

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 314/MP/2013**

**Coram  
Shri Gireesh B.Pradhan, Chairperson  
Shri M.Deena Dayalan, Member  
Shri A.K.Singhal, Member**

**Date of Hearing: 07.1.2014**

**Date of Order: 18.3.2014**

**In the matter of**

Anticipated delay in the declaration of Commercial Operation Date (COD) of Unit-I of the 2X250 MW NLC-Thermal Power Station-II (Expansion).

**And in the matter of**

Seeking Commission`s permission to maintain status-quo for injection of infirm power under UI mechanism till declaration of date of the commercial operation or 31.3.2014, whichever is earlier.

**And in the matter of**

Neyveli Lignite Corporation Limited, Chennai ..... **Petitioner**  
**Vs**

1. Member-Secretary, Southern Regional Power Committee
2. Power Grid Corporation of India Limited, Gurgaon
3. Power Grid Corporation of India Limited, Bhubaneswar
4. POSOCO, Bangalore
5. Tamil Nadu Generation and Distribution Cor. Ltd., Chennai
6. Kerala State Electricity Board, Thiruvananthapuram
7. State Power Purchase Co-ordination Committee, Bangalore
8. Puducherry Electricity Department, Puducherry
9. Andhra Pradesh Power Co-ordination Committee, Hyderabad

.....**Respondents**

**The following were present:**

1. Shri Ravisankar, NLC
2. Shri K.Nambirajan, NLC



## ORDER

The petitioner, Neyveli Lignite Corporation Limited has filed this petition seeking permission to maintain status-quo for injection of infirm power and drawal of power for commissioning activities under UI mechanism till declaration of date of commercial operation or 31.3.2014, whichever is earlier.

2. The petitioner has made the following prayers in this petition:

*"(a) To permit injection of infirm power into the grid from NLC TPS-II (Expansion) beyond 30.11.2013 till declaration of COD of unit-I or 31.3.2014 whichever is earlier;*

*(b) To pass such order (s) as deemed fit by the Hon`ble Commission."*

3. Petition No.117/MP/2012 was earlier filed by the petitioner seeking directions of the Commission for injection of infirm power till declaration of the commercial operation of NLC TPS II Expansion, in terms of Regulation 8(7) of the Central Electricity Regulatory Commission (Grant of Connectivity, Long Term Access and Medium Term Access in inter-State Transmission and related matters) Regulations, 2009 (hereinafter referred to as "Connectivity Regulations") and also for drawal of power from the grid under UI during testing and commissioning by the generating station. As regards injection of infirm power, the Commission, in exercise of power under first proviso to Regulation 8(7) of the Connectivity Regulations allowed the said prayer of the petitioner by order dated 2.11.2012 as under:

"13. It is however noticed that the petitioner had in its affidavit dated 10.5.2012 indicated the expected date of commercial operation as 30.9.2012 whereas in its letter dated 25.9.2012, the petitioner has indicated the expected date of commercial operation as 15.2.2013. The petitioner has indicated the timeline for different activities to be undertaken before declaration of commercial operation of



the unit. In consideration of the submission of the petitioner and in exercise of power under first proviso to Regulation 8(7) of the Connectivity Regulations, we allow the petitioner to inject infirm power into the grid for testing including full load testing till 15.2.2013. However, such extension of time for injection of infirm power into the grid by the petitioner shall not entitle it to any increase in IDC and IEDC due to delay in declaration of CoD from the schedule CoD or any other benefit/relaxation of availability or efficiency norms"

4. Since, the petitioner could not attain full load due to restriction on combustor temperature and differential pressure in the upper portion of the combustor, shearing of vertical and horizontal spacer rods of FBHE`s and failure of refractory etc., it had filed Petition No. 15/MP/2013 seeking directions of the Commission for injection of infirm power till declaration of the commercial operation or 30.11.2013 whichever is earlier in terms of Regulation 8(7) of the "Connectivity Regulations. The Commission vide order dated 4.9.2013 allowed the prayers of the petitioner as under:

"It is noticed that the Commission in its order dated 2.11.2012 had allowed extension of time upto 15.2.2013 for injection of infirm power from the project considering the special circumstances of the case because of the new technology adopted by the petitioner. In the instant case, the delay appears to be on account of re-designing of coil support structures that had failed during load raising, completion of design of the supporting structures inside FBHE and manufacturing and erection of coils and support structures in Fluidized Bed Heat Exchangers. We also notice that the petitioner had faced similar problems in one of its generating station namely, Barsingsar TPS (2x125 MW) which is based on CFBC technology wherein the main plant package had been supplied by M/s BHEL. Considering the factors in totality and due to unforeseen circumstances, the petitioner is allowed to inject infirm power into the grid for testing including full load testing till declaration of COD or 30.11.2013, whichever is earlier. However, the extension of time allowed for injection of infirm power into the grid shall not entitle the petitioner for any increase in IDC and IEDC due to delay in declaration of COD from the scheduled COD or any other benefit/relaxation of availability or efficiency norms."

#### **Submissions of the petitioner**

5. The petitioner has submitted that since the re-engineering of supporting arrangements in FBHEs were not completed, it had filed the petition seeking permission to inject infirm power upto November 2013. Accordingly, the



Commission vide order dated 11.4.2013 in Petition No. 15/MP/2013 had allowed time upto 30.11.2013 to inject infirm power into the grid.

6. The petitioner has annexed drawings of old supporting arrangement and modified arrangement in one of Fluidised Bed Heat Exchanger (FBHE) with super heater tubes with the present petition. The petitioner has stated that similar modifications are in progress in all the four FBHEs.

7. The petitioner has enumerated status of the modification which involves the following:

- (a) Removal of around 800 tonnes of refractory material inside the four FBHEs ;
- (b) Dismantling of 144 sets of coils involving around 9700 welding joints;
- (c) Transport to BHEL sub vendor`s works;
- (d) Rectification of support structures in each coil with hanger tube forged block assembly, additional hanging tube arrangements for entire coil assembly at BHEL sub vendors as per the modified design;
- (e) Transporting modified coil assembly to the site; and
- (f) Re erection of modified coil assembly inside FBHE at site and refractory application.

8. The petitioner has submitted that parallel activities are initiated wherever possible to reduce the time. According to the petitioner, as on 15.11.2013 following activities were carried out:

- (a) 138 sets of coil assembly were received at NLC site out of 144 sets;



- (b) 102 sets of coil assembly were erected;
- (c) 5725 welding joints out of 9756 joints were completed; and
- (d) out of 800 tonnes, 151 tonnes of refractory works completed.

9. The petitioner has submitted that the unit-I will be lighted up during 2<sup>nd</sup> week of February, 2014 and unit is likely to be declared on commercial operation by March,2014.

10. The petitioner has requested that taking into account the difficulties in declaring the date of commercial operation, it may be permitted to inject infirm power into the grid for testing including full load testing till 31.3.2014 or COD whichever is earlier.

11. During the course of hearing on 7.1.2014, the representative of the petitioner submitted that refractory balance work is short by 135 tonnes. After completing the refractory work and design test of FBHE, boiler light up is expected in mid February, 2014. Thereafter, trial operation including full load testing would be done before declaring COD by 31.3.2014.

12. We have considered the submissions made by the petitioner and examined documents on record. Clause (7) of Regulation 8 of the Connectivity Regulations, as amended from time to time 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."*

13. The petitioner has submitted that the difficulties encountered in the declaration of COD are project specific issues experienced during commissioning which are unique and not comparable to other projects. The petitioner has submitted that modification work is in progress in all the four FBHEs.

14. It is noticed that the Commission in its order dated 4.9.2013 had allowed extension of time up to 30.11.2013 for injection of infirm power from the project considering the factors in totality and unforeseen circumstances of the case because of the new technology adopted by the petitioner. In the instant case, the delay appears to be on account of modification of FBHE. It is also noted that the petitioner has also initiated parallel activities to reduce the time to complete the refractory work and design test of FBHE. The six months period allowed for injection of power under Regulation 8 (7) of the Connectivity Regulations as amended expires on 30.11.2013. The petitioner under extraordinary



circumstances has requested for further extension of the period for injection of infirm power till the testing/full load testing is completed. In exercise of our power under first proviso to Regulation 8 (7) of the Connectivity Regulations, we allow the petitioner to inject infirm power into the grid for testing including full load testing till declaration of COD or 31.3.2014, whichever is earlier. However, the extension of time allowed for injection of infirm power into the grid shall not entitle the petitioner for any increase in IDC and IEDC due to delay in declaration of COD from the scheduled COD or any other benefit/relaxation of availability or efficiency norms. The petitioner is also directed to ensure RGMO operation of unit during the testing before declaration of COD.

15. Petition No. 314/MP/2013 is disposed of with the above directions.

Sd/-  
**(A.K.Singhal)**  
Member

sd/-  
**(M. Deena Dayalan)**  
Member

sd/-  
**(Gireesh B.Pradhan)**  
Chairperson

