

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 130/MP/2015**

Subject : Petition for implementation/enforcement of the provisions of the CERC (Terms and Conditions of Tariff) Regulations, 2014 regarding declaration of Commercial Operation Date in respect of Unit-IV of Barh Super Thermal Power Station Stage-II (660 MW) and for consequential directions

Petitioner : GRIDCO Limited

Respondents : NTPC Limited and Others

Date of Hearing : 6.11.2015

Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Dr. M.K. Iyer, Member

Parties present : Shri Raj Kumar Mehta, Advocate, GRIDCO  
Shri Abhishek Upadhyay, Advocate, GRIDCO  
Ms. Himanshi Audley, Advocate, GRIDCO  
Shri A.K. Samantaray, GRIDCO  
Shri Umakanta, GRIDCO  
Shri S.R. Sarangi, GRIDCO  
Shri M.G. Ramachandran, Advocate, NTPC  
Ms. Poorva Saigal, Advocate, NTPC  
Ms. Anushree Bardhan, Advocate, NTPC  
Shri Shubham Arya, Advocate, NTPC  
Shri Umesh Ambali, NTPC  
Shri A.K. Bishnoi, NTPC  
Shri Shyam Kumar, NTPC  
Shri Rajesh Bhagat, NTPC  
Ms. Abiha Zaidi, POSOCO  
Ms. Pragya Singh, POSOCO  
Shri S.S. Barpanda, POSOCO  
Shri P.S. Das, POSOCO

**Record of Proceedings**

Learned counsel for the petitioner argued at length and submitted that the present petition has been filed *inter alia* to declare the commercial operation of Unit-IV of Barh Super Thermal Power Station, Stage-II (660 MW) as null and void. Learned counsel for the petitioner further submitted as under:

- (a) The respondent, NTPC has not complied with the provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 while declaring the date of commercial operation of Unit-IV of Barh Super Thermal Power Station, Stage-II (660 MW) (unit-IV).



(b) NTPC had declared the COD of unit-IV on 15.11.2014. The trial run for declaration of COD stated to be conducted from 5.8.2014 to 8.8.2014. However, the trial run of the unit-IV has not been conducted as per Regulation 5 (1) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (2014 Tariff Regulations).

(c) As per Regulation 3 (39) of the 2014 Tariff Regulations, Maximum Continuous Rating in relation to a generating unit means the maximum continuous output at generator terminal guaranteed by the manufacturer at rated parameter.

(d) As per Regulation 4 (1) of the 2014 Tariff Regulations, the 'Date of commercial operation in case of a generating unit' shall mean the date declared by the generating company after demonstrating the maximum continuous rating or the installed capacity through a successful trial run.

(e) After the implementation of the project, NTPC vide its letters dated 25.7.2014, 26.7.2014 and 6.8.2014, informed the petitioner about trial run operation of unit-IV. However, due to certain reasons, the trial run could not be completed.

(f) NTPC, vide its letter dated 4.11.2014 further informed the petitioner that unit-IV has been synchronized at 07:13 hrs on 3.11.2014 and achieved full load operation at 18:40 hrs. In the said letter dated 4.11.2014, NTPC also informed that subsequent to completion of trial run, it intends to declare the Unit on commercial operation. Finally, NTPC vide its letter dated 14.11.2014 informed that 1st unit of Barh stage-II has been declared under commercial operation w.e.f 00:00 Hrs of 15.11.2014.

(g) The petitioner could not attend the trial run at MCR test due to short notice. However, the data belonging to the period were downloaded from ERLDC site for the period 3.11.2014 to 14.11.2014.

(h) The petitioner vide its letter dated 26.11.2014, informed NTPC that the unit has failed the trial run test and such unilateral mis-declaration of commercial operation of the unit-IV is not acceptable to it. Accordingly, the petitioner requested NTPC to start the trial run process afresh strictly in line with the provisions of 2014 Tariff Regulations and withdraw the bill sent by it till the unit completes MCR test successfully.

(i) In response, NTPC vide its letter dated 31.12.2014 stated that unit-IV was synchronized on 4.8.2014 at 21:56 hrs and trial operation was conducted thereafter. During the trial operation, unit-IV ran successfully for 72 hrs plus, demonstrating MCR and fulfilling the requirements of 2014 Tariff Regulations. However, the Meter Data regarding the said trial operation has not yet been submitted by NTPC.

(j) NTPC vide its letter dated 14.1.2015 further informed that unit IV was synchronized on 4.8.2014 at 21:56 hrs for the purpose of trial operation and attained full load in the early hours of 5.8.2014. Thereafter, from 04:30 hrs of



5.8.2014, the said unit ran successfully at full load till 10:27 hrs of 8.8.2014 for a period of 77.95 hrs with a brief outage due to spurious operation of protection. During the said trial operation, the unit attained maximum load of 718.6 MW, demonstrated MCR (including 105% MCR) and completed the trial operation in line with NTPC's specifications and provisions of 2014 Tariff Regulations. However, before the declaration of COD of unit, no trial run was conducted by NTPC as per the provisions of 2014 Tariff Regulations.

(k) Learned counsel in support of its contention relied upon the judgment of Appellate Tribunal of Electricity in the case of Ratnagiri Gas and Power Private Ltd. Vs CERC [ 2011 ELR (APTEL) 0532] and submitted that ATE in the said judgment has held that there has to be sufficient reason to justify relaxation. It has to be established by the party that the circumstances are not created due to act of omission or commission attributable to the party claiming the relaxation. Therefore, in the present case, it is only from the act or omission of the respondent that the present situation has arisen. Therefore, relaxation cannot be sought on that ground.

2. Learned counsel for NTPC submitted as under:

(a) The Commission in the Statement of Reason of the 2014 Tariff Regulations has clarified that the objective of specifying provisions related to trial run and trial operation is to ensure that the generating unit is capable to reliably operating at normative levels. The primary purpose of the provision of trial run is to demonstrate reliable operation of the plant and to ensure that the unit is capable of operating at full load on a sustained basis thereafter.

(b) As per the Minutes of Meeting dated 22.11.2014, CEA and POSOCO have only made recommendations for the criteria for the trial run towards declaration of COD of the thermal generating station. The same is subsequent to respondent's declaration of COD. The respondent has to declare that there is a successful trial run thereby demonstrating the capacity of the machine which is plant load factor as well as auxiliary consumption.

(c) The interpretation and application of the 2014 Tariff Regulations .w.e.f. trial operation and trial run in literal manner by the petitioner is not correct. These provisions have to be considered in a purposive manner consistent with the object sought to be achieved. The object sought to be achieved is to ensure that the equipment would be capable of performing on a sustained basis.

(d) On 25.7.2014, notice for the trial operation was given to the beneficiaries. For the purpose of trial operation, the unit was synchronised with the grid on 4.8.2014 at 21:56 hrs. However, the unit tripped immediately due to malfunctioning of feed water control valves.

(e) The unit has successfully demonstrated unit MCR and completed the trial operation in line with NTPC's specification and the provisions of 2014 Tariff Regulations. A notice in continuation to earlier notice for trial run was also served on the beneficiaries.



(f) During the routine checks, bending was observed in 5 nos beams of boiler structure used for hanging water wall tubes. The unit was immediately synchronised to the grid at 04:08 hrs (5.8.2015) to restart the trial operation. Thereafter, the unit ran successfully at almost full load till 8.8.2014 with an outage period of about 4 hrs and 18 minutes. During the trial operation, the unit ran continuously for about 66 hrs and again for a period of about 6 hrs generating at 92.21% PLF and had achieved a maximum instantaneous load of 718 MW. Further, the brief outage of about 4 hrs was caused by spurious tripping which is very much inherent in the system but not due to any system deficiency or due to non-readiness of the system.

(g) The unit was run continuously in the month of February, 2015 and March, 2015 with only single outage in each month. The unit achieved a Target Availability of 83% for the financial year 2014-15, for the period from COD of the unit i.e. 15.11.2014 to 31.3.2015. The unit has run continuously for 770 hrs in the financial year 2014-15. Till date, the unit is performing on sustained basis and delivering power to beneficiaries on reliable basis.

3. After hearing the learned counsels for the petitioner and the respondent, the Commission directed NTPC to submit the following information, on affidavit, by 4.12.2015 with an advance copy to the petitioner:

(a) Actual generation data at generator terminal and ex-bus generation block-wise during trial run carried out in November 2014 prior to declaration of commercial operation on 15 November, 2014.

(b) Actual generation at generator terminal and ex-bus generation for 3 months from 15.11.2014.

4. The Commission directed Eastern Regional Load Despatch Centre to submit the following information, on affidavit, by 4.12.2015:

(a) Actual ex-bus generation data of Barh STPS-II (Unit-IV) of all the time blocks of 3 days during trial operation in November 2014 prior to 15.11.2014.

(b) The ex-bus actual generation for 3 months from 15.11.2014.

5. Subject to the above, the Commission reserved order in the petition.

**By Order of the Commission**

**Sd/-  
(T. Rout)  
Chief (Legal)**

