

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 121/MP/2015

Subject : Grant of Inter-State Open Access for the energy generated by ITC Ltd. at the wind power project in Anantapur district, Andhra Pradesh for captive consumption at its factory at Bhadrachalam, Telangana

Date of hearing : 19.5.2015

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : ITC Limited

Respondents : State Load Despatch Center for Andhra Pradesh and others

Parties present : Shri Sanjay Sen, Senior Advocate, ITC
Shri Ashis Pal, ITC
Shri V.Suresh, SRLDC
Ms. Jayantika Singh, SRLDC
Shri S.Vallinayagam, Advocate, TSTRANSCO and APTRANSCO

Record of Proceedings

Learned senior counsel for the petitioner submitted as under:

(a) The Commission vide ROP dated 12.5.2015 directed the parties to discuss and sort out the issues to facilitate open access to the petitioner. However, issues have remained unresolved.

(b) The petitioner's applications for grant of NOC for the months from September, 2014 to April, 2015 were rejected on the ground of grid security. However, intra-State open access was granted and injection of power already there. Therefore, grid security cannot be a valid reason.

(c) The rejection of concurrence for inter-State open access for the months of April and May 2015, on the ground that no inter-State open access is allowed for wind generators in view of the grid security and to adhere to Regulation 5.2 (j) of the Grid Code, is reasonable. In the Grid Code, the threshold for grid security issues is variation of 20 MW (in case of RE) or more. However the petitioner only applied for open access for 5 MW.

(d) The other reason for denial of inter-State open access was cited that a generating station cannot be both intra-State and inter-State. However, no regulation preventing such a situation exists, in fact there are many generating stations already undertaking both intra-State and inter-State injection.

(e) Between 1.9.2014 to 17.10.2014, the petitioner lost revenue on ₹ 72 lakh units which were injected into the grid. Similarly, between October and December 2014, ₹ 42 lakh unpaid units were injected into the grid.

(f) The petitioner was being coerced into signing a PPA at ₹ 2.44/unit, which is much lower than the benchmark tariff for wind power, and even lower than the Average Pooled Purchase Cost (APPC) of the SLDC, ₹ 3.24/unit.

(g) Learned senior counsel prayed that APSLDC may be directed to grant NOC for the OA applications for the months of May, June and July, 2015, pending disposal of the present petition.

2. Learned counsel for TSTRANSCO and APTRANSCO submitted as under:

(a) Composite scheme applicability to wind power generation is different as that of conventional power.

(b) Generation of wind energy may go down or shoot up even within a block of 15 minutes causing serious grid disturbance. There is no mechanism for managing such sudden disturbances within a block.

(c) Since the petitioner has not provided appropriate forecasts and schedules, SLDC is unable to schedule the power. The petitioner has also failed to divide the wind turbines between intra-State and inter-State injections.

(d) The State will be liable to pay deviation charges for this generating station under the RRF mechanism of the Commission, which it is unable to bear.

(e) The bilateral medium term open-access only applies to projects of capacity 50 MW or above whereas the cumulative capacity of petitioner's plant is 46 MW.

(f) The commissioning of the plant in fact happened post creation of the state of Telangana, and that the petitioner could have applied for medium-term open access soon thereafter.

3. The representative of SRLDC submitted as under:
- (a) SRLDC has acted in accordance with the provisions of Regulation 8 (4) of the Grid Code and APSLDC has responded by communicating its non-concurrence.
 - (b) SRLDC cannot overrule the decisions of other SLDC which is equally responsible for the operation of inter-State grid through its State grid. Therefore, the application for the month of June, 2015 was treated as the one without requisite concurrence of SLDC and hence rejected.
4. After hearing the parties, the Commission directed APSLDC to submit the following clarification/information on affidavit, latest by 12.6.2015:
- (a) Details of grid security likely to be affected due to grant of inter-State open access and whether any load flow study was conducted to ascertain the same?
 - (b) How is intra-State Open Access being permitted without affecting “grid security” but inter-State Open Access is not possible in view of “grid security”?
 - (c) How can WTGs be separated for intra-State and inter-State Open Access?”
 - (d) How is scheduling of power for intra-State Open Access being done?
5. Subject to the above, the Commission reserved the order in the petition.

By order of the Commission

**Sd/-
(T. Rout)
Chief (Law)**