

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 177/SM/2012

Coram:

Shri V.S.Verma, Member

Shri M.Deena Dayalan, Member

DATE OF HEARING: 23.05.2013

DATE OF ORDER : 02.07.2013

In the matter of

Non-compliance of Commission's directions and the provisions of the Electricity Act, 2003 and Central Electricity Regulatory Commission (Indian Grid Code) Regulations, 2010.

And

In the matter of

Shri Anil Kumar Jain, Managing Director, Power Transmission Corporation of Uttarakhand, Dehradun

Shri Rajiv Gupta, Superintendent Engineer (System Operation), State Load Despatch Center, Uttarakhand

Respondents

Following were present:

1. Shri V.V. Sharma, NRLDC
2. Shri Joyti Prasad, NRLDC
3. Shri Rajiv Gupta, PTCUL
4. Shri Rajiv Porwal, NRLDC

ORDER

The Commission vide its order dated 17.8.2012 in Petition No. 125/MP/2012 has observed as under:

" 20.....We had indicated in our order dated 10.7.2012 that it would be the personal liability of the officers in charge of the STUs and SLDCs to ensure compliance with our directions to curtail overdrawal from the grid and comply with the messages of NRLDC. During the hearing, the officers of UPPTCL PTCUL HVPNL, RRVPNL and PSTCL have not denied overdrawal from the grid or non-compliance with the directions of the RLDCs.

The officer in charge of FDD, Jammu and Kashmir did not appear despite notice. We deprecate the attitude of the concerned officer towards the order of the Commission in the serious matter like grid discipline. We are of the view that these officers have not only failed to comply with our directions but have also failed to discharge their responsibility under the Act and the Grid Code. We direct the staff of the Commission to process the case for initiation of action under Section 142 of the Act against the officers in charge of STUs/SLDCs of the States of Uttar Pradesh, Uttarakhand, Haryana, Rajasthan, Punjab and Jammu and Kashmir for imposition of penalty for non-compliance with our directions and the provisions of the Act and the Grid Code."

2. The Commission vide its order dated 7.9.2012 has further observed as under:

"5. We are of the view that SLDC is under a statutory obligation to comply with the Grid Code specified by the Commission and ensure compliance with the directions of NRLDC. Since STU is operating the SLDC in the State, it also becomes the responsibility of the Officer in-charge of the STU to ensure that the SLDC discharges its functions and comply with the orders of NRLDC and the Commission. Therefore, the respondents, who were in charge of STU and SLDC at the time of issue of direction of the Commission have failed to discharge their responsibility under the Electricity Act, 2003 and Grid Code.

6. In view of the above, the respondents are directed to show cause by 17.9.2012, as to why penalty should not be imposed on them under Section 142 of the Electricity Act, 2003 and the penalty amount should not be recovered from their salary for contravention of the provisions of the Act, Grid Code, directions of NRLDC and orders of the Commission."

3. In response to show cause notice dated 7.9.2012, the respondents have filed a joint reply vide affidavit dated 15.9.2012.

4. The respondents in their reply have submitted as under:

(a) SLDC, Uttarakhand has always complied with the directions of NRLDC to curtail overdrawal during low frequencies and has responded positively to the messages issued by NRLDC. The respondents have submitted that Distribution Companies of Uttarakhand have not implemented the Automatic Load Disconnection Scheme. Therefore, SLDC, Uttarakhand has been forced to implement the load shedding through manual load disconnection, which takes

approximately 45-60 minutes to pass on the messages of load restriction to approximately 30-40 substations. The delay in load shedding is not intentional but it is a practical problem.

(b) SLDC Uttarakhand has been continuously pursuing with the distribution company for implementation of Automatic Load Disconnection Scheme through various letters but has failed to get any positive response. SLDC Uttarakhand has formulated and designed Automatic Load Disconnection Scheme and asked the distribution company to furnish the relevant data, but no positive response has come.

(c) In real time, messages issued by NRLDC do not match with actual Drawal/Schedule position due to technical problems in reporting of field RTUs. There are many situations when NRLDC has issued wrong B and C messages due suspected reporting of RTUs when they were actually running in under-drawal conditions. During the month of June, 2012, 69 B and 18 C messages were issued, whereas from 1.1.2012 to 31.5.2012 only 6 B messages were issued. It has been submitted that out of the 69 B messages and 18 C messages, 11 B messages and 5 C messages were wrongly issued to SLDC Uttarakhand and in the remaining B and C messages, SLDC has taken.

(c) Uttarakhand is mainly dependent on run-of-the-river Hydro Generating Power Stations where generation depends upon rain and during the months from June to September, rain becomes very unpredictable and problems of silt makes large

fluctuation in the generation. This makes the work of SLDC very tough and challenging to maintain a balance between schedule and drawal. Moreover, many exemptions have been issued from time to time by the State Government Authorities and Distribution Company to restrict many areas from load shedding which has put SLDC in very critical situation for curtailing load and reducing overdrawal during low frequencies and delay takes place in getting permission for load shedding in exempted areas from distribution company. There have been many occasions where SLDC has been forced to put the load even in overdrawal conditions by Distribution Company /State authorities.

(d) SLDC Uttarakhand has not been given autonomous status to independently discharge its functions under the Act. As a result, the SLDC has to perform and make a balance/trade-off between security and economy of the operations as the Distribution Company is concerned more about regular supply to public at any cost and on the contrary RLDC is concerned about the safety and security of the system.

(e) SLDC Uttarakhand is honestly discharging its duties and continuously pursuing with the Distribution company for implementation of automatic Load Disconnection Scheme. Since the delays in the compliance of orders are due to circumstantial and practical problems, incorrect reporting of RTUs and issuing of wrong messages, it has been prayed that the charge of non-compliance should be held against the State Government and Distribution Company and not against

the SLDC.

5. During the course of hearing, learned counsel for the respondents submitted that SLDC Uttarakhand has always complied and taken necessary action as per the directions of the NRLDC and the delay in reduction of load during low frequencies or overdrawal is not intentional but the delay has been due to practical difficulties. Learned counsel further submitted that SLDC, Uttarakhand has been continuously pursuing the State distribution company for implementation of Automatic Load Disconnection Scheme and for that they had issued many letters.

8. We have considered the submissions of the respondents. From the foregoing discussion, it has emerged that though NRLDC has been issuing B and C messages to curb overdrawal from the grid, the desired results have not been achieved. Some of the reasons advanced by SLDC Uttarakhand are non-implementation of Automatic Load Disconnection Scheme, unpredictable rain during the months from June to September, approval of the State Government and the distribution company in the State to carry out load shedding, and lack of independence of SLDC. There is no denial about the continued overdrawal from the grid.

9. One of the reasons advanced by SLDC Uttarakhand is that SLDC in the State is not independent and even for load shedding in order to control overdrawal from the grid, SLDC has to take clearance from the distribution company and the State Government. We have to consider the scheme of the Act regarding the role of SLDC. Under the scheme of the Act, SLDC has been made responsible as the apex body for ensuring integrated operation of the grid within the State. In this regard, section 32 is

extracted as under:

“32. (1) The State Load Despatch Centre shall be the apex body to ensure integrated operation of the power system in a State.

(2) The State Load Despatch Centre shall -

(a) be responsible for optimum scheduling and despatch of electricity within a State, in accordance with the contracts entered into with the licensees or the generating companies operating in that State;

(b) monitor grid operations;

(c) keep accounts of the quantity of electricity transmitted through the State grid;

(d) exercise supervision and control over the intra-state transmission system; and

(e) be responsible for carrying out real time operations for grid control and despatch of electricity within the State through secure and economic operation of the State grid in accordance with the Grid Standards and the State Grid Code.”

It is apparent from the above that SLDC is the apex body for integrated operation of the power system in the State and has been vested with the powers under section 33 of the Act to issue appropriate directions to the generating companies, licensees and other persons concerned with the power system operation in the State. The said section is extracted as under:

33. (1) The State Load Despatch Centre in a State may give such directions and exercise such supervision and control as may be required for ensuring the integrated grid operations and for achieving the maximum economy and efficiency in the operation of power system in that State.

(2) Every licensee, generating company, generating station, sub-station and any other person connected with the operation of the power system shall comply with the direction issued by the State Load Despatch Centre under sub-section (1).

(3) The State Load Despatch Centre shall comply with the directions of the Regional Load Despatch Centre.

(4) If any dispute arises with reference to the quality of electricity or safe, secure and integrated operation of the State grid or in relation to any direction given under subsection (1) , it shall be referred to the State Commission for decision:

Provided that pending the decision of the State Commission, the directions of the State Load Despatch Centre shall be complied with by the licensee or generating company.

(5) If any licensee, generating company or any other person fails to comply with the directions issued under sub-section (1), he shall be liable to penalty not exceeding rupees five lacs.”

One of the functions of SLDC is to ensure that the directions of RLDC are complied with. Section 29(3) of the 2003 Act is extracted hereunder in this connection:

“(3) All directions issued by the Regional Load Despatch Centres to any transmission licensee of State transmission lines or any other licensee of the State or generating company (other than those connected to inter State transmission system) or sub-station in the State shall be issued through the State Load Despatch Centre and the State Load Despatch Centres shall ensure that such directions are duly complied with the licensee or generating company or sub-station. ”

The above provisions in the Act leads us to conclude that SLDC is sufficiently empowered under the Act to take decisions with regard to grid security and ensure compliance with its directions by the generating company, generating station, licensee etc operating in the State. Even where the SLDC is functioning under the supervision and control of the State Transmission Utility (STU), it is the responsibility of the STU to ensure that the statutory provisions of the Act with regard to the functions of SLDC are complied with.

14. In the case of Uttarkhand, SLDC is functioning as part of the STU. Therefore, it becomes the responsibility of STU to ensure that SLDC is able to discharge its statutory responsibility independently. The First Respondent has not filed its reply despite notice. As a result we do not have the explanation of the STU for non-compliance with the provisions of the Act, Grid Code, directions of NRLDC and directions of this Commission. We take a serious view of the first Respondent's lack of response to our notice in a serious matter like grid discipline. If the generating companies, licensees and any other person associated with the power system fail to carry out the directions of the SLDC, such matters can be referred to the State Commission for a decision. There is nothing on record to show that the SLDC or STU has

brought the instances of non-compliance of its directions by the Distribution Company in the State to the notice of the Uttarkhand Electricity Regulatory Commission (UERC). On the other hand, the Second Respondent has submitted that it has to take permission from the Distribution Company in the State to effect load shedding in the exempted area. The approach of the SLDC defeats the purpose of the statutory mandate vested in the SLDC under the Act to play the role of apex body to ensure integrated operation of the grid. In order that the SLDC in the State of Uttarkhand plays its assigned role under the Act, we call upon the State Government to take appropriate measures to ensure functional independence of SLDC.

15. In our order dated 10.7.2012, we had directed the officers in charge of STU and SLDC to comply with the following:

(a) The respondents shall not resort to any overdrawal from the NEW grid when the frequency is below 49.5 Hz and shall comply with the Grid Code.

(b) The respondent shall ensure that directions of NRLDC issued under section 29 of the Act are faithfully complied with and compliance of these directions reported to NRLDC.

(c) The respondents shall ensure that the UFR and the feeders used for load shedding through UFRs are different from the feeders used for manual load shedding so that security of the grid is not compromised

(d) The respondent shall submit compliance of Regulations 5.4.2(d) and Regulation 6.4.8 of the Grid Code as per the Commission's directions contained in the order

dated 15.12.2009.

15. As regards ensuring nil overdrawal from the grid at frequency below 49.5 Hz, it is noted that during the period from 10.7.2012 to 16.7.2012, the overdrawal of Uttarakhand was of the following order:

Date	Overdrawal (MU)
10.7.2012	4.49
11.7.2012	2.99
12.7.2012	2.72
13.7.2012	1.87
14.7.2012	2.30
15.7.2012	2.61
16.7.2012	3.18
Average	2.88

Second Respondent has not submitted anything about the overdrawal during the above period which has taken place after issue of the order dated 10.7.2012 directing the STU/SLDC to curtail their overdrawal to zero. It is obvious that our directions to STU/SLDC not to overdraw from the grid has not been complied with.

16. As regards compliance with the directions of NRLDC, we find that Uttarakhand SLDC was issued 9 A messages, 9 B messages and 1 C message during the period 10.7.2012 to 16.7.2012 which have been taken note of in our order dated 30.7.2012. Here again, the steps taken to ensure compliance with the directions of NRLDC by SLDC and the distribution companies including the load relief achieved have not been indicated. It has been merely stated that in the absence of the Automatic Load Disconnection Scheme, SLDC, Uttarakhand has been forced to implement the load shedding through manual load disconnection, which takes approximately 45-60 minutes to pass on the messages of load restriction to approximately 30-40

substations. In our view, SLDC being the apex body and responsible for real time operation in the State, should have well defined plan to restrict the load in case of low frequency conditions. Under such a state of affairs, it will not be required to pass messages of NRLDC to all 132 kV sub-stations manually. Instead clear instructions must be available with the concerned agencies to cut the load on pre-planned and selected substations. The SLDC should have a proper load management scheme rather than blindly conveying the message to all 132 kV sub-stations. As regards the separation of the feeders used for load shedding through UFRs from the feeders used for manual load shedding, there is no response from the respondents.

17. The last direction was regarding submission of compliance of Regulations 5.4.2(d) and Regulation 6.4.8 of the Grid Code as per the Commission's directions contained in the order dated 15.12.2009. Regulation 5.4.2(d) and Regulation 6.4.8 of the Grid Code provide as under:

"5.4.2 Manual Demand Disconnection

- (a) To (c)*****
- (d) The measures taken to reduce the constituents' drawal from the grid shall not be withdrawn as long as the frequency/voltage remains at a low level, unless specifically permitted by the RLDC."

"6.4.8
The SLDCs/STUs/Distribution Licensees shall regularly carry out the necessary exercises regarding short term demand estimation for their respective States/area, to enable them to plan in advance as to how they would meet their consumers' load without overdrawing from the grid."

These measures are required to be implemented by SLDC through the distribution companies of the State. The Respondents have not submitted any details about the action taken in this regard. The Second Respondent has merely stated that it has to take concurrence from the Distribution Company to carry out load shedding in

exempted area. In our view, it is the SLDC who shall decide the load management protocol and implement through the Distribution Company instead of seeking approval from the Distribution Company. Any instance of non-compliance should be promptly brought into the notice of the UERC for appropriate directions to the Distribution Company.

18. From the above discussion, we have come to the conclusion that the Respondents have not complied with the directions in our order dated 10.7.2012 in Petition No.125/SM/2012. In our view, there are no mitigating factors which exonerate the respondents from the charges initiated under section 142 of the Act. In our view, the charges against the respondents are proved and accordingly, we impose a penalty of rupees one lakh each on the Respondent Nos.1 and 2 for non-compliance with the provisions of Act, Grid Code and directions of the Commission and NRLDC. The respondents are directed to deposit the penalty within one month from the date of issue of this order.

19. Petition No. 177/SM/2012 is disposed with above directions.

sd/-
(M. Deena Dayalan)
Member

sd/-
(V. S. Verma)
Member