

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 171/MP/2015**

Subject : Petition under Section 79 (1) (b) and (c) read with Regulations 4, 5 and 54 of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014.

Date of hearing : 6.8.2015

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

Petitioner : Lanco Kondapalli Power Limited

Respondent : Power System Operation Corporation Limited

Parties present : Shri Manu Seshadiri, Advocate, Lanco  
Shri V. Suresh, SRLDC  
Ms. Ekta Bansal, Advocate, POSOCO  
Ms. Abilia Zaidi, POSOCO  
Shri Rajendra Sharma, CEA

**Record of Proceedings**

Learned counsel for the petitioner submitted that despite best efforts for sourcing of gas from different suppliers, the petitioner was able to source only 0.30-0.36 MMSCM/day of gas, which is inadequate for trial run for 72 hours continuously at maximum continuous rating. Learned counsel referred to the affidavit dated 3.7.2015 and submitted as under:

(a) The petitioner had approached GSPL Ltd., Cairn India Ltd. and GAIL (India) Limited to source gas/ RLNG for its generating station. However, it could not source gas.

(b) RLNG needs to be imported as a liquid and supplied via pipeline to a consumer. The re-gasification facilities as on date are available on the Western coast of India only in Gujarat, whereas the generating station of the petitioner is located on the east coast of Andhra Pradesh. There is no facility to transport gas from the west coast to east coast through pipeline.

(c) The petitioner is also not in a position to source the gas from elsewhere (i.e domestic gas or RLNG) since the same has already been committed to other allottees. The petitioner cannot use the e-bid RLNG allocated under the scheme for the purpose of trial run as it is not allowed and tantamount to violation of the terms of the PSDF Support Agreement, Tender and Office Memorandum.

2. A copy of the letter of CEA dated 31.7.2015 was made available to the learned counsel for the petitioner during the hearing. The Commission observed that CEA in the said letter dated 31.7.2015, has categorically stated that "GAIL India has allocated 1.815 MMSCMD of gas to Lanco Power Project which can be further enhanced by 0.5 MMSCMD earmarked for commissioning purposes. Also, if required, the allocated gas can be stored for running of the project for 72 hours for complying with the condition of trial run operation of 72 hours for the purpose of COD".

3. The Commission further directed the petitioner to file submit the following on affidavit by 10.8.2015:

(a) Response to the CEA letter dated 31.7.2015;

(b) Whether there is dual fuel firing provision (gas and liquid fuel) in the gas turbine, if so, why the trial run on liquid fuel was not undertaken?

(c) Reason for delay in approaching the Commission after one and a half months from the date of commissioning of units on 18.5.2015; and

(d) Reason for not arranging gas for trial operation from the date of commissioning on 18.5.2015 to 30.5.2015.

4. The Commission directed to list the petition for hearing on 13.8.2015.

**By order of the Commission**

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