

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.66/MP/2018

Coram:

Shri P.K.Pujari, Chairperson

Shri A.K.Singhal, Member

Shri A.S. Bakshi, Member

Dr. M. K. Iyer, Member

Date of Order: 8th of March, 2018

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 Lara STPP (2X800 MW), beyond the period of six months from the date of first synchronization, i.e., beyond 8.3.2018

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

2. Managing Director
MPPMCL, Shakti Bhawan
Vidyut Nagar, Rampur
Jabalpur-110003

3. Managing Director
CSPDCL
P.O.-Sundernagar
Danganiya, Raipur-492013

4. Managing Director
MSEDCL, Prakashgad,
Bandra (East),
Mumbai-400051

5. Managing Director, GUVNL,
Sardar Patel Vidyut Bhawan
Race Course, Vadodara
Gujarat-390007

6. Superintending Engineer
Electricity Department,
Govt. of Goa, Vidyut Bhawan,
Panaji, Goa-403001

7. Superintending Engineer
Electricity Department,
Administration of Daman & Diu,
Daman-396210

8. Chief Engineer
Electricity Department,
Administration of Dadra & Nagar Haveli,
Silvasa-396230

...**Respondents**

The following were present:

Shri Shyam Kumar, NTPC
Shri Parimal Piyush, NTPC

ORDER

This petition has been filed by the Petitioner, NTPC Ltd. seeking permission of the Commission for injection of infirm power into the grid including drawal of start-up power upto 8.9.2018 or till declaration of commercial operation of Unit-I of 1600 MW ((2x800 MW) Lara Super Thermal Power Project (the project) at Rajgarh district in the State of Chhattisgarh 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 Lara STPP consists of two units of 800 MW each. Unit-I was synchronised with grid on 9.9.2017. However, immediately after the synchronization, the completion works/activities regarding testing including full

load testing and trial run of the unit got severely affected due to the following reasons:

(a) **ROU issue in pipe laying work for make-up water:** The work of laying of make-up water pipeline from Saradih barrage to Lara STPS has been severely affected on account of Right of Use (ROU) issue and IR issues raised by the villagers of the area. Various notices have been issued by the Treasury Officer to the farmers to accept the compensation of the land as per the Land compensation Act, 2013. Despite the several efforts made by the Petitioner, the problem is still to be resolved.

(b) **Delay in the work of transmission line for make-up water pump house:** The villagers of the surrounding area are demanding higher compensation and their protest have severely affected the work of transmission towers, being erected for make-up water pump house.

(c) **Court order cancelling land acquisition by State Govt. for Saradih Barrage:** The construction of Saradih barrage, being constructed by the Govt. of Chhattisgarh for supply of water to different upcoming projects including Lara STPS was severely affected and got delayed on account of the order of Hon'ble High Court of Chhattisgarh. The Hon'ble High Court of Chhattisgarh had cancelled the acquisition of land by the State Govt. for the construction of barrage. It came up as a big setback to all the projects, including Lara STPS. After several representations made by the project developers before the State Govt. and in turn jointly before the Hon'ble High court, the construction of barrage was allowed. Although, the Saradih barrage has been constructed, the gates have not yet been made

operational. The Petitioner has requested for closing of the gates and impounding of the barrage for water drawal by April, 2018. Further, on account of the above various unforeseen and uncontrollable reasons, the water from the barrage could not be made available on the anticipated schedule, and the Petitioner was compelled to make contingency arrangement for the same laying pipe up to the nearest point of Kelo River and with the permission of Water Resource Department, the Petitioner has achieved readiness for drawal of water on temporary basis for filling reservoir for testing/commissioning of Unit-I.

(d) **Stay from High Court on the award of work for laying of railway lines for MGR:** Lara STPS has been conceived as the pit head station with the envisaged supply of coal from Talaipali coal mines. In this regard, the Petitioner had proceeded with the land acquisition for laying of the railway lines from the coal mines to the power plant. The process of land acquisition faced severe and unprecedented protest from the local residents/villagers and despite the support from the District Administration, the acquisition of land got delayed by more than 4 years from the schedule. Further, the villagers approached the Hon`ble High Court of Chhattisgarh seeking higher compensation challenging the land acquisition carried out by the Petitioner. After hearing the matter, the Hon`ble High Court granted stay on the award of work by NTPC for laying of the railway line. The stay has now been vacated. However, this has further delayed the work.

(e) **Periodic Disruption of work due to strike:** Lara STPS has been facing protest and strikes intermittently from the financial year 2013-14 till date by

the local residents/land losers, etc. raising their various demands before the Petitioner like construction of various infrastructure facilities, water supply, higher compensation, etc, despite the fact that the Petitioner has paid the land compensation in terms of the provisions of the Land Compensation Act, 2013 and as per the Govt. notification. These protests/strikes have severely affected the progress of construction activities in the project due to non-availability of labour. Despite the intervention of the District Administration, the strikes continued for even a month period on several occasions.

3. The Petitioner has submitted that it is seeking extension of time for Unit-I of Lara STPP for injection of infirm power into the grid, including drawal of start-up power for *bona-fide* reasons for completion of the balance works and not for the purpose of trading of infirm power or otherwise to derive any undue advantage out of it.

4. During the course of hearing, the representative of 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-I beyond 8.3.2018 and upto 8.9.2018.

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. 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 various reasons, namely ROU issue in pipe laying work for make-up water, delay in the work of transmission line for make-up water pump house, order of the Hon`ble High Court of Chhattisgarh cancelling land acquisition by the State Govt. for Saradih Barrage, stay by the Hon`ble High Court of Chhattisgarh on the award of work for laying of railway lines for MGR and periodic disruption of work due to local protests and strikes, 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-I. Considering these facts, the Petitioner has requested for permission to inject infirm power till 8.9.2018. Taking into consideration the difficulties faced by the Petitioner, we allow injection of infirm power into the grid for commissioning tests including full load test of Unit-I upto 7.9.2018 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.

7. With the above, the Petition No. 66/MP/2018 is disposed of.

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

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K.Singhal)
Member

sd/-
(P.K. Pujari)
Chairperson