

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.212/MP/2016

Coram:

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

Date of Order: 31st of October, 2016

In the matter of

Petition under Regulation 8 of Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 for seeking permission to allow interchange of power for testing including full load testing and trial run operation of Unit-I of Mouda STPS Stage-II (2X660 MW), beyond the period of six months from the date of its first synchronization.

**And
In the matter of**

NTPC Limited,
NTPC Bhawan, Core-7, Scope Complex,
7, Institutional Area, Lodhi Road, New Delhi-110 003

...Petitioner

Vs.

1. Madhya Pradesh Power Management
Company Limited,
Shakti Bhawan,
Vidyut Nagar,
Rampur, Jabalpur-482 008

2. Maharashtra State Electricity Distribution Co Ltd.
Prakashgad, Bandra (East),
Mumbai 400 051

3. Gujarat Urja Vikas Nigam Ltd.(GUVNL)
Vidyut Bhavan, Race Course

Vadodara – 390 007

4. Chhattisgarh State Power Distribution Co. Ltd (CSPDCL),
P.O. Sundar Nagar,
Danganiya, Raipur – 492013

5. Chief Engineer (Electricals)
Electricity Department, Vidyut Bhawan,
Panaji, Goa

6. Electricity Department,
Administration of Daman & Diu
Daman-396 210

7. Executive Engineer, DNHPDCL
Silvasa

8. Power System Operation Corporation Limited
B-9, Qutab Institutional Area
Katwaria Sarai
New Delhi – 110016

Parties Present:

Shri Ajay Dua, NTPC Ltd.
Shri Rohit Ladha, NTPC Ltd.
Shri Sachin Jain, NTPC Ltd.
Shri Nishant Gupta, NTPC Ltd.

ORDER

This petition has been filed by the petitioner, NTPC Ltd. seeking permission of the Commission for interchange of power into the grid during testing including full load testing upto 27.12.2016 or till declaration of commercial operation of unit-1 of Stage-II of 1320 MW (2X660 MW) Mauda Super Thermal Power Project (the Project) at Nagpur district in the State of Maharashtra in terms of 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 (Connectivity Regulations) as amended from time to time

2. The petitioner has submitted that the first unit of Stage-II of the project has already been test synchronized on 28.3.2016 and is advanced stage of completion. The petitioner has further submitted that based on the progress of work, unit-1 was anticipated to be declared on commercial operation within six months of the first synchronization. However, COD of the unit-1 could not be achieved due to the following reasons:

(a) Non-Availability of Sand and Moorum: Deputy Secretary, Revenue and Forest Department, Govt. of Maharashtra vide its letter dated 21.1.2013 informed Divisional Commissioners and District Collectors that approval of State Pollution Committee is necessary for obtaining the secondary mineral excavation permit as per the judgment of Hon'ble Supreme Court order dated 21.1.2013. Accordingly, Due to change in procedure for secondary mineral excavation, supplies of sand and Moorum got affected from third week of January, 2013 for around three months which resulted delayed the civil works of SG and other associated works.

(b) Heavy rainfall during construction activities: During the month of June 2013 to up to August 2013, Mouda and surroundings (Vidarbha region) experienced unprecedented heavy rainfall which resulted in restriction of movement of men and machinery and virtually complete stoppage of work for around three months which delayed the civil works of certain structures which were in foundation stage at that time.

(c) Reduced manpower on account of increase in minimum wages by Govt. of Maharashtra: Government of Maharashtra in the month of July, 2014, increased labour minimum wage from Rs 278.79 to Rs 392.08. The above wage hike of Rs 113 was very steep in comparison to the regular hike of Rs 7 to 8. As payment of minimum wages by agencies was to be done as per all India CPI index which increased by 5.85% in comparison to the direct increase of 20.72%. Due to above additional financial burden, the contracting agencies reduced manpower engaged in the project (and /or) stopped wage payments which severely impaired the progress of work which was in full swing hampering the momentum and pace of works.

(d) Non-availability of gravel and moorum due to strike by Stone crushers: Department of Forest and Revenue, Govt of Maharashtra vide its Notification dated 11.5.2015 increased the rate of royalty for gravel and moorum from Rs 200 per brass to Rs 400 per brass. Against the above increase in rate of royalty, Orange City Stone Crushers Association of Nagpur called for strike from 31.10.2015 demanding reduction of rate of royalty which resulted in non-availability of gravel and moorum.

3. The petitioner has submitted that immediately after the synchronization, all out efforts were made to complete the remaining erection and commissioning works of the project. However, the work/activities got affected due to local agitation led by project affected people in the month of May 2016 and June 2016 which resulted complete

stoppage of work at site and the unit could not be declared under commercial operation.

4. The petitioner has submitted that it is seeking extension of time for interchange of infirm power into the grid for *bonafide* reasons for completion of the balance works and not for the purpose of trading in firm power or otherwise to derive any undue advantage out of it.

5. The matter was heard after notice to the respondents. During the course of hearing, the representative of the petitioner submitted that due to reasons beyond control of the petitioner, COD of unit -1 could not be achieved and requested to grant time for interchange of infirm power into the grid for commissioning tests including full load test of unit-1 of the project upto 27.12.2016 or actual date of commercial operation, whichever is earlier.

6. We have considered the submission of the petitioner. 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.”

7. The petitioner has submitted that it is seeking extension of time for *bonafide*

reasons for completion of balance works. The petitioner has submitted that due to local agitation by project affected people and heavy rainfall at Nagpur regions, COD of unit-1 could not be achieved. Taking into considering the problems faced by the petitioner, we allow interchange of infirm power into the grid for commissioning tests including full load test of unit-1 upto 27.12.2016 or actual date of commercial operation, whichever is earlier. It is clarified that the extension of time as allowed in this order shall not automatically entitle the petitioner for IDC/IEDC for delay in declaration of COD which shall be considered on merit at the time of determination of tariff of the unit/generating station.

8. With the above, the Petition No. 212/MP/2016 is disposed of.

Sd/-	sd/-	sd/-	sd/-
(Dr. M. K Iyer) Member	(A.S Bakshi) Member	(A.K.Singhal) Member	(Gireesh B. Pradhan) Chairperson