

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. **Shri Bhanu Bhushan, Member**
2. **Shri R.Krishnamoorthy, Member**

Petition No. 60/2008

In the matter of

Petition for direction RRVNL to pass order on concurrence as per Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008

And in the matter of

Gujarat Flurochemicals Limited, Dist. Panchmahal (Gujarat) **..Petitioner**
Vs

1. Supdt. Engineer, (SO &LD), Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur
2. Rajasthan Rajya Vidyut Prasaran Nigam Ltd., Jaipur **..Respondents**

The following were present:

1. Shri Hemant Sahai, Advocate, GFL
2. Shri Sitiesh Mukherjee, Advocate, GFL
3. Shri Vishal Anand, Advocate, GFL
4. Shri V.K.Gupta, RRVNL
5. Shri R.P.Katara, RRVNL
6. Shri B.K.Makhija, RRVNL

**ORDER
(Date of Hearing: 26.6.2008)**

The petition has been filed for a direction to the respondents for disposal of the petitioner's application for open access in compliance with the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 (the open access regulations). In addition, the petitioner has sought direction to the respondents to allow open access to the petitioner to facilitate sale of power to LANCO Electric Utility Ltd. (LEUL) till disposal of its application for concurrence, or in the alternative, till such time the application is

disposed of, the respondents should pay the petitioner for the power generated at the rates applicable as per Power Purchase Agreement prevalent as per the policy in Rajasthan.

2. Heard the representatives of the petitioner and the respondents present.

3. The grievance of the petitioner is that Rajasthan State Load Despatch Centre (SLDC) has declined open access on the State-owned transmission system, for sale of electricity generated at its wind power project at Sadia in Jaisalmer District of the State of Rajasthan during April 2008. Learned counsel for the petitioner read out important dates along with associated activities. He submitted that the requirements specified by SLDC were duly met and there was no reason to deny open access. In response to a query, as to when SLDC replied to the application for concurrence dated 11.4.2008, learned counsel for the petitioner informed that the reply dated 3.5.2008 was received on 19.5.2008. Learned counsel stated that in the letter dated 3.5.2008, the reason for refusal was stated to be lack of data communication facility to SLDC and central billing station. He further stated that according to the petitioner's information, data was available at SLDC and central billing station and this could be verified. Learned counsel for the petitioner stated that inter-State open access is facing severe constraints, more due to behavioural reasons rather than technical ones and urged the Commission to deal such situation very firmly. He submitted that as per the open access regulations, there are only two requirements for granting of open access, namely, installation of special energy meters and availability of transmission capacity. He added that while this matter was pending, a notice for disconnection from the Grid had been issued on the ground that necessary

agreements had not been entered into, which was allegedly a condition stated in the provisional permission for connection to the petitioner, though there was a doubt whether the same agreements were being referred to.

4. Shri V.K. Gupta, appearing for RRVPNL, the second respondent, submitted that the application in question was submitted on 12.4.2008, without the fee prescribed by the Commission in terms of clause (5) of Regulation 8 of the open access regulations for open access which was to commence on 15.4.2008. He informed that 12th, 13th and 14th April were closed holidays. Shri Gupta further stated that since the application was incomplete, it could not be processed in time and the open access could not be granted. When it was pointed out that such application could be returned immediately, Shri Gupta accepted that it was a mistake, which was first of its kind and was partly because of the petitioner's fault. It was also pointed out to Shri Gupta that the application was incomplete, had not been mentioned even in the letter dated 3.5.2008. Shri Gupta explained that the connectivity was granted on the request of the petitioner because it wanted to avail of tax benefits by commencing operation in the year 2007-08. Shri Gupta further said that the connectivity was provisional and subject to the condition of the petitioner entering into necessary agreements. He stated that the agreement for transmission of electricity with STU and agreement for treatment of start up power with local Discoms should be put in place by the petitioner. He enumerated various concessions granted by the Government of Rajasthan to the petitioner in accordance with its policy for promotion of renewable resources. In response to a query by the Commission as to whether the policy of Government of Rajasthan binds developer of the renewable sources

to sell electricity generation within the State, Shri Gupta replied that there was no such condition. Denying that RRVPNL has used the arm twisting techniques to force the petitioner to sell electricity within the State, Shri Gupta argued that wind generation was so unpredictable that it could be a burden and not a benefit to the State.

5. Shri R.D. Katara appearing for SLDC stated that though data was available at 132 kV Jaisalmer sub-station, it was not reaching SLDC terminal. He argued that without the data, energy accounting was not possible. He stated that as intra-State ABT was not in place, accounting was being done on weekly basis so as to apportion dues under regional UI pool account among the Discoms. On the requirement of GPS time synchronization of meters, Shri Katara stated that this was as per RERC regulations.

6. On inquiry from the Commission, he admitted that it was the responsibility of STU to arrange communication of data from 132 kV Jaisalmer sub-station to SLDC. In reply to another query from the Commission as to whether data from the generating facility was required to be available on-line, Shri Katara replied in negative . He further confirmed that the only useful data really needed by the SLDC from the petitioner was 15-minute wise energy figures for the UI accounting, which is carried out on weekly basis.

7. The Commission further noted that injection from the petitioner's facility could not be free of charge and at least the rate specified by RERC should be paid since injection has resulted in UI benefit to the utilities of the State of

Rajasthan. Shri Gupta clarified that RRVPNL, as STU, is not a buyer and the petitioner should have entered into agreement with Discoms for absorbing such injections. The Commission was however able to ascertain that the petitioner's facilities are interconnected directly to RRVPNL system, and petitioner's electricity injection does not get registered in the energy account of any Discom. The petitioner's injection thus results in a corresponding reduction in net drawal of Rajasthan utilities from the regional grid, leading to the above mentioned UI benefit. .

8. The respondents are directed to furnish copy of the relevant regulations notified by RERC on which the reliance is sought to be placed, and copies of its orders on renewable energy sources latest by 21.7.2008.

9. Subject to the above, order is reserved.

Sd/-
(R.KRISHNAMOORTHY)
MEMBER
New Delhi, dated the 8th July 2008

sd/-
(BHANU BHUSHAN)
MEMBER