

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 65/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 Hearing: 19.5.2016

Date of Order : 31.5.2016

In the matter of

Petition under 4th proviso to Regulation 9 (7) 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 read with Section 79 (1) (c) of the Electricity Act, 2003 for extension of time for achievement of commercial operation of the Unit-I (350 MW) of the project.

And

In the matter of

Ind-Barath Energy (Utkal) Ltd.
Plot No. 30-A, Road No. 1,
Film Nagar, Jubilee Hills,
Hyderabad-500 096, Telangana

...Petitioner

Vs

Eastern Regional Load Despatch Centre
14, Golf Club Road,
Tollygunge, Kolkata-700 033

.....Respondent

Following were present:

Shri Matrugupta Mishra, Advocate, Ind-Barath
Shri Nimesh Kumar Jha, Advocate, Ind-Barath
Ms. Pragya Singh, ERLDC
Ms. Abiha Zaidi, POSOCO

ORDER

This petition has been filed by the petitioner, Ind-Barath Energy (Utkal) Ltd., 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) with the following prayers:

"(a) Grant an extension for a period of 6 months in favour of the petitioner to achieve commercial operation of its Unit-I of 350 MW and the petitioner may be allowed to evacuate power from the project through existing LILO line till completion of the dedicated transmission line;

(b) Pass such further and other order as this Hon`ble Commissions may deem fit and proper under the facts and circumstances of the present case and in the interest of justice."

2. The petitioner is setting up 700 MW (2X350 MW) thermal power project ("the project") at Village Sahajbahal, Jharsuguda district in the State of Odisha. 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 petitioner has submitted that pursuant to the grant of LTA by CTU, the petitioner entered into Long Term Access Agreement with PGCIL on 24.2.2010. Unit-1 and 2 of the project were scheduled to achieve COD in December 2011 and February, 2012 respectively. The petitioner has submitted that as per the LTA Agreement, the petitioner was required to lay down 400 kV D/C line with associated line bays from the project to Jharsuguda Pooling station of PGCIL and PGCIL was required to develop the transmission system for strengthening of transmission system in the State of Odisha. As

per the decision of Standing Committee on Transmission Planning of Eastern Region held on 8.10.2010, the petitioner was allowed to evacuate power from the project through LILO of the Rourekala-Raogarj 400 kV Ckt. No.1 of PGCIL by LILO arrangement. The LILO line constructed by the petitioner was commissioned on 12.11.2014. However, after several request to PGCIL, CEA and ERPC, the petitioner was allowed to draw limited start up power only from LILO of 400 kV D/C Raigarh-Rourkela Ckt 1 to commission small auxiliaries.

4. The petitioner has submitted that, vide letter dated 25.6.2015, ERPC was requested to allow the petitioner to inject the power through the existing LILO to achieve balance commissioning of the plan. In response, ERPC vide its letter dated 3.8.2015, informed the petitioner regarding special meeting for synchronization of Unit-1 of the project through present LILO of 400 kV D/C Raigarh-Rourkela Ckt 1 to commission and advised the petitioner to apply for test synchronization to ERLDC to permit injection to grid through LILO from CTU. Accordingly, in order to resolve the issue, ERPC convened a special meeting on 10.8.2015 for synchronization of unit-1 of the project in which the petitioner informed that due to ROW issues and other constraints, it could not synchronize the unit-I as per schedule. In the said meeting, the petitioner further informed that unit-1 is completely ready for synchronization and approximately 40 days are required to complete the pre-commissioning activities from the date of synchronization. Pursuant to the said meeting dated 10.8.2015, the petitioner was allowed on 14.8.2015 to inject power for testing and protection checking for LILO line jointly with PGCIL line. On 7.9.2015, PGCIL issued healthiness certificate of PGCIL's

line with the petitioner's switchyard. Subsequently, on 11.9.2015, the unit was synchronized with injection of power of PGCIL through LILO line.

5. The petitioner has submitted that pursuant to the PPA with TANGEDCO, the petitioner made an application to PGCIL on 4.12.2013 for grant of LTA for 500 MW for evacuation of power to Southern Region. PGCIL granted LTA on 22.7.2015 and LTA Agreement was executed on 12.8.2015 with PGCIL without system strengthening. The petitioner has submitted that due to force majeure events, namely flood, certain labour problems, etc., both the units of the project could not be commissioned. The petitioner has submitted that 400 kV D/C Ind Barath-Jharsuguda dedicated transmission line is facing severe ROW issue. The petitioner has submitted that till the time force majeure events are subsisting, the parties under the LTA Agreement are discharged from their respective liabilities and performance obligations.

6. The petitioner has submitted that for the purpose of commissioning of its project, after various rounds of deliberation with PGCIL, CEA and ERPC, it was permitted to draw limited start up power from the LILO connection of PGCIL's 400 kV D/C Raigarh Rourkela Ckt-1 from October, 2014 and after completion of LILO with Raigarh-Rourkela transmission line, the petitioner started drawing limited start up power to commission certain small auxiliaries. However, to enable synchronization with the grid, number of meetings were held with CEA, PGCIL POSOCO, ERPC and OPTCL and the project was synchronized with the grid on 11.9.2015 on trial basis by transporting coal in trucks in the absence of MGR under construction by the petitioner. However, the construction

of MGR suffered a setback when OPGC demanded modification of the 400 kV dedicated transmission line. The petitioner has submitted that it is sharing a common corridor for a small portion of the MGR with Odisha Power Generation Corporation (OPGC).

7. The petitioner has submitted that due to unforeseen circumstances the dedicated transmission line could not be completed. Despite the existence of force majeure events, the petitioner had consistently approached the authorities for availing an access to the LILO line for synchronization of unit-1. The petitioner has submitted that due to the undertaking given by it on 13.8.2015, it is not able to achieve COD of unit-1 of the project through LILO of Raigarh-Rourkela line.

8. The petitioner has submitted that in the 8th Joint Coordination Committee meeting held on 16.2.2016 for high capacity corridor for IPPs in Eastern Region, it was noted that the petitioner's dedicated transmission line is nearing commissioning since 3 kms stringing and erection of one tower is pending. The petitioner has submitted that out of 39.74 kms of stringing, only 3 kms stringing is yet to be completed and the stakeholders are aware of the subsisting force majeure events.

9. The petitioner has submitted that in the 119th meeting of ERPC held on 18.3.2016, it is decided that LILO can be used for declaration of COD and OCC decided to allow the petitioner to declare COD through Raigarh-Jharsuguda 400 kV LILO line.

10. The petitioner has submitted that since 6 months from the date of synchronization i.e 11.9.2015 has been lapsed, it has filed the present petition or grant of extension of time for a period of further six months to achieve COD of unit-1.

11. The petitioner has submitted that it is seeking extension of time for injection of infirm power into the grid for *bonafide* reasons. The petitioner has submitted that no harm, loss and injury would be caused to any party or stakeholder if the prayer for grant of extension of time for injection of infirm power is allowed.

12. During the course of hearing, the representative of ERLDC requested for time to file reply to the petition and submitted that permission was given to the petitioner only for injection of infirm power from unit-1 of the project for testing including full load testing.

13. We have considered the submission of the learned counsel of the petitioner. The petitioner has sought permission for extension of time for injection of infirm power into the grid from unit 1 of the project by six months. 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."

14. The petitioner has submitted that due to force majeure events, namely (i) severe flood in the State of Odisha in the year 2012 (ii) local resistance by land owners and local population, (iii) re-routing of MGR as Odisha Power Generation Corporation demanded modification of the 400 kV dedicated transmission line (iv) the main boiler and related components supplier, Cethar Vessels Limited could not deliver the boiler and other components in time due to certain labour issues, it could not achieve the COD of unit-1 of the project. The petitioner has submitted that in absence of the Commission's order for grant of extension of time for injection of infirm power, it is not able to complete the remaining activities such as commissioning of all TDBFPs, all HP Heaters in service, all elevations of coal and oil burners, all pass with all fields of ESP, full load ash evacuation, full condenser vacuum without leakage, auto control loops in operation and 72 hrs full load MCR operation. It is noted that the petitioner has not submitted time schedule to complete the various pending works before full load testing and declaration of COD. During the course of hearing, learned counsel for the petitioner submitted that out of 39.74 kms of stringing, only 3 kms stringing is yet to be completed and requested for one month to declare COD of unit-1 and to complete dedicated transmission line. Taking into consideration the problems faced by the petitioner, we allow injection of infirm power into the grid for commissioning tests including trial operation of unit-1 with immediate effect till 31.7.2016 or actual date of commercial operation, whichever is earlier. The petitioner is also directed to complete its dedicated transmission line by 31.7.2016. The petitioner would not be allowed injection of infirm power beyond 31.7.2016 through LILO of 400 kV D/C Raigarh-Rourkela Ckt. 1 if the dedicated line is not completed such time.

15. The approval of extension of time for injection of infirm power shall not be taken as a ground for allowing time over-run and cost over-run of the project.

16. With the above, the Petition No. 65/MP/2016 is disposed of.

Sd/-
(Dr.M.K.Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A. K. Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson