either party except in the presence of the other party or its accredited representatives.

A.11. The monthly meter reading (both main and check meters) shall be taken jointly by KPTC/NPCIL/PGCIL on the first day of the calendar month at 1200 noon. The readings shall be faxed to SREB immediately and a copy sent by post. A signed copy of such readings will also be brought by the representative of each party and made available to SREB. Energy accounting by SREB shall be based on the main meter readings and billing by NPCIL shall be as provided in the clause 9.0 of the agreement.

A.12. The consumption registered by the main meter alone will hold good for the purpose of energy accounting by SREB and billing, provided that if the readings of the main meter differ from reading of corresponding check meters by more than $\pm 0.4\%$, the main and check meters shall be tested and calibrated. If, upon such testing, the main meter error exceeds $\pm 0.2\%$, the energy figure recorded by the main meter shall be revised accordingly; pending results of such testing, accounting shall continue to be based on the energy recorded by the main meters.

A.13. If, at any time, any party feels that a main meter is not reading correctly, it shall give notice to the concerned party (however, energy calculation can be made by using check

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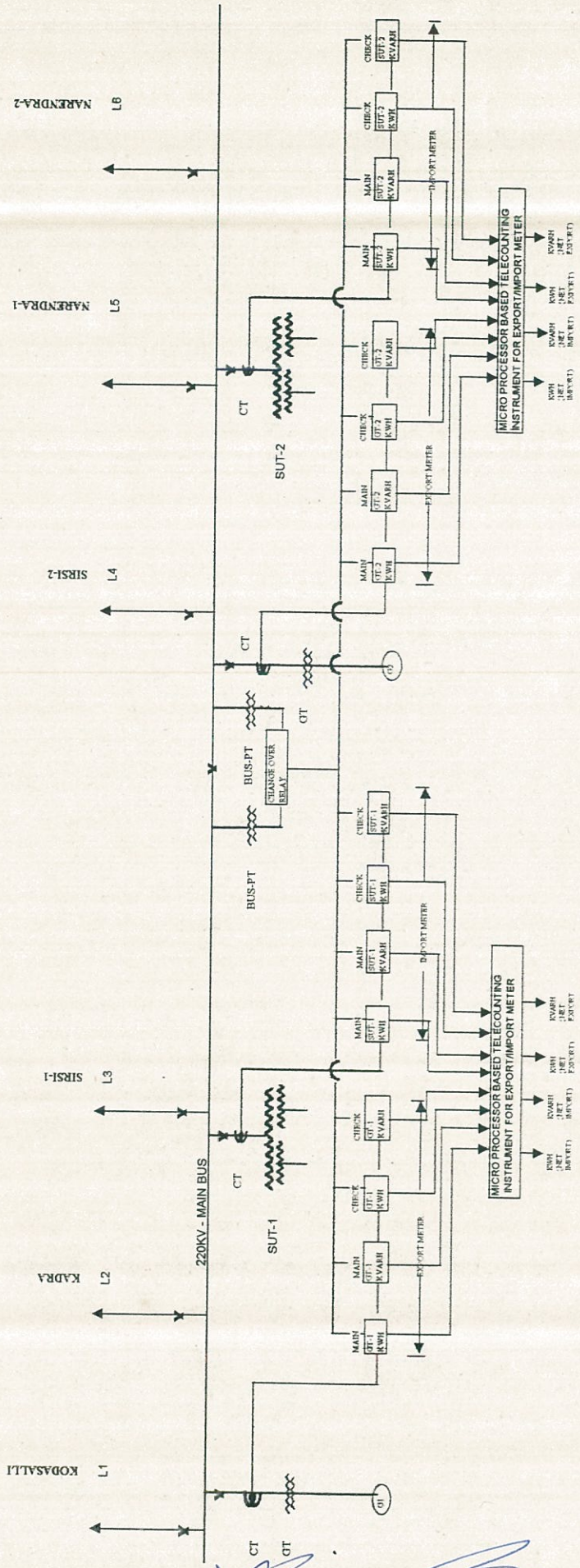
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BILLING SCHEMATIC SHOWING EXPORT/IMPORT OF ENERGY FOR KAIGA ATOMIC POWER STATION UNIT I & II

Attachment to Letter No. : NPCIL/COMM/2000/M/192 Dated : 19/08/2000

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