

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI
Record of Proceedings**

Petition No.52/2009

Subject: Maintenance of Grid Discipline- Non-Compliance of provisions of IEGC by Karnataka Power Transmission Corporation Limited.

Coram : Dr. Pramod Deo, Chairperson
Shri R.Krishnamoorthy, Member
Shri S.Jayaraman, Member
Shri V.S.Verma, Member

Date of Hearing : 21.5.2009

Respondent : 1.Karnataka Power Transmission Corporation Limited, Bangalore
2. Ms. G. Latha Krishna Rao, Managing Director, Karnataka Power Transmission Corporation Limited, Bangalore

Parties present : Shri M.G.Ramchandran, Advocate, Respondent
Ms. G. Latha Krishna Rao, MD, KPTCL
Shri S.Pratap Kumar, KPTCL
Shri R.V.Dilip Kumar, KPTCL
Ms. Joyti Prasad, SRLDC

By order dated 6.5.2009, a penalty of Rs. one lakh was imposed on the first respondent for each over-drawl of electricity exceeding 50 MW at frequency below 49.0, during 31.12.2008 to 7.2.2009, 17 occasions in all. The Commission also decided as under:

"15. In terms of sub-section (1) of Section 149 of the Act, where an offence under the Act has been committed by a company, every person who at the time the offence was committed was in-charge and was responsible to the company for the conduct of business, as well as the company, are deemed to be guilty of having committed the offence and such person is liable to be proceeded against and punished accordingly. Proviso to sub-section (1) provides that the person referred to in sub-section (1) shall not be liable to any punishment if he proves that the offence was committed without his knowledge or he had exercised due diligence to prevent the Commission of the offence.

19. The offence of non-compliance of the provision of the Grid Code against the first respondent is established beyond an iota of doubt as already discussed above. As a natural corollary, guilt of the second respondent by applying the deeming provisions of Section 149 also gets established. Thus, she is also deemed to be guilty of non-compliance of provisions of the Grid Code, along with the first respondent.

20. As regards the second respondent, she is directed to personally appear before the Commission on 21.5.2009 for a hearing on the question of penalty."

2. The Commission heard learned counsel Shri M.G.Ramachandran and Ms. G. Latha Krishna Rao, MD, KPTCL.

3. On a query from the Commission, Ms. Rao submitted that SLDC, Karnataka was controlled by KPTCL. She explained that whenever there were messages for SRLDC, these were acted upon. She submitted that no 'C' message was issued by SRLDC to KPTCL during the period in question.

4. She further submitted that Karnataka did not have comfort of fuel for thermal generation and it had to depend on hydro generation. Due to bad monsoon and low hydro generation, the availability of power decreased in Karnataka, sometimes forcing over-drawl from the grid. She explained that to mitigate the shortages, KTPCL had arranged power through power exchange and also on bilateral basis. For future, it was planned to purchase power from these and other sources. She informed that in near future KTPCL would get additional power from its own new generating units, private power generation projects as well as central sector generating stations. She stated that by 2012-13, Karnataka would be comfortable in power supply. On a query from the Commission, she submitted that there was no separate budget for SLDC.

5. The Commission directed the second respondent to file the reply on affidavit within 10 days of the date of hearing, with an advance copy to the SRLDC. In the affidavit, the status of the Power Purchase Committee in the State and its administrative set up/hierarchy should also be explained.

6. Subject to above, the Commission reserved its order.

Sd/-
(K.S.Dhingra)
Chief (Legal)