

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 66/MP/2013

Coram:

**Dr. Pramod Deo, Chairperson
Shri V.S Verma, Member
Shri M. Deena Dayalan, Member
Shri A.S. Bakshi, Member (EO)**

Date of Hearing: 9.5.2013

Date of Order: 20.5.2013

In the matter of

Petition for extension of period for injection of infirm power into the grid beyond six months from the date of first synchronization of Unit-I (726.6 MW) of Palatana Combined Cycle gas Based Power Project of ONGC-Tripura Power Company Ltd.

And

In the matter of

ONGC Tripura Power Company Ltd, New Delhi

..... Petitioner

Vs

1. Assam Power Distribution Company Ltd., Guwahati
2. Department of Power, Govt of Arunachal Pradesh
3. Department of Power Govt. of Nagaland
4. Electricity Department, Govt. of Manipur
5. Power and Electricity Department, Govt. of Mizoram
6. Meghalaya State Electricity Board, Govt. of Meghalaya
7. Tripura State Electricity Corporation Limited, Tripura
8. North Eastern Regional Power Committee, Shillong
9. North Eastern Regional Load Despatch Centre, Shillong

.... Respondents

Parties Present:

1. Shri G.R.Nagendran, OTPCL
2. Shri Amit Dabas OTPCL
3. Shri Arup Ch. Sarmah, OTPCL

ORDER

This petition has been filed by the petitioner ONGC-Tripura Power Company Ltd (OTPCL) under Clause (7) of Regulation 8 of the Central Electricity Regulatory Commission (Grant of connectivity, Long-term Access and Medium-term Open access in inter-state

transmission and related matters) Regulations, 2009 and Central Electricity Regulatory Commission (Unscheduled interchange charges and related matters) Regulations, 2012 with the following prayers:

- (a) Allow the petitioner extension of time for injection of infirm power for testing including full load testing of Unit-I of Palatana plant of OTPC beyond 21.4.2013 (i.e six months beyond initial synchronization) upto COD of Unit-I;
- (b) Allow the petitioner accounting of sale of infirm power after 21.4.2013 till the COD of Unit-I of Palatana Project of OTPC as per Regulation 11 of the CERC (Terms and Conditions of Tariff) Regulations, 2009;
- (c) Allow the petition at this point of time, after the expiry of two months prior to completion of six months from the date of first synchronization, for injection of infirm power; and
- (d) Pass any other order as it may deem fit in the circumstances mentioned above.

2. The petitioner is a joint venture company promoted by Oil and Natural Gas Corporation Limited ("ONGC"), Infrastructure Leasing and Financial Services Limited ("IL&FS") and Government of Tripura, and is a public limited company. The shareholding pattern of the petitioner is as under:

Promoter	Shareholding percentage
ONGC	50.0%
IL&FS	26.0 %
Govt. of Tripura (GoT)	0.5 %
Residual Equity	23.5%
Total	100%

3. The petitioner is setting up a Combined Cycle Power Project ('the project') at Palatana, which is about 60 km from the capital city of Agartala in the State of Tripura, with an approved capacity of 726.6 MW (2 x 363.3 MW). The EPC contract for the project has been selected through a process of International Competitive Bidding (ICB) where under M/s BHEL, emerged as the successful bidder since it was not only commercially competitive but was also guaranteeing shorter delivery/implementation schedule.

4. The petitioner has submitted that since Unit –I of the project was expected to be

declared under commercial operation on 31.10.2012, it had filed Petition (Docket No. 57/GT/2012) on 22.5.2012, for approval of tariff of Unit-I of the project in terms of the provisions of the Central Electricity Regulation Commission (Terms & Condition of Tariff) Regulations, 2009 ('the 2009 Tariff Regulations'). The petitioner has submitted that though Unit-1 of the project was synchronized with NER Grid on 22nd October, 2012 (date of first synchronization), it was not able to achieve commercial operation of Unit-1 by 31.10.2012. As such, it has been submitted that the six months period from the date of first synchronization of Unit -I of the project has expired on 21.4.2013.

5. The petitioner has submitted the reasons for the delay in the declaration of commercial operation of Unit-I COD within six months of first synchronization, as under:

(a) Due to non-completion of 400 KV D/C Silchar Byrnihat transmission line which there was power evacuation constraint in the system. Hence, due to concern of Grid security, the North Eastern Regional Load Despatch Centre (NERLDC) was only in a position to provide the full load for testing purpose for the Unit-1 of the project, subject to backing down of other generating stations of NER Region. However, on declaration of commercial operation of 400 KV D/C Silchar- Byrnihat line on 1.3. 2013, NERLDC is in a position to provide the full load for continuous run. The dependence of full load test and hence COD of Unit-1 on the Siiehar-Byrnihat transmission line was expressed in the 82nd NERPC-OCC meeting held on 15.02.2013 (enclosed as Annexure-1 to the petition).

(b) Before two months prior to the expiry of six months from the date of first synchronization, it could not be visualized that the COD of Unit-1 cannot be achieved within the time frame. After commissioning of 400 KV D/C Silchar-Byrnihat line on 1.3.2013, it was hopeful to get the Unit-1 synchronized leading to declaration of commercial operation date within six months from the date of first synchronization i.e., before 21.4.2013.

(c) Recently, a serious problem, due to failure of insulation cladding pin of HRSG inlet duct and bulging of insulation cladding sheet inside the HRSG inlet duct, was detected in the Heat Recovery Steam Generator (HRSG) as intimated by the EPC contractor BHEL. A Cross Functional Team (CFT) was constituted by BHEL for investigating the problem and the following problems were noticed:

(i) Hot Spots at different locations.

- (ii) Failure of studs which are used for holding cladding sheets.
- (iii) Bulging of Cladding Sheets.
- (iv) Cladding material mismatch.
- (v) Displacement of Super heater Module guide support plate.
- (vi) Corner plate erection mismatch.
- (vii) Breakage of MTM Guide pipe.

The CFT also made detailed recommendation and for implementation of these recommendations, a lot of material is required to be shifted from M/s BHEL, Trichy. The material includes among other loose items, heavy stainless steel sheets of different grade and thickness. The State of Tripura, being very remote, the material will cross various states, including Assam and it would almost take a month after the material is dispatched. BHEL further added that the tentative date of rectification of this fault will not be earlier than 5th May, 2013 (as per report of CFT enclosed at Annexure-3). Such problems like unavailability of transmission system for full load and engineering and construction problems are beyond the control of the petitioner.

6. The petitioner has submitted that it has no intention of delaying the commercial operation of Unit –I of the project. It has also submitted that it has been able to inject very less infirm power into the grid post synchronization (21.10.2012). Accordingly, the month-wise quantum of injection of infirm power as per NERPC UI Accounts, tabulated by the petitioner is as under:

Month	MUs
October, 2012	4.054780
November, 2012	4.391214
December, 2012	14.697846
January, 2013	47.637742
February, 2013	26.091497
Total (MUs)	96.873079

7. In this background, the petitioner has filed this petition under Clause (7) of Regulation 8 of the Central Electricity Regulatory Commission (Grant of connectivity, Long-term Access and Medium-term Open access in inter-state transmission and related matters) Regulations, 2009 (hereinafter 'Connectivity Regulations') and Central Electricity Regulatory Commission (Unscheduled interchange charges and related matters) Regulations, 2012, seeking

extension of time for injection of infirm power for testing including full load testing of Unit-I of project beyond 21.4.2013 (i.e six months beyond initial synchronization) upto the COD of Unit-I.

8. As stated, the petitioner has filed this petition in terms of Clause (7) of Regulation 8 of the Connectivity Regulations, amended on 21.3.2012, which provides as under:

“(7) Notwithstanding anything contained in clause(6) of this regulation and any provision with regard to sale of infirm power in the PPA, a unit of a generating station, including a captive generating plant which has been granted connectivity to the grid shall be allowed to inject infirm power into the grid during testing including full load testing before its COD for a period not exceeding six months from the date of first synchronization after obtaining prior permission of the concerned Regional Load Despatch Centre:

Provided that the Commission may allow extension of the period of testing including full load testing, and consequent injection of infirm power by the unit, beyond six months, in exceptional circumstances on an application made by the generating company at least two months in advance of completion of six month period:

Provided further that the concerned Regional Load Despatch Centre while granting such permission shall keep the grid security in view:

Provided also that the onus of proving that the injection of infirm power from the unit(s) of the generating station is for the purpose of testing and commissioning shall lie with the generating company and the respective RLDC shall seek such information on each occasion of injection of power before COD. For this, the generator shall provide RLDC sufficient details of the specific testing and commissioning activity, its duration and intended injection etc.”

Provided also that the infirm power so injected shall be treated as Unscheduled Interchange of the unit(s) of the generating station and the generator shall be paid for such injection of infirm power in accordance with the provisions of the Central Electricity Regulatory Commission (Unscheduled Regulations, 2009, as amended from time to time.”

9. In its additional submissions filed vide affidavit dated 23.4.2013, the petitioner has indicated the plan of activities for commissioning of Unit-I of the project including the bar chart containing activities to be undertaken for commissioning, after rectification of the problems as stated in the petition. Though as per the plan of activities, the Unit-I of the project was expected to be declared under commercial operation by 15.6.2013, the petitioner, after taking into consideration any unforeseen exigencies has prayed to allow the injection of infirm power from Unit-I of the project till 31.7.2013.

10. During the pendency of the petition, the petitioner filed Interlocutory Application (I. A.

No. 12/2013) seeking urgent direction upon NERLDC to allow the injection of infirm power into the regional grid to undertake trial operation including full test loading to achieve COD of Unit-I of the project. Keeping in view the urgency of the matter, the Commission by its order dated 7.5.2013 disposed of the said I.A observing as under:

"7. The period of six months specified in the Connectivity Regulations has expired on 21.4.2013. Beyond this date, the petitioner requires the permission of the Commission for injecting infirm power for which it has filed the present petition. Notices in the petition has been issued and the matter is listed for hearing on 9.5.2013. Considering the urgency of the matter, we direct NERLDC to permit the petitioner to inject infirm power into the grid for testing and commissioning till further direction of the Commission.

8. I.A. is accordingly disposed of."

11. During the hearing, the representative of the petitioner reiterated its submissions made in the petition. He also submitted that though the 400 KV D/C Silchar Byrnihat transmission line has achieved COD on 1.3.2013, the rectification work carried out by M/s BHEL has taken considerable time as it involved transportation of material from BHEL, Trichy across the various states. On a specific query by the Commission as regards the status of work being carried out by M/s BHEL, the representative of the petitioner informed that the rectification work was complete and the said Unit is ready for re-synchronization and commissioning tests. The petitioner has prayed that in view of the availability of the transmission line and the rectification of HRSG, the Commission may allow time up to 31.7.2013 for injection of infirm power into the grid for the purpose of re-synchronization and commissioning tests.

12. Taking into consideration the submissions of the petitioner and the documents available on record, we are of the view that there has been delay in the declaration of commercial operation of Unit-I of the project within six months from the date of first synchronization for adequate reasons. In view of this, we allow the extension of time extension for injection of infirm power into the grid for the purpose of commissioning tests including full load test of Unit-I up to 31.7.2013. Consequently, the accounting of the sale of infirm power after 21.4.2013 till the COD of Unit-I of the project is allowed in terms of

Regulation 11 of the 2009 Tariff Regulations. We expect the petitioner to take all efforts to ensure the commercial operation of Unit-I of the project by this date. A copy of the order shall be sent to NERLDC for accounting and releasing payment to the petitioner for injection of power under UI from Unit-I of this project in accordance with the UI rate as specified under clause 2(f) of the schedule to the Central Electricity Regulatory Commission (Unscheduled interchange charges and related matters) Regulations, 2012.

13. Petition No. 66/MP/2013 is accordingly disposed of at the admission stage.

Sd/-
[A.S.Bakshi]
Member (EO)

Sd/-
[M. Deena Dayalan]
Member

Sd/-
[V.S. Verma]
Member

Sd/-
[Dr. Pramod Deo]
Chairperson