

# CENTRAL ELECTRICITY REGULATORY COMMISSION

## Record of Proceedings

### PETITION No. 315/2009

Sub: Petition under Section 79 (1) (c), (f) and (k) read with Section 11 (1) of the Electricity Act, 2003 read with regulation 26 of the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008.

.Date of hearing : 9.2.2010

Coram : Shri S.Jayaraman, Member  
Shri V.S.Verma, Member

Petitioner : M/s Vedanta Aluminum Limited

Respondents : State Load Despatch Centre, Orissa Power  
Transmission Corporation Ltd, Bhubaneswar

Parties present : Shri Sanjay Sen, Advocate, Petitioner  
Shri R.K.Mehta, Advocate, SLDC  
Shri P.K.Baehrua, SLDC  
Shri S.K.Das, SLDC

Learned counsel for the petitioner submitted that Power Purchase Agreement was entered into between the petitioner and GRIDCO on 26.5.2009 for sale of 150 MW surplus power, subject to availability from petitioner's captive generating plant through OPTCL system on round-the-clock basis. Learned counsel further stated that as the petitioner could generate 350 MW power from its plant, it entered into an agreement with M/s Lanco (trading company) to sell surplus power to it, who in turn would sell 200 MW excess power through power exchange (IEX). Accordingly, for this purpose, it had applied for grant of open access to SLDC. Learned counsel also stated that due to non permission of open access, the petitioner was being forced to sell the excess power only to the State thereby denying the opportunity for running the power plant on commercial basis as required by Electricity Act, 2003.

2. In response, learned counsel for the respondent stated that open access was denied on the grounds of transmission constraints only. There was constraint in the Budhipadar sub-station. Respondent could not allow transfer of more than 200 MW power from the petitioner because tripping of any one line connected to the Budhipadar sub-station results in cascade tripping of all the transmission lines originating from it. Learned counsel for the respondent explained that power from lb power plant of Orissa, Korba injection from

Western Region, injection by Bhushan Steel captive power plant and from petitioner's captive power plant, all pass through Budhipadar sub-station and the 220 kV D/C Budhipadar-Tarkera lines. According to him, in case of injection from all these sources in the normal scenario, there was not enough evacuation capacity for evacuating full 350 MW power from the petitioner's plant. For a total injection of 950 MW, the evacuation capacity remains short by around 110 MW. Further increase in injection causes overloading of lines, thus endangering grid security around Budhipadar area.

3. Learned Counsel for the respondent also referred to the system studies report of M/s PRDC for refusing open access, which was got conducted by the petitioner. Learned counsel pointed out one para from this report as under:

"Connectivity to the OPTCL system i.e Budhipadar 220 k V system was permitted based on user's earlier request for 120 MW. Existing systems was designed for 120 MW power export from Vendanta with N-I criteria. Further injection beyond 120 MW shall require additional evacuation plant (2nd source of connectivity) to the captive units. Generator should have multiple source of connectivity (at least 2 sources) for the system reliability as per CEA criteria.

Normally the power intensive industries, especially aluminum sector, bank on two or more different sources. Such utilities like Nalco, ICCL, Hindalco, etc. have different sources of supply.

The feasible option would be connectivity of Vedanta (CGP) to 400 kV Ib-Meramundali D/C line though Lapanga S/S (UC). The connectivity to Ib-Meeramundali line shall give flexibility to Vendanta from both system reliability and system support during contingencies (System contingencies/LGBR at both ends i.e. interface of Tx Utility & the user).

The advantage to the user being, to cover the risk of market fluctuation in aluminum sector (low/high, aluminum production), the plant can evacuate/import power depending upon their production & availability of power source of GRIDCO."

4. In response, learned counsel for the petitioner pointed out that the report of M/s PRDC was tampered with by the respondent and the above para was not included in the report with the petitioner. In response, learned counsel for the respondent stated that the copy of the report given by PRDC did contain this para. Based on the contradiction of the report, Commission directed the M/s PRDC to furnish a copy of the report immediately under affidavit.

5. On enquiry from the Commission, the representative of the SLDC stated that the system operation security was paramount and all the other transactions come later. They have to run the power system in a secure manner. The

Commission also enquired about the efforts made by GRIDCO in strengthening the grid in Budhipadar area.

6. The respondent was directed to file the details of requirement and availability of power in the State of Orissa latest by 28.2.2010. The respondent was also directed to firm up the possible quantum of power for which open access could be granted to the petitioner, if 150 MW power was assured for GRIDCO.

7. The petition shall be re-notified on 9.3.2010.

Sd/-  
(T.Rout)  
Joint Chief (Law)