Minutes of the 6th meeting of the Coordination Forum held on 30.03.2010 in Conference Room of CERC New Delhi

List of participants is attached at *Annexure-1*.

Dr. Pramod Deo, Chairperson, CERC was in Chair.

1) Review of discussion/decisions of the 5th meeting of Coordination Forum held on 11.11.2009

- (i). Secretary, CERC apprised that the proposal of further narrowing the permissible frequency in the grid has been included in the draft IEGC regulations circulated for previous publication. Similarly, the proposals regarding tariff for transmission lines being developed through competitive bidding after the expiry of first license period of 25 years have been incorporated in the draft amendment to the transmission license regulations circulated for the previous publication. The Commission has also sent its advice to the Central Government on this matter.
- (ii). The representative of CTU assured that their proposals for utilizing the fund available in UI pool account are being expedited.
- (iii). The representatives of Ministry of Power and CEA assured the Coordination Forum that the present status on the following decisions taken in the last meeting would be informed to the Forum in the next meeting:
 - a) Ministry of Power may like to review the procedure for granting authorization under section 164 with the objective of reducing the time involved in giving such authorizations.
 - b) CEA may accelerate their efforts to facilitate adoption of standard tower design.
 - c) Ministry of Power may resolve the new issues regarding the legal position of dedicated transmission lines under the Electricity Act taking a holistic view of

the sector and also the earlier statutory order passed by the government in the matter.

- (iv). Secretary, CERC/Forum of Regulators informed that the following two decisions are being placed before the relevant authority for necessary action:
 - a) The Empowered Committee which deals with tariff based competitive bidding for transmission projects at interstate level may look into the suggestion of prequalifying the bidders without reference to a particular project.
 - b) The Forum of Regulators may discuss the need for expediting long term procurement by the state utilities through tariff based competitive bidding.

2) Agenda Item No.1 : Connectivity to ISTS for generating stations of installed capacity of less than 250 MW.

The Coordination Forum was apprised that in the CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-state Transmission and related matters) Regulations, 2009, it has been provided that a generating station of installed capacity of 250 MW and above would be eligible to apply for connectivity to the inter-state transmission system. An issue has now arisen regarding the grid connectivity of hydro stations of less than 250 MW particularly in the States like Arunachal Pradesh and Sikkim where the state transmission systems are not geared up to provide connectivity to such stations. Forum considered the background note circulated by the Engineering Division of CERC on this issue in which it had been proposed that hydro generating stations of 50 MW and above could be permitted to seek connectivity to ISTS in the North-Eastern region of the country.

Mainly the following views were expressed during the discussions on the agenda item:

a) The state transmission system is owned by the Electricity Departments in States like Sikkim and Arunachal Pradesh where most of the unexploited hydro potential is

located and these departments are not in a position to provide evacuation facilities for new hydro generating stations. A large number of these projects have capacity less than 100 MW. In order to facilitate grid connectivity to the new hydro stations, the feasibility of establishing new pooling substations by CTU needed to be explored. Such new pooling substations could be planned as a part of Master Plan for ISTS. Such a Master Plan has been attempted by CEA in the State of Sikkim. However, the challenge would remain to arrive at appropriate phasing for constructing the substations in accordance with the Master Plan in view of the fact that many of the new hydro stations have not yet firmed up their likely commissioning schedule. It was apprised by CEA that they have given technical clearance so far to only three private sector hydro stations.

- b) It was emphasized that even after such pooling substations are developed by CTU, there would be need for construction of dedicated transmission lines by a group of power project developers in order to optimize the cost and also the right of way. Therefore, there was a need to expedite clearly establishing the legal status of dedicated transmission lines to be developed by a group of generating companies. It was recalled that this issue had been flagged by the Coordination Forum in its last meeting also and the Ministry of Power was requested to expedite action on this aspect.
- c) The representative of CTU said that generally the ISTS is of 400 KV and above transmission lines but taking special needs of North-Eastern Region into account CTU had established 132 KV substations. They were of the view that the threshold for connectivity to ISTS could be reduced from 250 MW to 100 MW.
- d) Shri S.K. Soonee, Executive Director (System Operation), POWERGRID said that there was a need to ensure optimal transmission planning in order to reduce transmission losses. He said that concept of 'control area' should be seen independent of the level of transmission system (ISTS or State) to which a generating station is connected. He also supported the proposal of creating new pooling substations.

e) Hydro stations, particularly the small hydro power plants, are facing difficulties relating to grid connectivity and more particularly the open access even in States like Uttarakhand and Himachal Pradesh.

After discussions, the Coordination Forum agreed on the following:

- a) The threshold for connectivity to ISTS for hydro stations could be reduced to 50 MW and above.
- b) Central Electricity Authority and CTU would consider incorporating new pooling substations accordingly in the transmission Master Plan which could be taken up for construction matching the expected commissioning schedule of the concerned generating stations.
- c) Ministry of Power may expeditiously settle the legal status of dedicated transmission line which could be constructed by a group of generating companies.

The meeting ended with a vote of thanks to the Chair.

Annexure-I

<u>6TH MEETING OF THE COORDINATION FORUM</u> <u>HELD ON 30th MARCH, 2010</u>

LIST OF PARTICIPANTS

- 1. Dr. Pramod Deo, Chairperson, CERC ... In Chair
- 2. Mr. S. Jayaraman, Member, CERC
- 3. Mr. V.S. Verma, Member, CERC
- 4. Mr. M. Deena Dayalan, Member, CERC
- 5. Mr. S.M. Dhiman, Member, CEA
- 6. Mr. M. Ravi Kanth, JS, MOP
- 7. Mr. I.S. Jha, Director (Projects), POWERGRID
- 8. Mr. Alok Kumar, Secretary, CERC
- 9. Mr. Pankaj Batra, Chief (Engg.), CERC
- 10. Mr. Ravinder, Chief Engineer, CEA
- 11. Mr. S.K. Soonee, Exec. Dir (SO), POWERGRID
- 12. Mr. Nain Singh, ED(T&RE), NHPC
- 13. Mr. R.K. Madan, Director, Adani Power
- 14. Mr. G.P. Singh, Advisor, J.P. Associates
- 15. Mr. Y.K. Sehgal, ED(SEF, CE&IT), POWERGRID
- 16. Mr. S.N. Goel, GM (Commercial), NTPC
