

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.84/MP/2024**

**Coram:**

**Shri Jishnu Barua, Chairperson**

**Shri Arun Goyal, member**

**Shri P.K. Singh, Member**

**Date of order: 28<sup>th</sup> 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 without implementation of Automatic Generation Control (AGC) and allow time to Petitioner for implementation of AGC of Unit 2 (660 MW) of North Karanpura Thermal Power Station (3X660 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,**

B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi – 110016

**2. Eastern Regional Load Dispatch Center,**

14, Golf Club Rd, Golf Garden,  
Tollygunge, Kolkata-700033

**3. North Bihar Power Distribution Company Limited,**

Vidyut Bhawan, Bailey Road,  
Patna- 800001(Bihar)

**4. South Bihar Power Distribution Company Limited,**

Vidyut Bhawan, Bailey Road  
Patna-800001(Bihar)

**5. Jharkhand Urja Vikas Nigam Limited,**

Engineering Building, HEC Township,  
Dhurwa– 834004, Ranchi.

**6. GRIDCO Limited,**  
24, Janpath,  
Bhubaneswar – 751007

**7. West Bengal State Electricity Distribution Company Limited,**  
Vidyut Bhawan, Block-DJ  
Sector-II, Salt Lake City,  
Kolkata-700 091

.....**Respondents**

### **ORDER**

This Petition has been filed by the NTPC Limited (hereinafter referred to as 'Petitioner') seeking relaxation regarding the implementation of the Automatic Generation Control (AGC) system before declaration of commercial operation (COD) of Unit-2 of North Karanpura Super Thermal Power Project (NKSTPP) 1980 MW (3x660 MW) located in the Chhatra & Hazaribagh, Jharkhand, in terms of Regulation 24(2) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023 (hereinafter referred to as 'the Grid Code') as amended from time to time and allow eight months' time for the implementation of AGC in the 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 North Karanpura Super Thermal Power Project (3X660 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 NKSTPP from date of award of P.O. i.e. 12.01.2024 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 North Karanpura Super Thermal Power Project consists of three units of 660 MW each. As per the Ministry of Power letter

dated 7.9.2015, the power generated from the generating station has been allocated to the beneficiaries located in the electrically connected Eastern Region i.e., States of Bihar, Jharkhand, Odisha & West Bengal. Unit-1 has achieved COD on 1.3.2023 in accordance with Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Fourth Amendment), Regulations, 2016. Unit 2 is under advance commissioning stage and was first synchronized with the grid on 9.11.2023 and COD of the unit is expected in February 2024.

3. The Petitioner has prayed for relaxation of Regulation 24(2) of the Grid Code, regarding the implementation of AGC before declaration of COD of Unit 2 of the generating station under Regulations 57 and 58 of the Grid Code in view of the following facts:

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

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

(c) The commissioning of AGC being mandatory before COD, the Petitioner has put forth their best efforts for commission the AGC in Unit 2 of the generating station. The Petitioner has floated the tender for AGC implementation on 20.10.2023. The Purchase Order (PO) for AGC implementation was placed with BHEL on 12.01.2024. As per the PO, the job has to be completed within 6.5 months from the date of the PO. The relaxation of time has been sought about 8 months from the date of award of PO. After the placement of PO to BHEL, the system is envisaged to be implemented by July 2024 only.

(d) Since, at the time of awarding the packages of the generating station, the condition of implementation of AGC prior to COD was not mandatory and so the implementation of AGC was not envisaged.

(e) As per CEA's report on power supply position, indicating peak demand, CEA has projected a peak power demand of 256 GW for the next year (2024-25) compared to a peak demand of 230 GW during financial year 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 upcoming summer season. In view of this, the declaration of COD of Unit-2 of the generating station is in the larger 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 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 regarding the implementation of AGC before declaration of COD of Unit-2 of

North Karanpura Thermal Power Station. The Petitioner has submitted that the enablement of AGC before COD has been introduced for the first time in Grid Code Regulations, 2023 which became effective from 01.10.2023. The Petitioner has submitted that it has placed the Purchase Order for the supply and commissioning of the Automatic Generation Control system to BHEL on 5.1.2024. We are of the view that considering the larger interest of the nation, 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 dealing with Power to relax and Power to remove difficulty in appropriate case provides 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 power to remove difficulty has to be strictly construed and is to be exercised judiciously and with caution. Further, the power to relax and 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, the Unit-2 of the NKSTPP is likely to be declared under commercial operation in the month of February. However, before 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 placed PO to BHEL to install Automatic Generation Control in Unit-2, in the overall interest of the nation, the Commission in exercise of powers conferred under Regulations 57 and 58 of the Grid Code, hereby relaxes the provisions of Regulation 24 (2) of the Grid Code regarding the implementation of AGC before declaration of COD for Unit 2 of NKSTPP with the direction that AGC shall be enabled as early as possible but not later than 31<sup>st</sup> July, 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. 84/MP/2024 is disposed of in terms of the above.

Sd/-  
**(P.K. Singh)**  
Member

sd/-  
**(Arun Goyal)**  
Member

sd/-  
**(Jishnu Barua)**  
Chairperson