

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 114/MP/2017

- Subject : Petition under Section 79 (1)(c) read with Section 28 and 29 of the Electricity Act, 2003 and the applicable Regulations notified by the Commission in respect of transmission capacity allocation to the generating projects in Sikkim qua Teesta-V 400 kV line i.e.Rangpo-Siliguri 400 kV d/C line inter-State Transmission system of PGCIL pending the construction and completion of the Teesta-III Kishanganj 400 kV D/C quad-moose line by Teesta Valley Power Transmission Limited.
- Petitioners : Dans Energy (P) Ltd. & Others.
- Respondents : Power System Operation Corporation Ltd. and Others.
- Date of hearing : 6.6.2017
- Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.S. Bakshi, Member
Dr. M.K. Iyer, Member
- Parties present : Shri M.G. Ramachandran, Advocate, DEPL
Shri Shubham Arya, Advocate, DEPL
Shri Subhendu Mukherjee, ERLDC
Shri Sanjeev Kr. Upadhyay, DEPL
Shri Rajesh Sharma, DEPL
Shri S.R. Narsimhan, NLDC
Shri U.K. Verma, NLDC
Shri S.S. Barpanda, NLDC
Shri S.C. Saxena, NLDC
Shri Tarun Johri, Advocate, TUL
Shri Jaideep Lakhtakia, TUL
Shri Ashok Pal, PGCIL
Ms. Jyoti Prasad, PGCIL

Record of Proceedings

Learned counsel for the petitioners submitted that the present petition has been filed seeking quashing of the decision taken by the respondents altering the scheme of evacuation of power generated at the petitioner's hydro power stations in violation of the decisions taken by the Eastern Region Power Committee (ERPC) in its various

meetings held on 14.10.2016, 30.11.2016 and 29.3.2017. Learned counsel further submitted as under:

(a) The petitioners namely, DANS Energy Private Limited (DEPL), Shiga Energy Private Limited (SEPL) and Gati Infrastructure Private Limited (GIPL) have established their 96 MW, 97 MW, and 99 MW Hydro Power Stations respectively in the State of Sikkim. The petitioners and Teesta Urja Ltd. have entered into BPTA dated 24.2.2010 with PGCIL in regard to the transmission facilities for evacuation of power from the respective generating stations. DEPL, SEPL and GIPL have been granted 96 MW (Jorethang), 97 MW (Tashiding) and 99 MW (Chuzachen) LTAs respectively for a period of 25 years. The power generated is being evacuated through 400 kV D/C Teesta-V-Siliguri transmission line from Rangpo pooling station. The project of GIPL and DEPL were commissioned in the years 2013 and 2015 respectively and project of SEPL is scheduled to be commissioned in June/July 2017.

(b) The construction of Teesta III-Kishanganj transmission line has been considerably delayed by Teesta Valley Power Transmission Corporation Limited (TPTL) which is a joint venture company of Teesta Urja Ltd. and PGCIL. TPTL has commissioned Teesta-III to Rangpo line in November 2016 and line further from Rangpo to Kishanganj has not been completed till date. In view of the delay on the part of TPTL in completing the balance portion of Teesta III-Kishanganj transmission line, there was a necessity to find an interim arrangement for evacuation of power from Teesta-III project of TUL, pending the construction and completion of Rangpo to Kishanganj Line by TPTL.

(c) Accordingly, in the Meetings of ERPC dated 14.10.2016, 30.11.2016 and 29.3.2017 it was decided that the surplus capacity available on 400 kV D/C Rangpo to Siliguri line would be utilised in a manner that the entire capacity of the generating stations of Teesta V project and of all the three Petitioners will be given the preference and the balance capacity of 698 MW only will be utilised for Teesta III Hydro Project of Teesta Urja Limited and Dickhu HEP of Sneha Kinetic Power Project Limited.

(d) On 17.5.2017, POSOCO has sought to change the respective capacities to be evacuated through the existing line between the petitioners and Teesta-Urja Limited and allowing much higher capacity to TUL and effectively reducing the capacities given to the petitioners considerably. This is being proposed for 3 months starting from 1.6.2017 and is in violation of the decisions taken during the meetings of ERPC.

(e) Section 29 (4) of the Electricity Act, 2003 empowers the Regional Power Committees (RPC's) to agree on matters concerning the stability and smooth operation of the integrated grid and economy and efficiency in the operation of the power system in that region and the decisions taken at the meetings of the

Eastern Regional Power Committee have a statutory force as stipulated in Section 29(4) of the Electricity Act, 2003.

(f) Regulation 2.4.3 of the Grid Code gives a statutory force to the decisions taken at the meetings of the RPC's and provides that all the concerned RLDC/SLDC/CTU/STU and users shall follow the decisions of RPC's arrived at by consensus regarding operation of the regional grid and scheduling and despatch of electricity, if not inconsistent with the provisions of the Grid Code/ CERC Regulations.

2. In it's rebuttal, learned counsel for Teesta Urja Limited (TUL) submitted as under:

(a) In all the ERPC meetings, it was decided that for secure and safe operation of the Sikkim grid, to start with, the maximum power flow on Rangpo-Siliguri 400 kV D/C line would be restricted to about 1500 MW. The limit on power transfer capacity of the said line may be ramped up to its maximum power transfer capacity of 2300 MW in stages duly considering secure and safe operation of the grid based on the availability of generation from hydro projects in Sikkim, past data regarding maximum loading of the line and its duration.

(b) The SPS (System Protection Scheme) operation with a limit of 1500 MW power on the Rangpo-Siliguri line was to start in December 2016 and thereafter, the power flow through this line had to be reviewed periodically and depending upon the requirement of additional power flow, the limit of the maximum power flow on the Rangpo-Siliguri line had to be enhanced progressively, till commissioning of 400 kV D/C quad Moose Teesta III-Kishanganj Transmission Line in March 2017 and SPS would be modified accordingly. The SPS operation to gradually ramp up the capacity from 1500 to 2300 MW has not been carried out in last 7 months.

(c) Short Term Open Access has been granted to all the generators. All the generators would face no difficulty after installation of SPS and transfer capacity is gradually ramped upto 2300 MW. As per Regulation 6.5.2(a) of the Grid Code, the Short Term Customers shall be curtailed first followed by the Medium Term Customers which shall then be followed by Long Term Customers and amongst the customers of a particular category, curtailment shall be carried out on pro-rata basis.

(d) As per Regulation 25(2) of the Connectivity Regulations, Short Term Customers shall be curtailed first followed by Medium Term Customers and the Long Term Customers and amongst the customers of a particular category, curtailment shall be carried out on pro-rata basis. As per law, curtailment shall happen on pro-rata basis.

3. The representatives of the POSOCO submitted as under:

(a) The transmission lines approved in September, 2010 were LILO of 400 kV Teesta-III-Kishanganj D/C and 400 kV Teesta V-Binaguri D/C lines at 400 kV Rangpo. 400 kV Teesta-III Kishanganj D/C line is being constructed at Teesta valley Power Transmission Limited (TPTL) and was scheduled for completion by November, 2013 as per minutes of meeting held in February, 2012 in the CEA Standing Committee on Transmission Planning. Meanwhile Dikchu HEP approached CEA and CTU in 2014 for LILO of one ckt of 400 Teesta-III to Rangpo from its power plant as the planned 132 kV system to Mangan by Government of Sikkim was expected to be delayed. Subsequently, the Commission vide order dated 3.12.2014 in Petition No.157/MP/2014 approved this LILO. However, construction of the lines were delayed and on 25.11.2015, only a part of the transmission line from 400 kV Teesta III-Rangpo S/C and 400 kV Dikchu-Teesta III S/C was commissioned which resulted in a situation where nearly 2000 MW of hydro capacity (2098 MW, if Tashiding also gets commissioned) is dependent on the 400 kV Rangpo-Binaguri D/C line. This line is a Twin Moose line of 120 kms whose thermal limit is 1100 MVA each circuit. Recognizing the issue of stability of the grid under n-1 contingency of one ckt of 400 kV Rangpo-Binaguri section, the matter was discussed in several meetings held at CEA on 5.7.2016 and at ERPC on 14.10.2016, 30.11.2016 and 29.3.2017

(b) Presently, 1500 MW is being evacuated over this D/C line with a System Protection Scheme (SPS) in place which would trip the units at the hydro power stations except Teesta-V to reduce power flow on the remaining line to 750 MW. The SPS was tested on 24.3.2017 but there were issues observed in the timely receipt of the signals. The stability studies indicate a possible outage of the entire power stations in Sikkim should the SPS not operate. This would lead to loss of 1500 MW generation in the grid with possible collateral damage to the grid.

(c) Besides above, there is a cable limitation of 2000 ampere at Teesta-III.

(d) For administering STOA, NLDC has already taken up with Power Exchanges for defining the generation zone in Sikkim as a separate bid area. Pending implementation of the bid area w.e.f. 15.6.2017, the STOA approvals are being granted on a pro-rata basis. With the increase in water inflows, the transmission constraint would lead to spillage of water in the coming days.

4. After hearing the learned counsels and the representatives for the parties, the Commission admitted the petition and directed the respondents to file their replies by 13.6.2017 with an advance copy to the petitioners.

5. The Commission directed the POSOCO to maintain status quo prevailing as on 30.5.2017 till the next date of hearing, keeping the decision regarding operationalisation of E3 bid area in abeyance till further orders.

6. The Commission directed ERPC to convene a meeting of all stakeholders by 13.6.2017 to explore (a) the possibility of an amicable solution for evacuation of the power from the generating stations of the petitioners and other generating stations in the region, (b) decide on the ramp up of the optimum transfer capability of Rangpo-Siliguri transmission line with SPS operation, (c) discuss the reasons for non-completion of Rangpo-Kishanganj transmission line including the steps being taken up for completion of the line. The Minutes of Meeting be filed in the Commission before the next date of hearing.

7. The Commission directed the petitioners to file the following information:

(a) How much capacity has been reduced for evacuation of power in case of the petitioners to the earlier granted power of evacuation of 96 MW (Jorthang), 97 MW (Tashiding) and 99 MW (Chuzachen) and how much capacity for evacuation of power has been granted to Teesta Urja Limited to earlier granted capacity of 600 MW through 400 kV D/C Teesta-V-Rangpo Siliguri line?

(b) Current status of Shiga Energy Pvt. Ltd. Project (97 MW) named Tashiding.

8. The Commission directed the Power System Operation Corporation Limited to submit the following information/clarifications:

(a) Reasons for changing the respective capacities as were agreed in the special meeting held on 14.10.2016, w.e.f 1.6.2017 for evacuation of power through Rangpo-Siliguri 400 kV transmission line.

(b) A copy of NOC requested by Petitioners and Teesta Urja Limited and other generators who have sought NOC for the same capacity and a copy of NOC granted by POSOCO.

(c) Whether COD for all units of Teesta Urja Limited has been done in accordance with CERC Regulations? A copy of RLDC certificate, CMD certificate in this regard for all the units may be submitted.

(d) Reasons for formation of separate bid area.

9. The Commission directed PTC India Limited to submit the status of scheduling of power to long term beneficiaries keeping in view the PPAs signed with beneficiaries in the light of TUL informing during the hearing that COD has been done for all the units.

10. CTU was directed to file the following information:
- (a) Status of LTA operationalisation for all the generators in this region. In case, it has not been operationalised, the reasons for doing so specially keeping in view amended Regulation 8(5) of third amendment to the Central Electricity Regulatory Commission (Sharing of inter-State transmission charges and losses) Regulations, 2010 effective from 1.5.2015.
 - (b) Steps taken to operationalize the LTA.
 - (c) A copy of LTA granted to the generators covered under the Petition and the date of effect of LTA as per LTA granted.
11. TPTL was directed to file the following information/clarifications:
- (a) Status of TUL-Kishanganj transmission line, specially with reference to TUL to Rangpo S/C and Rangpo to Kishanganj D/C transmission lines.
 - (b) Scheduled completion date of the above line.
 - (c) Reasons for delay in completion of this line.
 - (d) Steps taken for expeditious completion of this line.
12. ERPC was directed to submit the following information:
- (a) Maximum power flow allowable through Rangpo-Siliguri transmission line.
 - (b) Steps taken to ramp up flow of 2300 MW through the above line as recorded in the minutes of ERPC meeting dated 30.11.2016.
 - (c) Status of SPS operation at generators covered under the Petition and reasons for non-reliability of SPS operation as informed by POSOCO during the hearing.
13. TUL was directed to explain the reasons for installation of 2000 ampere at Teesta-III in place of 3150 ampere as discussed during CEA meeting held on 5.7.2016.
14. The Commission directed the petitioners to serve copy of the petition on the Central Electricity Authority (CEA) immediately and requested CEA to submit the maximum power flow allowable through Rangpo-Siliguri transmission line. The Commission further requested the CEA to assist the Commission on the issue in the next date of hearing.

15. The Commission directed the petitioners, the respondents and CEA to file the above information/clarifications, on affidavit on or before 13.6.2017.

16. The petition shall be listed for hearing on 15.6.2017.

By order of the Commission

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