CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 252/MP/2018

Coram: Shri P.K.Pujari, Chairperson Dr. M. K. Iyer, Member

Date of Order: 10th of September, 2018

In the matter of

Petition under Section 79 (1) (f) along with Section 79 (1) (k) of the Electricity Act, 2003 read with Regulation 8 (7) 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 seeking permission for extension of the period for injection of infirm power for commissioning and testing of Phase-II (Unit-III) of thermal power project near Thaminapatnam, Chilakur (Mandalam), SPS Nellore, State of Andhra Pradesh, beyond the period of six months from the date of first synchronization, i.e., beyond 9.2.2018

And In the matter of

Meenakshi Energy Limited 405, Saptagiri Towers, 1-10-75/1/1 to 6 Begumpet, Secunderabad-500 016 Telangana

...Petitioner

Vs.

Southern Regional Load Despatch Centre (Power System Operation Corporation Limited) 29, Race Course Cross Road, Bangalore- 560 009.

Southern Regional Power Committee, 29, Race Course Cross Road, Bangalore- 560 009.

...Respondents

The following were present:

Shri Sanjay Sen, Senior Advocate for the Petitioner Shri Sakya Singha Choudhuri, Advocate for the Petitioner Ms. Molshree Bhatnagar, Advocate for the Petitioner Shri Nishant Talwar, Advocate for the Petitioner

<u>ORDER</u>

This petition has been filed by the Petitioner, Meenakshi Energy Limited seeking permission of the Commission for injection of infirm power into the grid upto 9.2.2019 or till declaration of commercial operation of Unit-III of Phase II of 1000 MW Thermal Power Project (hereinafter referred to as 'generating station') at Nellore district in the State of Andhra Pradesh 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 (hereinafter referred to as 'Connectivity Regulations') as amended from time to time.

2. The Petitioner has submitted that the generating station consists of two phases, namely Phase-I (Unit I and Unit-II) and Phase-II (Unit- III). Two units 270 MW of Phase II have been declared commercial operation on 7.10.2012 and 30.4.2013 respectively. Unit III (350 MW) of Phase-II (hereinafter referred to as 'Unit-III') was synchronised with grid on 10.2.2018. However, CoD of Unit-III could not be declared due to the following reasons:

(a) The Unit was operated on full load for 350 MW. However, due to coal feeding issues, it was tripped. Variable Frequency Drive (FVD) was the critical design equipment for operation of ID fans and during the synchronisation period from 10.2.2018 to 1.5.2018, it lead to multiple failures. The Petitioner requested Original Equipment Manufacturer (OEM) to visit the project site and resolve the issue. However, despite best efforts of OEM, defect could not be resolved. In May, 2018, OEM dissembled the VFDs and took the same to the workshop in Ahmadabad to rectify the design

issues. After receiving the assembled VFDs in the month of July, 2018, ID fans trials were conducted during the first week of August, 2018 and the Petitioner is making necessary progress to go for trail run for Unit-III.

(b) Boiler OEM, supplier and the erection contractor (M/s Cethar Vessals) became insolvent during the pre-commissioning period and there was no onsite technical support with regard to boiler. Despite such major set-back, the Petitioner arranged its team of technicians at its own cost to resolve the issues.

(c) Upon successful trial and full load achievement, boiler combustion tuning which is critical for stable operations, auto loops tuning of other areas and coordinated auto mode for the entire Unit-III is yet to be done. These could not be carried out by the Petitioner in absence of stable ID fans. Therefore, after stabilising the ID fans operations, the above activities would be taken up by the Petitioner.

3. The Petitioner has submitted that it approached SLRDC vide letter dated 3.8.2018 for extension of time for injection of infirm power into the grid during the commissioning period of Unit-III. SRLDC, vide its letter dated 6.8.2018 intimated the Petitioner that for the purpose of seeking approval for injection of infirm power beyond 9.8.2018, prior approval of the Commission is required to be obtained. The Petitioner has submitted that it could not approach the Commission due to above facts and circumstances for extension of time for injection of infirm power and has prayed for condonation of delay of 62 days in filing of the present petition. 4. During the course of hearing, the learned counsel for the Petitioner reiterated the submissions made in the Petition and requested to allow the Petitioner for injection of infirm power into the grid for commissioning tests including full load test of Unit-III beyond 9.8.2018 and upto 9.2.2019.

5. 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."

6. As per the above proviso, the Petitioner can seek extension of the period for interchange of power on an application to be filed atleast two months in advance of the completion of the prescribed period. The Petitioner has submitted that it could not foresee the need for the present petition prior to the occurrence of certain circumstances like faults/problems in VFD and change in management of the Petitioner company at multiple times. Accordingly, the Petitioner has stated that these circumstances which were unforeseen caused delay in filing of the Petition and the same was beyond the control of the Petitioner. Only due to the occurrence of the events, it was constrained to file the present Petition seeking extension of time for injection of infirm power and therefore, there has been a delay of 62 days. In consideration of the submissions of the Petitioner, we condone the delay of 62

days in filing the Petition for reasons which are apparently beyond the control of the Petitioner.

7. The Petitioner has submitted that it has made all efforts to ensure completion of activities of Unit-III within stipulated time but could not succeed for reasons beyond its control. The Petitioner has submitted that due to various reasons, namely tripping of ID fan due to VFD failure & coal feeding issues and non-availability of the boiler OEM, it was not able to complete testing including full load testing within the prescribed period of six months from the date of first synchronization of Unit-III. Considering these facts, the Petitioner has requested for permission to inject infirm power till 9.2.2019. Taking into consideration the difficulties expressed by the Petitioner and in terms of the proviso to Regulation 8(7) of the Connectivity Regulations as quoted in Para 5 above, we allow injection of infirm power into the grid for commissioning tests including full load test of Unit-III upto 31.12.2018 or actual date of commercial operation, whichever is earlier.

8. With the above, the Petition No. 252/MP/2018 is disposed of.

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

sd/-(P.K. Pujari) Chairperson