

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

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

Petition No.68/2007

In the matter of

Direction to CTU for grant of long-term open access on the existing ER-WR corridor, i.e. 400 kV Raipur-Rourekelala transmission line including 220 kV Korba Budhipadar transmission line for transfer of 400 MW power from DVC stations at Mejia and Chandrapur.

And in the matter of

Application under provision of clause 35 (Redressal Mechanism of the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2004.

And in the matter of

M. P. Power Trading Company Limited

.....**Petitioner**

Vs

1. Power Grid Corporation of India Ltd., New Delhi
2. Member-Secretary, Western Regional Power Committee, Mumbai

...**Respondents**

The following were present:

1. Shri D. Khandelwal, MPPTCL
2. Shri S.Sen, PGCIL
3. Smt. Manju Gupta, PGCIL
4. Shri Sunil Agrawal, PGCIL
5. Shri S.R.Narasimhan, NRLDC
6. Shri P.Patel, Member-Secretary, WRPC

**ORDER
(DATE OF HEARING: 29.5.2007)**

The application has been made for direction to Power Grid Corporation of India Limited, the Central Transmission Utility (hereinafter referred to as `the respondent`) to grant long-term open access to the petitioner on the existing ER-WR corridor, that is, 400 kV Raipur-Rourkela transmission line and three circuits of 220 kV Korba-

Budhipadar transmission line for transfer of 400 MW of power from DVC generating stations at Mejia and Chandrapur in the Eastern Region.

2. It is averred that the petitioner entered into a contract with Damodar Velly Corporation (DVC) on 3.3.2006 for purchase of 400 MW of power. Accordingly, the petitioner made an application before the respondent on 27.5.2006 for grant of long-term open access for inter-State transmission of electricity for 400 MW through ER-WR corridor, along with fee of Rs. one lakh. It is stated that the petitioner was advised by the respondent that as per systems study, the existing system is inadequate, and, therefore, system strengthening was essential before open access was granted. The respondent asked for consultancy charges of Rs. 10.66 lakh for a detailed systems study. Based on this advice, the petitioner is stated to have deposited Rs. 9.66 lakh on 13.10.2006.

3. Subsequently, DVC on 6.2.2007 informed the petitioner that power transfer of 200 MW by July 2007 and another 200 MW by September 2007 was expected. The petitioner informed the same to the respondent. The respondent discussed the matter with other WR constituents and CEA on 23.2.2007. The petitioner has submitted that in the meeting, none of the beneficiaries objected to its proposal. However, the respondent was of the opinion that in case long-term open access was granted to the petitioner, 50% of capacity would be reserved for one utility which would affect the short-term open access transactions. The matter is also stated to have been discussed in WRPC meeting held on 28.2.2007 and again no beneficiary had objected to the petitioner's proposal. The petitioner again took up the matter with the respondent on 3.3.2007 in light of the discussion held in WRPC meeting.

4. Looking to the attitude of the respondent, the petitioner made an application to Member-Secretary, WRPC (hereinafter referred to `the Member-Secretary`) on 6.3.2007 for redressal under regulation 35 of the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2004 (hereinafter `the regulations`). The Member-Secretary, finding no valid reason for denial of access, wrote a letter on 23.3.2007 to the respondent stating that long-term open access be provided to the petitioner urgently and gave 10 days time to the respondent to respond. Meanwhile, generating unit of 250 MW at Mejia was put on trial operation on 31.3.2007. In the absence of any communication from the respondent, the Member-Secretary directed the respondent to grant open access to the petitioner immediately. The respondent has not acted upon the decision of the Member-Secretary.

5. Therefore, the petitioner made the application under Regulation 35 of the regulations, with a request to issue directions to the respondent to grant open access.

Statutory provision

6. The relevant provisions of the regulations are extracted hereunder:

“4.2(ii). The persons availing or intending to avail access to the inter-state transmission system for a period of twenty-five years or more shall be the long-term customers:

Provided that the existing beneficiaries of a regional transmission system owned or operated by the Central Transmission Utility shall be deemed to be the long-term customers of the particular regional system owned or operated by the Central Transmission Utility for the purpose of these regulations.

5(i). The long term access shall be allowed in accordance with the transmission planning criterion stipulated in the Grid Code.

6(i). Allotment priority of a long-term customer shall be higher than reservation priority of short-term customer.

8(i). The nodal agency for arranging the long-term transmission access shall be the Central Transmission Utility if its system is used, otherwise the nodal agency shall be transmission licensee in whose system the point of drawal of electricity is situate;

9(i). An application for long-term access shall be submitted to the nodal agency.

23. When because of transmission constraints or otherwise, it becomes necessary to curtail the transmission service of the transmission customers, the short-term customers shall be curtailed first followed by the long term customers.”

7. The relevant provisions of Indian Electricity Grid Code is extracted hereunder:

“3.4. Planning Policy

(c) In addition to the major inter-State transmission system, the CTU shall plan, from time to time, system strengthening schemes, need of which may arise to overcome the constraints in power transfer and to improve the overall performance of the grid. The inter-State transmission proposals including system strengthening scheme identified on the basis of the planning studies would be discussed, reviewed and finalized in the meetings of Standing Committee for Transmission Planning in consultation with the beneficiaries and the CEA.”

Proceeding before the Commission

8. The representative of the respondent in its submissions in the present proceedings at the oral hearing before the Commission stated that an additional inter-regional link between ER and WR, that is, Ranchi-Sipat 400 kV D/C transmission line with fixed series compensation, associated with Kahalgaon STPS - II (3x500 MW) generation project of NTPC in ER, is likely to be commissioned by December 2007. It was contended on behalf of the respondent that with the commissioning of Ranchi-Sipat transmission line, the transmission capacity of ER-WR corridor would be enhanced to 2400 MW. However, there could be allocation of firm and unallocated power totaling 1600 MW for WR beneficiaries from Barh STPS and Kahalgaon STPS - II generating stations in ER. The representative of the respondent further contended that taking into account the security margin of 500 MW, the balance capacity on ER-

WR links could be 300 MW and after considering 'n-1' redundancy criterion, there could be no spare margin available on ER-WR links. Therefore, it was submitted, the petitioner's request for transfer of 400 MW power over ER-WR links could not be accommodated. The representative of the respondent informed that it could consider the petitioner's request for grant of open access after commissioning of second 400 kV Rourkela-Raipur D/C transmission line in 2009-10.

9. In response, the representative of the petitioner submitted that existing ER-WR corridor consisted of a 400 kV D/C Rourkela-Raipur transmission line and three circuits of 220 kV Budhipadar-Korba transmission line. 400 kV D/C Rourkela-Raipur transmission line has been designed for operation up to 85 degree Celsius conductor temperature and has been provided with 40% series compensation and, therefore, the thermal loading limit for this transmission line is in excess of 2000 MW. The representative of the petitioner argued that there has been successful sustained loading of 1000 MW per circuit on this transmission line on several occasions in the past. The petitioner further submitted that though cost of series compensation has been borne entirely by WR constituents including the petitioner, they were being deprived of its benefit.

10. The Member-Secretary informed at the hearing that as per clause-7.5.10 of IEGC, capacity of ER-WR link is 1500 MW with a limit of 1000 MW on scheduled import, thereby leaving a security margin of 500 MW. WR beneficiaries have allocation of 169 MW/219 MW during peak/off-peak periods from the central generating stations in ER. No long-term open access for any bilateral transaction was granted on ER-WR corridor and, therefore, there was sufficient margin available for grant of long-term

open access for conveyance of 400 MW of power. The Member-Secretary stated that there was no reason to deny long-term open access to the petitioner.

Findings

11. We are not satisfied with the submissions made by the respondent to deny open access to the petitioner. The respondent has already accepted that after commissioning of the second 400 kV D/C Rourkela-Raipur transmission line in 2009-10, enough transmission capacity would be available from ER to WR for accommodating the long-term open access now sought by the petitioner. Prior to commissioning of the above line, the 400 kV D/C Ranchi-Sipat transmission line (presently under construction and to be commissioned by December 2007) should have a spare capacity (which is ultimately to be utilized for allocations for WR beneficiaries in Barh STPS), and the same can be assigned up to 2009-10 for transferring 400 MW from the DVC power station to the petitioner. Further, for the period from July 2007 to December 2007, the existing ER-WR links can be utilized for this purpose. These links have not been constructed only for transmitting allocation out of unallocated capacity of Central generating stations and for infirm/inadvertent flows. If a firm power transfer requirement (as applied for) has come up, the same must also be accommodated. Having already provided a reliability margin of 500 MW, it is not logical to apply 'n-1' redundancy criterion to conclude that there is no spare capacity in the existing ER-WR link.

12. The optimum utilization of transmission systems require proper coordination between the CTU, the STUs and CEA. The purpose of the regulations is to enable power flows for overall optimization with reasonable grid security considerations and not to block power flow by applying very conservative criteria. When a utility has made

efforts to tie up the generation to mitigate its shortages, the CTU, and for that matter any other utility, should make reasonable efforts to facilitate transfer of power.

13. While commissioning 400 kV D/C Ranchi-Sipat transmission line in December 2007, the CTU should ascertain adequacy of transmission network upstream of Ranchi and downstream of Sipat. For the period from July 2007 to December 2007, with the present allocation of 169 MW/219 MW during peak/off-peak periods from ER central generating stations to WR beneficiaries, the existing ER-WR link has a surplus capability of about 800 MW and, therefore, import of 400 MW by the petitioner can be accommodated without any security risks. Since the petitioner is seeking transmission corridor as a long-term beneficiary, the same should have priority over any other short-term transactions. Accordingly, we direct that the respondent shall provide long-term open access of 400 MW to the petitioner for transfer of electricity from DVC stations: on the existing ER-WR links from July 2007 to December 2007, on 400 kV D/C Ranchi-Sipat transmission line from December 2007 up to the commissioning of the new 400 kV D/C Rourkela-Raipur transmission line, and on the latter line thereafter. The respondent shall ensure that this requirement of power flow is taken into consideration in the future planning process.

14. We have considered the oral submissions made at the hearing and have made this order. Under Regulations 35 of the regulations, the Member-Secretary has been authorized to resolve the complaints and issues related to open access. Only if he is unable to resolve the matter, the same is to be reported to the Commission. It is a matter of concern that the respondent chose not to respond to the communications from the Member-Secretary. It is necessary that all entities, particularly statutory

entities like the respondent should convey their view point to the Member-Secretary for a just and fair decision and for meaningful implementation of the regulations.

15. With the above directions, the present petition stands disposed of. The petitioner shall deposit balance filing fee of Rs. 80,000/- within one month from the date of the order.

Sd/-
(R.KRISHNAMOORTHY)
MEMBER

sd/-
(BHANU BHUSHAN)
MEMBER

New Delhi dated the 15th June, 2007