

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. **Shri Bhanu Bhushan, Member**
2. **Shri R. Krishnamoorthy, Member**

Petition No.4/2006

In the matter of

Review of the frequency linked Unscheduled Interchange (UI) price vector and implementation of a payment security mechanism for UI charges.

And in the matter of

Northern Regional Load Despatch Centre

..Petitioner

Vs

1. Punjab State Electricity Board, Patiala
2. Haryana Vldyut Prasaran Nigam Limited, Panchkula
3. Rajasthan Rajya Vidyut Prasaran Nigam Limited Jaipur
4. Delhi Transco Limited, New Delhi
5. Uttar Pradesh Power Corporation Limited, Lucknow
6. Himachal Pradesh State Electricity Board, Shimla
7. Power Development Department Government of Jammu & Kashmir, Jammu
8. Power Transmission Corporation of Uttaranchal Limited, Dehradun
9. Electricity Department, UT of Chandigargh, Chandigargh
10. National Thermal Power Corporation, New Delhi
11. National Hydro Electric Power Corporation, Faridabad
12. Nuclear Power Corporation of India Limited, Mumbai
13. Satlej Jal Vidyut Nigam, Shimla
14. Tehri Hydro Development Corporation, Noida
15. Bhakra Beas Management Board, Chandigargh
16. Central Electricity Authority, New Delhi
17. Northern Regional Electricity Board, New Delhi

.. Respondents

Petition No. 22/2006

In the matter of

Ensuring secure and reliable operation of Northern Regional Grid by maintaining the regional grid frequency above 49.0 Hz.

And in the matter of

Northern Regional Load Despatch Centre, New Delhi

..Petitioner

Vs

1. Uttar Pradesh Power Corporation Ltd., Lucknow
2. Power Development Department, Govt. of J&K, Srinagar
3. Rajasthan Rajya Vidyut Prasaran Nigam Ltd, Jaipur
4. Punjab State Electricity Board, Patiala
5. Haryana Vidyut Prasaran Nigam Ltd, Panchkula
6. Delhi Transco Ltd, New Delhi

7. Himachal Pradesh State Electricity Board, Shimla
8. Uttranchal Power Corporation Ltd, Dehradun
9. Chandigarh Administration, Chandigarh
10. NTPC Ltd, New Delhi
11. National Hydro Power Corporation Ltd, Faridabad
12. Nuclear Power Corporation of India Ltd, Mumbai
13. Satej Jal Vidyut Nigam Ltd, New Shimla
14. Tehri Hydro Development Corporation, Rishikesh
15. Bhakra Beas Management Board, Chandigarh
16. Northern Regional Power Committee, New Delhi ..**Respondents**

Petition No.145/2006

In the matter of

Ensuring secure and reliable operation of Southern Regional Grid by maintaining the regional grid frequency above 49.0 Hz.

And in the matter of

Southern Regional Load Despatch Centre, Bangalore Petitioner
Vs

1. Transmission Corporation of Andhra Pradesh Ltd., Hyderabad
2. Karnataka Power Transmission Corp. Ltd., Bangalore
3. Tamil Nadu State Electricity Board, Chennai
4. Kerala State Electricity Board, Thiruvananthapuram
5. Electricity Department, Pondicherry
6. Electricity Department, Panaji, Goa
7. National Thermal Power Corporation Ltd., New Delhi
8. Neyveli Lignite Corp. Ltd., Neyveli
9. Nuclear Power Corporation of India Ltd., Mumbai
10. Southern Regional Power Committee, Bangalore Respondents

ORDER

Petition No.4/2006

This petition was filed by NRLDC on 13.1.2006. It was heard on 27.4.2006 and an order dated 27.4.2006 was issued by the Commission, wherein certain directions were issued. The Commission observed as under:

“13. We have also taken note of the views of the petitioner and the respondents on the question of revision of UI rates as also on payment security mechanism and reserve our orders on these aspects. For the time being the existing UI rates shall continue to be applied. The grid situation shall be observed for three weeks to gauge the impact of various

disciplinary measures ordered today. If the situation does not improve to whole satisfaction of the concerned authorities, the proposal to revise the UI rates in order to induce grid discipline shall be taken up. Even during the intervening three weeks, if State Utilities indulge in overdrawals against the direction of RLDCs the latter will be free to file the cases of indiscipline before this Commission.”

2. The situation improved marginally for some time, but deteriorated again. While the matter could not be concluded in the proceedings under Petition No.4/2006, review of UI price vector has subsequently been dealt with in Petition No.15/2007 (suo motu), which has culminated in UI rate increase w.e.f. 30.4.2007. The matter regarding payment security mechanism for UI charges has also been fully covered in the discussion paper titled “Remedy for Default in Payment of Dues by Power Utilities” issued by the Commission on 4.5.2007. In view of the above, Petition No.4/2006 now be treated as disposed of.

Petition No.22/2006

3. This petition was filed by NRLDC on 12.4.2006 in the matter of “Ensuring secure and reliable operation of NR grid by maintaining the regional frequency above 49.0 Hz”. It was heard on 8.6.2006, and an order was issued on the same date. While the matter could not be concluded in this petition, it has been subsequently dealt with in Petition No. 14/2007 (suo motu) as discussed below in connection with Petition No.145/2006. The last sentence of para 7 of the order dated 23.5.2007 in Petition No.14/2007 reads as follows:

“The Commission would separately address all SEBs/STUs asking them to submit their plans for meeting the State’s demand, both short-term and long-term.

It is particularly relevant, and takes care of the matter left open in the order dated 8.6.2006 in Petition No.22/2006. We, therefore, treat the Petition No.22/2006 as disposed of, and the required follow up action would be a matter of separate proceedings as per the sentence quoted above.

Petition No.145/2006

4. Petition No.145/2006 was filed by SRLDC on 16.11.2006, in the matter of “Ensuring secure and reliable operation of SR grid by maintaining the regional grid frequency above 49.0 Hz and review of the UI price vector”. All constituents of Southern Region were the respondents in this petition, which was heard by the Commission on 11.1.2007, 2.2.2007 and 6.3.2007. In its order dated 15.1.2007, the Commission directed ED (SO & NRLDC), Powergrid “to deliberate the issue of enhancement of the UI prices in consultation with the RLDCs and SLDCs and submit a consolidated proposal to the Commission by 25.1.2007”. In this manner, the Commission expanded the scope of the original petition for SR to cover the other regions as well, since similar problems were being faced there also.

5. In the next order dated 13.2.2007 in Petition No.145/2006, the Commission “decided to segregate the issue of enhancement of UI price vector and deal with it separately in Petition No.15/2007 (suo motu)”. The proceedings in Petition No.15/2007 have since culminated in an upward revision of UI charge rates w.e.f. 30.4.2007. The other issue in the original petition (145/2006), i.e.

ensuring secure and reliable operation of SR grid, had also been taken up by the Commission on all-India basis under Petition No.14/2007 (suo motu). In its order dated 6.3.2007 in Petition No.145/2006, the Commission had directed its listing along with Petition No.14/2007, thus effectively clubbing the two petitions. The matter has been fully dealt with in the order dated 23.5.2007 in Petition No.14/2007. It thus transpires that the subject matter of Petition No.145/2006 has been completely dealt with in Petitions No.14/2007 and 15/2007, and this petition also be treated as disposed off.

Sd/-
(R. KRISHNAMOORTHY)
MEMBER

Sd/-
(BHANU BHUSHAN)
MEMBER

New Delhi dated the 3rd July, 2007