

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No.191/2011 (Suo-motu)

Coram:

- 1. Shri Pramod Deo, Chairperson**
- 2. Shri S.Jayaraman, Member**
- 3. Shri V.S.Verma, Member**
- 4. Shri M.Deena Dayalan, Member**

DATE OF HEARING: 13.3.2012

DATE OF ORDER: 9.10.2012

In the matter of

Compliance with the Regulation 5.2 (f) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 regarding restricted governor mode of operation by the generating companies.

And

In the matter of

- 1 NTPC Ltd., New Delhi
- 2 NHPC Ltd. Faridabad
- 3 North Eastern Electric Power Corporation Ltd, Shillong
- 4 Neyvelli Lignite Corporation Ltd., Chennai
- 5 Tehri Hydro Development Corporation India Ltd., Rishikesh
- 6 NTPC Sail Power Corporation Ltd., New Delhi
- 7 Satluj Jal Vidyut Nigam Ltd. (SJVNL), Shimla
- 8 Haryana Power Generation Corporation Ltd. (HPGCL)
- 9 Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd.
- 10 TEESTA Urja Ltd., New Delhi
- 11 Gujarat State Electricity Generation Company (GSEC)
- 12.Kerala State Electricity Board, Kerala
- 13 Uttarakhand Power Generation Ltd., Dehradun
- 14 Karnataka Power Trading Company Ltd, Karnataka
- 15 Power Development Department, J & K
- 16 Damodar Valley Corporation, Kolkata
- 17 Jharkhand State Electricity Board, Ranchi
- 18 Orissa Power Generation Company Ltd, Bhubaneshwar
- 19 West Bengal Power Development Corporation Ltd., Kolkata
- 20 Central Electricity Supply Company Ltd., Kolkata
- 21 Orissa Hydro Electricity Corporation Ltd., Bhubaneshwar
- 22 Meghalya Electricity Corporation Ltd., Shillong
- 23 Assam State Electricity Board, Guwahati
- 24 M.P. Power Generating Company Ltd. (MPPGCL)

- 25 Chattisgarh State Power Generating Company Ltd. Raipur
- 26 Andhra Pradesh Generation Company Ltd., Hyderabad.
- 27 Maharashtra State Power Generating Co. Ltd. (Mahagenco)
- 28 Punjab State Power Corporation Ltd., Patiala
- 29 Rajasthan Rajya Vidyut Utpadan Nigam Ltd. , Jaipur
- 30 Maha TATA Ltd., Mumbai
- 31 Maha Rel, Mumbai
- 32 Jindal Power Ltd., New Delhi
- 33 LANCO Ltd., Gurgaon
- 34 Narmada Control Authority, Indore
- 35 JSW Ltd., Mumbai
- 36 APCL Ltd., Tamil Nadu

... Respondents

Following were present:

- Shri S.K.Sonee, POSOCO
- Shri S.R.Narasimhan, NLDC
- Shri V.K. Agarwal, NRLDC
- Shri Debashish, NRLDC
- Shri V.Suresh, SRLDC
- Shri R.Suresh, NLC
- Shri S.K.Meena, NHPC
- Shri C.Vinod, NHPC
- Shri B.L.Jangi, Lanco
- Shri P.D.M.V. Prasad, Lanco
- Shri P.P.Francis
- Shri Rohit Chabra
- Shri Ashis Dev
- Shri R.K.Agarwal
- Miss Sonia Dogra
- Shri G.K.Dixit
- Shri Vipin Jindal

ORDER

As per Regulation 5.2 (f) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (hereinafter referred to as "Grid Code"), all thermal generating units of 200 MW and above and all hydro units of 10 MW and above which are synchronized with the grid, irrespective of their ownership, shall be required to have their governors in operation at all time in accordance with the provisions in sub-clauses (i) to (iii) of the said Regulation.

2. The Commission vide its order dated 4.10.2011 had observed as under:

*2. It has been brought to the notice of the Commission by the National Load Despatch Centre that out of the 700 generating stations / units, about 560 generating stations have not yet switched over to the operation under restricted governor mode. The list of such generating stations / units is enclosed as **Appendix** to this order. NLDC has submitted that adequate response is not coming from generating units, which has declared themselves in RGMO. The fluctuation in system frequency also occurs at system boundary due to load change over or sudden increase in generation due to change in schedule. With all the units operating with RGMO the fluctuation in system frequency would have been restricted to large extent.*

3. As all the generating stations are not on the RGMO mode, fluctuation in system frequency is adversely affecting the power system and the generating stations. Non-operation of the generating stations under the restricted governor mode after 1.8.2010 amounts to non-compliance of the provisions of the Grid Code.

4. All the respondents are directed to explain by 10.10.2011 the reasons for not switching over to the restricted governor mode of operation and to show cause as to why appropriate action under the Electricity Act, 2003 should not be initiated against the respondents for non-compliance of the provisions of the Grid Code."

3. Replies to the show cause notice have been filed by the NTPC Ltd., NHPC, Neyveli Lignite Corporation Limited, Andhra Pradesh Power Generation Corporation, Meghalaya Energy Corporation Limited, JSW Energy Limited, Kerala State Electricity Board, NTPC-Sail Power Company Private Limited, Madhya Pradesh Power Generation Co. Ltd., Jindal Power Limited, Orissa Power Generation Corporation Limited, Orissa Hydro Power Corporation Ltd and Narmada Control Authority.

4. THDC, in its reply has submitted that it has implemented the RGMO in the month of July, 2011. JSW Energy Limited has submitted that it is in the process of fine tuning RGMO droop characteristics at both of its generating

stations. NTPC-Sail Power Company Private Limited has submitted that RGMO is in service in both of its units of 2x250 MW. AP Power Generation Corporation Ltd in its reply has submitted that the Central Commission has no jurisdiction to initiate any proceedings whatsoever with respect to any generating stations that are not connected directly to the ISTS and which are only embedded within the State Grid. Kerala State Electricity Board in its reply has requested for exemption from implementing RGMO in Hydro Station with capacity of 10 MW and above till completion of their renovation and modernization. Madhya Pradesh Power Generation Co. Ltd has submitted that due to various technical difficulties and short comings, provisions of Grid Code with regard to RGMO could not be complied with in totality. MPPGCL has requested to condone the delay in implementation of RGMO in respect of SGTPS, Birshinghpur and ATPS, Chachai and extend the time for implementation of the RGMO till the month of September, 2012. Narmada Control Authority had submitted that all the machines of Canal Head Power House are likely to be available in RGMO mode by the month of March 2012 and had requested to grant extension up to March 2012 so as to enable it to implement RGMO scheme in all its units. Jindal Power Limited has submitted that RGMO is operating in its generating units since August, 2010 and report of RGMO is being regularly submitted before the Commission. NTPC has submitted that under certain situations some machines are taken out of Coordinated Master Control by the operators and as a consequence, the restricted governor mode of operation becomes inoperative otherwise completed. Orissa Power Generation Corporation has submitted that

Restricted Governor Mode control features have been kept in service for both of its units. NHPC has submitted that since 1.8.2010, its eligible plants are being operated in the RGMO mode manually in order to comply with the provisions of the Grid Code. Meghalaya Energy Corporation Ltd has submitted that two Hydro Power stations are running under the RGMO mode and all efforts are being made to run all remaining units of generating stations under RGMO mode. Orissa Hydro Power Corporation Ltd. has submitted that due to technical constraints and the State Government procedural mandate, RGMO could not implemented and has requested to condone the non-compliance of the provisions of the Grid Code in this regard. Orissa Power Generation Corporation Ltd. has submitted that restricted mode control feature has been kept in service for both of its units. NLC has submitted that RGMO has been implemented in NLC TPS-1 Expansion Unit-II. NLC has expressed its inability to implement the RGMO in NLC TPS-I expansion Unit-I, NLC TPS-II Stage-I and Stage-II within the stipulated time due to certain technical constraints.

5. During the course of hearing on 13.3.2012, Shri S. K. Sonee, POSOCO submitted that the RLDCs have already filed petitions for enforcing adequate frequency response from all the control areas through availability of primary responses from all generating stations connected to the grid. He further submitted that amendment in Indian Electricity Grid Code Regulations is not required for defining the control area of NLDC/RLDCs to monitor the implementation of the RGMO.

6. Karnataka Power Trading Company Ltd, Chhattisgarh State Power Generation Company Ltd, West Bengal State Electricity Distribution Company Ltd., and Maharashtra State Power Generating Co. Ltd. have filed separate petitions for extension of time and for exemption from operating their generating stations in RGMO mode. The said petitions are being dealt with separately in accordance with law.

7. The respondents North Eastern Electric Power Corporation Ltd., Satluj Jal Vidyut Nigam Ltd., Haryana Power Generation Corporation Ltd., Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd., Teesta Urja Ltd., Gujarat State Electricity Generation Company, Uttarakhand Power Generation Ltd., PDD, J&K, Damodar Valley Corporation, Jharkhand State Electricity Board, Central Electricity Supply Company Ltd., Assam State Electricity Board, Punjab State Power Corporation Ltd., Rajasthan Rajya Vidyut Utpadan Nigam Ltd, Maha TATA Ltd., Maha Rel, Lanco Ltd., and APCL Ltd. have not filed their replies in response to our order dated 4.10.2011. We deprecate the attitude of the respondents towards the order of the Commission for such an important matter which has direct bearing on the safety and security of the grid.

8. As all the generating stations are not on the RGMO mode, fluctuation in system frequency is adversely affecting the power system and the generating stations. Considering the seriousness of the situation, Chairman and Managing Directors of the North Eastern Electric Power Corporation Ltd., Satluj Jal Vidyut Nigam Ltd., Haryana Power Generation Corporation Ltd., Uttar Pradesh Rajya

Vidyut Utpadan Nigam Ltd., Teesta Urja Ltd., Gujarat State Electricity Generation Company, Uttarakhand Power Generation Ltd., PDD, J&K, Damodar Valley Corporation, Jharkhand State Electricity Board, Central Electricity Supply Company Ltd., Assam State Electricity Board, Punjab State Power Corporation Ltd., Rajasthan Rajya Vidyut Utpadan Nigam Ltd, Maha TATA Ltd., Maha Rel, Lanco Ltd., and APCL Ltd. are directed to show cause by 23.10.2012 as to why they will not be held personally liable for the penalty under Section 142 of the Electricity Act, 2003 for non-compliance with the directions of the Commission and provisions of the Grid Code with regard to implementation of RGMO.

9. It is observed that the reports on RGMO are not being received from NLDC/RLDCs in regular intervals. It may be noted that NLDC/RLDCs are required to monitor the status of implementation of RGMO by the generators and submit a monthly report so that necessary action can be taken against the defaulting generating companies. If NLDC/RLDCs are not getting cooperation from the generating companies to get the necessary information, they should file appropriate application by impleading the concerned generating companies.

10. The matter shall be listed for further hearing on 30.10.2012.

Sd/- (M.DEENA DAYALAN) MEMBER	sd/- (V.S.VERMA) MEMBER	sd/- (S.JAYARAMAN) MEMBER	sd/- (DR.PRAMOD DEO) CHAIRPERSON
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