

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 205 of 2011

Coram

1. Dr. Pramod Deo, Chairperson
2. Shri V.S.Verma, Member
3. Shri M. Deena Dayalan, Member

DATE OF HEARING: 28.11.2011

DATE OF ORDER: 5.12.2011

In the matter of

Appropriate directions to be passed on the Southern Regional Load Despatch Centre and Power System Operation Corporation Limited to recognize the 1000 MW project being developed as an independent generating station and to treat the thermal power projects developed by the petitioner and by Simhapuri Energy Private Limited as separate and independent generating stations for the purpose of scheduling and dispatch, metering, energy accounting including UI computation.

And

In the matter of

Meenakshi Energy Private Limited, Hyderabad
Vs

..Applicant

1. Southern Regional Load Despatch Centre, Bangalore
2. Power Systems Operation Corporation Ltd, New Delhi
3. Power Grid Corporation of India Limited, Gurgaon
4. Southern Regional Power Committee, Bangalore
5. Simhapuri Energy Private Limited, Hyderabad

Following were present:

1. Shri Sitesh Mukherjee, Advocate for the petitioner
2. Shri Sakia Choudhery, Advocate for the petitioner
3. Shri N.P.Hanagoov, MEPL
4. Shri Suresh Chander, MEPL
5. Shri Mehender Singh, MEPL
6. Shri R.T.Agarwal, MEPL
7. Shri S.K.Kathuria, MEPL



8. Shri S.K.Sonee, POSOCO
9. Shri Dillip, PGCIL
10. Miss Joyti Prasad, NRLDC
11. Shri V.Suresh, SRPC
12. Shri S.V Patwardhan, Advocate, SEPL
13. Shri Y.Lal, SEPL
14. Shri Ravi Prakesh, PTC India
15. Miss Puja Priyadarshini, PTC India

ORDER

The petitioner, an Independent Power Producer (IPP) developing coal based thermal power plant with present installed capacity of 1000 MW (2x150 MW and 2x230 MW) Near Krishnapatnam Port, Nellore District, Andhra Pradesh has submitted that two 150 MW units are now ready for commissioning. The petitioner has also submitted that it requires commissioning and start up power for these units after achieving connectivity with the transmission network of the third respondent (Central Transmission Utility). It has been submitted that the petitioner had in line with enhancement of the project's installed capacity, correspondingly made application for long-term open access to Power Grid in order to ensure availability of transmission corridor for evacuation of power from the project. It has been submitted that Simhapur Energy Private Limited (SEPL), fifth respondent herein is constructing a coal based plant and its declared plant configuration is 600 MW. It has also been submitted that the third respondent directed the petitioner and the fifth respondent to jointly develop the transmission line for evacuation of power from their power plants till the

sub-station at Manabolu (Nellore). The third Respondent had, therefore recommended a common transmission line since it would economize the required transmission corridor space and thereby agreed to jointly construct the transmission line for the evacuation of power from both the projects and to connect their respective power station to the sub-station of PGCIL and also share the cost for laying such lines jointly.

2. The petitioner has submitted that in the 12th meeting of Southern Region constituents held on 23.3.2011, the petitioner was directed to work out the arrangement with Respondent No. 5 as under:

"Mutual agreement between SEPL and MEPL shall be arrived at and submitted to CTU for sharing of transmission charges and losses and also SEPL and MEPL are to sort out issues pertaining to scheduling, metering, UI etc in consultation with SRLDC."

3. The petitioner has submitted that it is not practically workable to enter into a long term arrangement with fifth respondent for atleast a period of 25 years or more to settle between themselves various issues in relation to the operation and maintenance of scheduling, dispatch and other functions, which the first and second Respondents are required to discharge under the law. It has been submitted that the entire basis of Scheduling and Despatch Code as part of Indian Electricity Grid Code is based on the fact that such operations have to be carried out independently and separately for each generating station.

4. The petitioner, Meenakshi Energy Private Limited has filed miscellaneous application with the following prayers:

(a) Appropriate directions be passed on the first and second respondents to recognize the 1000 MW project being developed by the petitioner as an independent generating station and to treat the thermal power projects developed by the petitioner and the fifth respondent as separate and independent generating stations for the purpose of scheduling and dispatch, metering, energy accounting including UI computation in line with the recommendation made by SRTS-II, PGCIL in the 16th meeting of the Commercial Sub Committee Southern Region Power Committee dated 21.6.2011, and to take all necessary steps to facilitate such arrangement by providing necessary metering, etc. to ensure the treatment of the petitioner's project as a separate and independent generating station;

(b) Appropriate directions be passed on the first and second respondents to adopt the metering arrangement as circulated by PGCIL as noted in the minutes of the meeting of the Commercial Sub Committee Southern Region Power Committee dated 21.6.2011, for the purpose of treating the thermal power projects of petitioner and Simhapuri Energy Private Limited as two separate and independent entities for the purpose of scheduling and dispatch,

metering, energy accounting including UI computation, or such other arrangement as may be found appropriate for such purpose;

(c) In the interim, allow the petitioner to sign the connectivity Agreement and the amended annexure to the BPTA with the third respondent for ensuring connectivity to the grid, without prejudice to its rights and contentions under the present petition;

(d) In the interim, allow the first and second respondents to carry out accounting of commissioning and start-up power drawn by the petitioner's project and prepare UI accounts and energy accounts of the petitioner separately as an independent generating station, till the final disposal of the present petition; and

(e) To pass such other and further orders which may be deemed necessary in the interest of justice.

5. During the hearing, the learned counsel for the petitioner submitted that its two 150 units are ready for commissioning for which it requires start-up power urgently and requested the Commission to pass an interim order.

6. The learned counsel for the Simhapuri Energy Private Limited, fifth respondent herein, also requested to pass an interim order for start-up power.

7. During the course of hearing, learned counsel appearing on behalf of PTC India Limited requested the Commission to implead it as a party in the petition since power from the generating station is being sold through it.

8. Shri S.K. Sonee, CEO, POSOCO requested the Commission to admit the petition so that holistic view of the issue could be taken.

9. We have heard the learned counsel for the petitioner and representatives of the parties present. We notice that the issue raised in the petition has wide ramification as a number of generators may be required to share the dedicated transmission line due to corridor constraints and cost factor. We consider it appropriate to admit the petition so that a holistic view of the issue could be taken. We admit the petition and direct issue of notice to the respondents. Accordingly, the petitioner is directed to serve copy of the application on the respondents, latest by 9.12.2011, if not already done. The respondents may file their reply by 23.12.2011, with an advance copy to the petitioner, who may file its rejoinder, if any, by 2.1.2012. The petitioner is also directed to implead the PTC India Limited as respondent in the petition.

10. The learned counsel for the petitioner has sought an interim direction to first respondent so that the start-up power for testing and commissioning of the generating station of the petitioner and fifth respondent is available.

11. Since the metering arrangement at Nellore end is already existing, we direct the first respondent to temporarily disconnect the inter-connection between the petitioner and fifth respondent and do the meter reading of start-up power at Nellore end in order to facilitate drawal of start-up power for commissioning of the generating station. With the inter-connection between generating stations removed, the transmission lines from Nellore to fifth respondent and petitioner generating station, respectively, would become dedicated lines connected at Nellore pooling station. This arrangement will be in force for a period not exceeding three months from the date of start of availing of start-up power or until further orders of the Commission, whichever is earlier.

12. The above interim arrangement is only for availing start-up power. Prior to commencement of availing start-up power, the petitioner and fifth respondent shall ensure availability of required data and communication facilities available to Southern Regional Load Despatch Centre in line with Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (Grid Code) and Central Electricity Authority (Grid Standards) Regulations.

13. This interim arrangement is subject to the final decision on this issue and other relevant issues by the Commission.

14. The first and fourth respondents are directed to facilitate the scheduling and energy accounting at Nellore end, in accordance with Grid Code, after disconnection of inter-connection between generating station of petitioner and fifth respondent and receipt of declaration from both the parties in this regard.

15. The petition shall be listed for hearing on 12.1.2012.

Sd/-
(M.DEENA DAYALAN)
MEMBER

sd/-
(V.S.VERMA)
MEMBER

sd/-
(Dr. PRAMOD DEO)
CHAIRPERSON