

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 165/MP/2012  
with I.A. No. 41/2012**

Subject : Petition under section 79 (1) (c) of the Electricity Act, 2003 and Regulation 27 of the Central Electricity Regulatory Commission (Open Access in inter-state transmission) Regulations 2008.

Date of hearing : 11.12.2012

Coram : Dr. Pramod Deo, Chairperson  
Shri S.Jayaraman, Member  
Shri V.S.Verma, Member  
Shri M.Deena Dayalan, Member

Petitioner : M/s BMM ISPAT Limited, Ballary

Respondent : State Load Despatch Centre, Karnataka, Bangalore

Parties present : Shri Anantha Narayana, Advocate for the petitioner  
Miss Swapna Sesadri, Advocate for the SLDC, Karnataka

**Record of Proceedings**

Learned counsel for the petitioner relied on the Commission`s order dated 19.11.2012 in Petition No. 1/MP/2012 in which SLDC, Karnataka billed for the Unscheduled Interchanges (UI) Charges, and Backup Power Supply Charges (BPS Charges) and interest on the UI charges. He further submitted that in terms of said order dated 19.11.2012, levy of the BPS Charges on the petitioner in terms of clause (viii) of Regulation 11 of Karnataka Open Access Regulations read with clause (3) of Regulation 16 of the Central Open Access Regulations could not be justified. Learned counsel for the petitioner submitted that provisional bills raised by GESCO have been paid from time to time as per the Power Supply Agreement executed between the petitioner and GESCO. He further submitted that the while paying UI charges to generators under inter-State open access transactions, the SLDC, Karnataka pays it at the rate of ₹2.85 paise, which is a gross violation of the CERC UI Regulations. Thus, it is amply clear that the respondent has framed its own Regulations for inter-State open access transactions.

2. Learned counsel for the SLDC, Karnataka submitted that in terms of Commission`s order dated 2.11.2012 in Petition No. 117/MP/2012, a generating company cannot rely on drawl of UI for the purpose of its start up/ commissioning

requirements and same needs to be contracted with the distribution company. She submitted that in view of Commission's said order dated 2.11.2012, the generating company has to contract its start up requirement through methods other than UI mechanism. Therefore, start up power is levied on generators drawing electricity from the grid in every State and there is no State where any generator is allowed to draw electricity free of cost from the grids for its consumption. SLDC, Karnataka raises the bill for back up supply charges on all generators in the State drawing electricity from the grid. Learned counsel for the SLDC, Karnataka further submitted that the Karnataka Electricity Regulatory Commission has not made any distinction between the new power station and the existing power stations in the context of levying of the start-up power on generators drawing electricity from the grid.

3. After hearing the learned counsel for the parties, Commission reserved order in the petition.

By order of the Commission

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