

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 91/MP/2015

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Date of Hearing: 05.3.2015

Date of Order : 11.3.2015

In the matter of

Seeking permission for drawl of start-up power for Unit-2 under DSM and for extension of the period for injection of infirm power for testing including full load testing of DB Power's Chhattisgarh Plant-Unit-2 (600 MW), beyond six months from initial synchronization.

And

In the matter of

DB Power Limited
5th Floor, Corporate block, D.B. City Park,
DB City, Area Hills, Opposite MP Nagar,
Zone-1, Bhopal-462 016

...Petitioner

Vs

Western Regional Load Despatch Centre
F-3, M.I.D.C. Area, Marol,
Andheri (East), Mumbai-400 093

Western Regional Power Committee
F-3, M.I.D.C. Area, Marole,
Opp SEEPZ, Central Road,
Andheri (East), Mumbai-400 093

.....Respondents

Following were present:

Shri Deepak Khurana, Advocate, DB Power

Shri Vikas Mishra, DB Power

Shri H.Sharma, DB Power



ORDER

This petition has been filed by the petitioner, DB Power Limited under 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 as amended from time to time (Connectivity Regulations) and Central Electricity Regulatory Commission (Deviation Settlement Mechanism) Regulations, 2014 with the following prayers:

"(a) Allow the petitioner to draw start up power for Unit-2 under DSM for the period when Unit-1 is not in operation;

(b) Allow the petitioner extension of period for testing including full load testing and consequent injection of infirm power by Unit-2 beyond 6 months of initial synchronization and up to 30.6.2015 or the date of COD of Unit-2, whichever is later ;

(c) Condone the delay, if any, in filing this petition;

(d) Waive the fees for filing the present petition for the reasons stated in Para 17 of the petition; and

(e) Pass any other order as it may deem fit in the circumstances mentioned above."

2. The petitioner is setting up 1200 MW (2X600 MW) thermal power project ("the project") at Village Baradarha Janjgir Champa District, in the State of Chhattisgarh. The BTG package for the project is supplied, erected and executed by BHEL and Balance of Plant as well as civil works is executed by L&T.

3. The Unit-1 of the project has been declared under commercial operation on 19.6.2014. The petitioner has submitted that the Unit-1 is, at present, not operational due to the following reasons:

(i) Pursuant to the execution of the Power Purchase Agreement with the Tamil Nadu Generation and Distribution Company Limited (TANGEDCO) for 208 MW, the petitioner was granted LTA by CTU for 36 MW from 1.6.2014 to 31.7.2014 and for the full quantum of 208 MW from 1.8.2014 till 30.9.2028.

(ii) CTU vide its letter dated 22.9.2014 deferred the operationalization of LTA by treating the application made in the month of November, 2013 as an application made in the month of January, 2014. Aggrieved by the said decision of CTU, the petitioner filed the Petition No. 376/MP/2014 before this Commission. The Commission vide order dated 16.2.2015 hold that the petitioner's application would be treated to have been made in January 2014. Aggrieved by the said order dated 15.2.2015, the petitioner has filed an Appeal No. 50/2015 before Hon`ble Appellate Tribunal for Electricity which is pending adjudication.

(iii) Deferment of operationalization of LTA by PGCIL has led to shutting down of operations of Unit-1. As a result, the petitioner is not able to avail start up power for Unit-2 from Unit-1.

(iv) WRLDC vide its letters dated 8.12.2014 and 15.12.2014 directed the petitioner not to draw start-up power under Deviation Settlement Mechanism.

4. The petitioner has submitted that the Unit-2 of the project achieved oil synchronization with grid on 30.3.2014 but due to reasons beyond its control, the COD of Unit 2 could not be achieved within the stipulated time due to technical reasons. The Commission vide order dated 24.9.2014 in Petition No. 211/MP/2014 had allowed

injection of infirm power from Unit-2 of the project for testing including full load testing up to 31.12.2014 or the actual date of commercial operation, whichever was earlier. The petitioner has submitted that since COD of Unit-2 could not be achieved by 31.12.2014 due to cancellation of coal block and non-availability of coal linkage, the petitioner filed the Petition No. 567/MP/2014 to allow it to draw start up power and extension of time for injection of infirm power upto 30.6.2015 or the actual date of commercial operation, whichever was later. The Commission while disposing of the said petition, vide order dated 12.2.2015 granted liberty to the petitioner to approach this Commission one month prior to the intended date of drawal of startup power and injection of infirm power.

5. The petitioner has submitted that Central Electricity Authority vide letter dated 1.2.2015 requested Ministry of Coal to advise to SECL/MCL to supply coal to the Unit-2 of the project for commissioning in March, 2015. In view of the said development, the petitioner has filed the present petition to allow it to draw start up power and extension of time for injection of infirm power from Unit-2 of the project for testing including full load testing up to 30.6.2015 or the actual date of commercial operation, whichever is later.

6. The petitioner has submitted that considering the current resources deployed by BHEL and L&T, the pending systems/works are expected to be completed by March, 2015 as under:

A	BTG (BHEL)	December 2014
1	Turbine Driven BFP (2 Nos)	Erection completed
2	Operating Platforms (for BTG)	completed
3	Retro fitment of Boiler Mills	Completed
4	Inspection of Generator Rotor & Assembly	Completed

5	ESP (all passes)	Completed
B	BoP (L&T)	March 2015
1	Coal Handling System (Tripper & Dust Extraction systems)	March 2015
2	Dry Ash Handling System	completed
3	Wet Ash Handling System	completed
4	CW side stream filtration system, CW chemical dosing system and chlorination dosing system	March 2015
5	Condensate polishing Unit	March 2015
6	Boiler Elevators, Roads / Drains etc	March 2015
C	Additional systems	March 2015
1	Mill reject Handling System	March 2015

7. The petitioner has submitted that the commissioning, coal firing, mill stabilization, trial operation and full load operation of Unit-2 of the project shall commence in April 2015 post commissioning of individual systems like coal handling system, ash handling system, mill reject system, etc. As such, the petitioner will be in a position to initiate coal firing and testing from April 2015, depending upon the availability of coal.

8. The petitioner has submitted that the Hon`ble Supreme Court vide its order dated 24.9.2014 has cancelled the captive coal block (Durgapur-II /Sariya coal block) which was allotted to the petitioner in the year 2007, along with other coal blocks allotted between the period 1993-2010. The petitioner has submitted that due to cancellation of said captive coal block and due to non-availability of coal linkage, the commissioning of Unit-2 has been delayed as the coal produced from the said captive coal block was to be used for generation of power from Unit-2. The petitioner has submitted that the availability of coal is likely to improve post completion of auctioning of coal blocks.

9. The petitioner has submitted that it is seeking extension of time for injection of infirm power into the grid for *bonafide* reasons and not to take undue advantage of the

same. The petitioner has submitted that no harm, loss and injury would be caused to anyone if the prayers are allowed.

10. During the course of hearing on 15.1.2015, learned counsel for the petitioner reiterated the submission made in the petition and requested to grant permission for drawal of startup power for Unit-2 for the period when the Unit-1 is not in operation and extend the time for injection of infirm power into the grid for testing including full load testing for testing from Unit-2 of the project upto 30.6.2015 or the date of commercial operation of Unit-2, whichever is earlier.

11. We have considered the submission of the learned counsel of the petitioner. The petitioner in its first prayer has sought permission for drawal of startup power for Unit-2 for period when Unit-1 is not in operation. The Fourth proviso to Regulation 8 (7) of the Connectivity Regulations, as amended from time to time, provides as under:

"Provided that the Commission may in exceptional circumstances, allow extension of the period for inter-change of power beyond the period as prescribed in this clause, on an application made by the generating station at least two months in advance of completion of the prescribed period:

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

12. The petitioner has submitted that for smooth operation of the unit-2 of the project and ensuring uninterrupted supply of power, it is necessary for it to put the Unit-2 for the test including full load test during and after completion of aforesaid activities. We are of the view that non-availability of start-up power would hamper the progress of commissioning/rectification work which would jeopardize the commissioning activities

and result in further delay in declaring COD of Unit-2. Accordingly, we allow the petitioner to draw start up power from the grid for Unit-2 up to 30.6.2015 or actual date of commercial operation, whichever is earlier.

13. The petitioner in its second prayer has requested to allow extension of time for injection of infirm power into the grid for testing including full load testing from Unit-2 of the project beyond six months from initial synchronization and upto 30.6.2015 or the date of commercial operation of Unit-2, whichever is later. The petitioner has submitted that rectification/completion of pending works such as coal handling system, cooling water system and mill reject system, etc. are expected to be completed by March 2015 and trial operation and full load operation of Unit-2 shall commence in April, 2015 post commissioning of aforementioned individual systems. Therefore, the petitioner will be in a position to initiate coal firing and testing from April, 2015, depending on the availability of coal. Taking into consideration the problems faced by the petitioner, we allow injection of infirm power into the grid for commissioning tests including full load test of unit-2 with immediate effect till 30.6.2015 or actual date of commercial operation, whichever is earlier. We expect the petitioner to make all efforts to ensure the commercial operation of unit-2 of the project by this date.

14. With the above, the Petition No. 91/MP/2015 is disposed of.

Sd/-
(A.S. Bakshi)
Member

sd/-
(A. K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson

