

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 72/MP/2024

Coram:

Shri Jishnu Barua, Chairperson

Shri Arun Goyal, member

Shri P.K. Singh, Member

Date of order: 28th February, 2024

In the matter of

Petition under Section 79 of the Electricity Act 2003, read with Regulations 57 and 58 of the CERC (Indian Electricity Grid Code) Regulations, 2023, seeking appropriate relief due to difficulty faced by the Petitioner in implementing Regulation 24 (2) of CERC (Indian Electricity Grid Code) Regulations, 2023, to declare 'COD' of Unit 2(800 MW) of Telangana Super Thermal Power Station Stage-I (2X800 MW).

And

In the matter of

NTPC Limited,

NTPC Bhawan, Core-7,

Scope Complex, 7, Institutional Area, Lodhi Road

New Delhi-110003

....Petitioner

Vs

1. Grid Controller of India Limited,

(Formerly known as Power System Operation Corporation Limited)

B-9, Qutab Institutional Area,

Katwaria Sarai,

New Delhi -110016.

2. Telangana State Northern Distribution Company Limited,

H.No.2-5-31/2, Vidyut Bhawan,

Nakkalagutta, Hanamkonda,

Warangal- 506001.

3. Telangana State Southern Distribution Company Limited,

Mint Compound,

Corporate Office,

Hyderabad-500063

4. South Regional Power Committee (SRPC)

No 29 Race Course Road,

Bengaluru, Karnataka- 560009

....Respondents

ORDER

This Petition has been filed by the NTPC Limited (hereinafter referred to as 'Petitioner') seeking relaxation from the Commission regarding the implementation of the Automatic Generation Control (AGC) system before the declaration of COD of Unit-2 of Telangana Super Thermal Power Station, Phase-I (Telangana STPS) (2x800 MW) at Jyothi Nagar, district Peddapalli, as specified under Regulation 24(2) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023 (hereinafter referred to as 'Grid Code 2023') as amended from time to time and allow eight months' time for the enablement of AGC in said unit. The Petitioner has made the following prayers:

“(a) Grant relaxation in IEGC Regulations, 2023, regarding the implementation of AGC before declaration of COD of Unit-2 of Telangana Super Thermal Power Station Stage-I (2X800 MW) in larger view of National interest under Regulation 57 and 58 of the CERC (Indian Electricity Grid Code) Regulations, 2023.

(b) Grant eight months to petitioner to enable AGC of Unit-2 of Telangana STPS-I from date of award of P.O. under Regulation 57 and 58 of the CERC (Indian Electricity Grid Code) Regulations, 2023.

(c) Pass such orders as deemed fit and necessary in the facts and circumstances of the present case.”.

2. The Petitioner has submitted that the Telangana STPS -I consists of two units of 800 MW each. As per the letter of the Ministry of Power dated 25.2.2019, 85% of Telangana STPS-I power has been allocated to the Telangana State. Unit-1 achieved its COD on 28.9.2023 in accordance with the Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Fourth Amendment) Regulations, 2016. Unit-2 was first synchronized with the grid on 23.8.2023, and the COD of the unit is expected in February 2024.

3. The Petitioner has prayed for the relaxation of clause 24(2) of the Grid Code Regulations, 2023, regarding the implementation of AGC before the declaration of COD of Unit-2 of Telangana Super Thermal Power Station Stage-I (2X800 MW) under Regulations 57 and 58 of the Grid Code Regulations, 2023 in view of the following facts:

(a) The condition of enablement of AGC before COD is first time introduced in Grid Code Regulations, 2023 (w.e.f. 1.10.2023).

(b) The increased power demand of the beneficiaries during the year 2024-25 (especially during the summer months) has to be met in the National interest.

(c) With the commissioning of AGC being mandatory before COD, the Petitioner has put forth its best efforts to commission AGC in Unit 2. The Letter of Intent (LOI) was placed with BHEL on 24.1.2024, and the purchase order shall be placed shortly. As per the LOI issued, the job is to be completed within 6.5 months from the date of the PO. The relaxation of time sought has been about 8 months from the date of the award of the Purchase Order (PO).

(d) Since, at the time of awarding packages for Telangana STPS Stage-I, the condition of implementation of AGC prior to COD was not mandatory, the implementation of AGC was not envisaged in Telangana STPS-I.

(e) As per the CEA report on power supply position, indicating the peak demand, the CEA has projected a peak power demand of 256 GW for the next year (2024-25) compared to a demand of 230 GW for 2023-24, reflecting an

Y-o-Y increase of 11.3%.

(f) To meet the projected demand of the beneficiaries, it is essential to commission the generating capacities to the extent possible before the start of the summer season. In view of this, the declaration of COD for Unit-2 of Telangana STPS-I is in the interest of the nation.

4. The Petition is admitted by circulation.

5. We have considered the submissions of the Petitioner. Regulation 24(2) of the Grid Code Regulations, 2023 provides as under:

“24. DOCUMENTS AND TESTS PRIOR TO DECLARATION OF COMMERCIAL OPERATION

.....

(2) All thermal generating stations having a capacity of more than 200 MW and hydro generating stations having a capacity of more than 25 MW shall submit documents confirming the enablement of automatic operation of the plant from the appropriate load despatch centre by integrating the controls and telemetering features of their system into the automatic generation control in accordance with the CEA Technical Standards for Construction and the CEA Technical Standards for Connectivity.”.

6. We have considered the submissions and the difficulties faced by the Petitioner, as mentioned above. The Petitioner is seeking relaxation of clause 24(2) of the Grid Code Regulations, 2023, regarding the implementation of AGC before the declaration of COD of Unit-2 of Telangana Super Thermal Power Station Stage-I (2X800 MW) The Petitioner has submitted that the enablement of AGC before COD has been introduced for the first time in the Grid Code Regulations, 2023 which became effective from 1.10.2023. The Petitioner has submitted that it has placed a Letter of Intent (LOI) for the supply and commissioning of the Automatic Generation Control system with BHEL on 24.1.2024. We are of the view that considering the

larger national interest, it is a fit case for relaxation of the provisions of Regulation 24 by invoking the powers vested under Regulations 57 and 58 of the Grid Code.

7. Regulations 57 and 58 of the Grid Code Regulations, 2023, dealing with Power to relax and Power to remove difficulty in appropriate cases provide as under:

“57. Power to Relax

The Commission, for reasons to be recorded in writing, may relax any of the provisions of these regulations on its own motion or on an application made before it by an affected person to remove the hardship arising out of the operation of any of these regulations, applicable to a class of persons.

58. Power to remove difficulty

If any difficulty arises in giving effect to the provisions of these regulations, the Commission may, on its own motion or on an application made before it by the nodal agency, by order, make such provisions not inconsistent with the provisions of the Act or provisions of other regulations specified by the Commission, as may appear to be necessary for removing the difficulty in giving effect to the objectives of these regulations.”

8. It is an established principle of law that the power to relax and the power to remove difficulty have to be strictly construed and are to be exercised judiciously and with caution. Further, the power to relax and the power to remove difficulty are to be exercised only when undue hardship is caused by the application of the rules or regulations. In the present case, Unit-2 of the STPS is likely to be declared under commercial operation in the month of February. However, before the declaration of COD, the generator is required to submit the documents confirming enablement of automatic operation of the plant from the appropriate load despatch centre by integrating the controls and telemetering features of their system into the automatic generation control.

9. Since the Petitioner has already issued LOI to BHEL to install AGC in Unit-2

and in the overall interest of the nation, the Commission, in exercise of powers conferred under Regulations 57 and 58 of the Grid Code Regulations, 2023, hereby relaxes the provisions of Regulation 24 (2) of the Grid Code, 2023 regarding the implementation of AGC before the declaration of COD for Unit 2 of Telangana STPS Stage-I with the direction that AGC shall be enabled as early as possible but not later than 31st August, 2024.

10. It is, however, clarified that relaxation as granted as above shall not entitle the Petitioner for any IEDC/IDC for the delay in implementation of AGC and IEDC/IDC upto COD, if any, shall be decided separately in accordance with the relevant provisions of the Tariff Regulations.

11. The Petition No. 72/MP/2024 is disposed of in terms of the above.

Sd/-
(P.K. Singh)
Member

sd/-
(Arun Goyal)
Member

sd/-
(Jishnu Barua)
Chairperson