

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 6/MP/2019

Coram:

Shri P.K.Pujari, Chairperson

Dr. M. K. Iyer, Member

Date of Order: 17th of January, 2019

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 for the further period of six months i.e from 1.1.2019 to 30.6.2019.

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 was present:

Shri Anand Kumar Srivastava, Advocate for the Petitioner

ORDER

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

30.6.2019 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 under 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.

3. The Commission vide order dated 10.9.2018 in Petition No. 252/MP/2018 had allowed injection of infirm power into the grid for commissioning tests including full load test of Unit-III up to 31.12.2018 or actual date of commercial operation, whichever is earlier. However, CoD of Unit-III could not be declared due to the following reasons:

(a) Boiler Original Equipment Manufacturer (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.

(b) 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.

(c) As per Agreement dated 25.12.2009, the Boiler OEM was required to obtain necessary approval for registration under the Indian Boiler Act, 1923 and the Indian Boiler Regulations, 1950. However, the Boiler OEM refused to hand over the requisite documents containing the details, designs and specifications of the boiler.

(d) The process of obtaining the requisite documents and approvals for commissioning the boiler involved rigorous and persistent liaising with several government agencies which further delayed the process. The Petitioner is now in the possession of the said documentation and is swiftly progressing towards commissioning of Unit III and is scheduling trials with turbine and other OEM experts to achieve COD at the earliest.

(e) The works at the project has also been delayed due to the wrongful denial of lender banks to issue payments to vendors from the Trust and Retention Account operated by the bank. In the absence of timely and adequate funds, the project has been facing severe difficulties in terms of execution.

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 upto 30.6.2019 or actual date of commercial operation, whichever is earlier.

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 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 tripping of ID fans of VFD, scheduled critical protection checks and reliability test of the main turbine generator have been delayed. According to the Petitioner, boiler is a crucial and essential component of the unit and due to dissolution of the Boiler OEM, it was not able to complete testing including full load testing within the allowed time. Considering these facts, the Petitioner has requested for permission to inject infirm power into the grid till 30.6.2019. 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 30.6.2019 or actual date of commercial operation, whichever is earlier.

7. With the above, the Petition No. 6/MP/2019 is disposed of.

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

sd/-
(P.K. Pujari)
Chairperson