

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 242/MP/2020

Coram:

**Shri P.K. Pujari, Chairperson
Shri I. S. Jha, Member**

Date of order: 20th March, 2020

In the matter of:

Anticipated delay in the declaration of Commercial Operation Date of Unit II of the 2x500 MW NLCIL- Neyveli New Thermal Power Project (NNTPP).

And

In the matter of

Seeking Commission's permission to maintain status-quo for drawal of start-up power and injection of infirm power under UI mechanism till declaration of Commercial Operation Date of Unit II or 30.6.2020, whichever is earlier.

And

In the matter of

NLC India Limited
No. 8, 1st Floor, Mayor Sathyamurthy Road,
FSD, Egmore Complex of FCI, Chetpet
Chennai-600 031.

.....Petitioner

Vs

1. The Member Secretary,
Southern Regional Power Committee
29, Race Course Cross Road, Bangalore – 560 009

2. Executive Director (SEF & CE)
Power Grid Corporation of India Limited
'Saudamini', Plot No.-2, Sector-29,
Nr. IFFCO Chowk, Gurgaon-122 001, Haryana.

3. The General Manager (Commercial)
Power Grid Corporation of India Limited
Southern Region Transmission System II,
Nr. RTO Driving Test Track,
Singnayakanahalli, Yelahanka-Dodaballapur Road,
Bangalore-560 064.

4. The General Manager
POSOCO, Southern Regional Load Despatch Centre,



29, Race Course Cross Road, Bangalore – 560 009.

5. The Chief Engineer/Planning
Tamil Nadu Generation & Distribution Corporation Limited
6th Floor, Eastern Wing, 144, Anna Salai,
Chennai – 600 002.

6. The Chief Engineer/Corporate Planning TRAC
Kerala State Electricity Board,
8th Floor, Vidyuthi Bhavanam,
Pattom, Thiruvananthapuram-695 004.

7. The Director (Commercial)
State Power Purchase Co-ordination Committee,
Power Company of Karnataka Limited
Kaveri Bhavan, Bangalore- 560 009.

8. The Superintendent Engineer
Puducherry Electricity Department,
137, N.S.C Bose Road, Puducherry- 605 001.

9. The Chief Engineer/Commercial
Andhra Pradesh Power Co-ordination Committee
Vidyuth Soudha, 48-12-4/1, Elluru Road,
Gunadala, Vijaywada, Andhra Pradesh – 520 008.

10. The Chief Engineer/Commercial
Telangana State Power Co-ordination Committee
Vidyuth Soudha, Khairatabad, Hyderabad- 500 082.

.....**Respondents**

ORDER

This Petition has been filed by the Petitioner, NLC India Limited, seeking permission of the Commission for drawal of start-up power and injection of infirm power into the grid up to 30.6.2020 or till declaration of commercial operation, whichever is earlier, in respect of Unit-II of 1000 MW (2x500 MW) Lignite based Neyveli New Thermal Power Project (hereinafter referred to as 'generating station' or 'Project') at Neyveli District in the State of Tamil Nadu 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 lignite fired units of 500 MW each (2x500 MW). Unit-I of the generating station has achieved COD on 28.12.2019.

3. The Commission in its order dated 27.12.2019 in Petition No. 436/MP/2019 had allowed injection of infirm power of Unit-II till 31.3.2020 or date of commissioning of the generating station, whichever is earlier. However, Unit-II could not be declared under commercial operation due to the following reasons:

“(a) Delay due to non-availability of critical boiler equipment and the Boiler Circulation Water Pump (BCWP). The pump meant for Unit-II was utilized to replace the failed pump in Unit-I; and

(b) Failed BCWP in Unit-I has been despatched to OEM, namely, Hayward Taylor's site workshop at New Delhi on 29.10.2019 and the failed spare of BCWP was despatched on 9.11.2019 after inspection by OEM at site for assessment by UK Experts teams and further repair works. In both BCWPs, the repair works started on 11.11.2019. The stator rewinding, rotor straightening works and other related repair works were completed and the pump was made available for operation only in the mid of February, 2020. After completing of Hydro test activities of Unit-II, boiler was lighted up on 15.2.2020 and further activities related to synchronization and COD are under progress.”

4. The Petitioner has submitted that the following works are simultaneously being carried out to achieve COD of Unit-II:

- (a) Pending erection and refractory application works for three number of Mills;
- (b) Pending submergible slag conveyer erection works;
- (c) Pending insulation works in ducts and pipes;
- (d) Defect rectification in Mill-40 voting coupling; and



(e) Welding works of RH spray system joint and Soot blower piping joints are expected to be completed shortly.

5. The Petitioner has submitted that the above mentioned problems encountered in commissioning of the Unit-II are unexpected and beyond the control of the Petitioner. The Petitioner has submitted that it is taking all efforts to rectify the above defects and achieve COD of Unit-II by June, 2020.

6. The Petition is admitted by circulation.

7. We have considered the submission of the Petitioner. The Fourth and Fifth Provisos 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.”

8. The Petitioner has submitted that it has made all efforts to ensure completion of activities of Unit-II of the generating station within stipulated time but could not succeed for reasons beyond its control. The Petitioner has submitted that due to various reasons, namely, non-availability of critical boiler equipment and Boiler Circulation Water Pump, failure of BCWP and various problems encountered in Mills, etc. it could not complete trial run operation and achieve COD within the prescribed period from the date of first synchronization of Unit-II of the generating station. The Petitioner has submitted that time is required beyond 30.3.2020 to complete the balance works, namely, pending erection and refractory application works for Mills, Submergible Slag Conveyor erection works and insulation works in ducts, etc. and



to carry out the operation of testing and commissioning including injection of infirm power into the grid. 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 7 above, we allow the Petitioner to draw the start-up power and to inject the infirm power into the grid for commissioning tests including full load test of Unit-II upto 30.6.2020 or actual date of commercial operation, whichever is earlier. We expect the Petitioner to make all efforts to ensure the commercial operation of the Unit by this date. It is, however, clarified that extension of time granted as above shall not automatically entitle the Petitioner for IEDC/IDC for the delay in declaration of COD from the Scheduled COD which will be decided in accordance with the relevant provisions of the Tariff Regulations.

9. With the above, the Petition No. 242/MP/2020 is disposed of.

Sd/-
(I.S. Jha)
Member

sd/-
(P.K. Pujari)
Chairperson

