CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Petition No. 159/MP/2013

Coram: Shri Gireesh B. Pradhan, Chairperson Shri M. Deena Dayalan, Member Shri A.K Singhal, Member

Date of Hearing: 8.5.2014 Date of Order : 5.8.2014

In the matter of

Petition under Sections 62, 79 (1) (c) and (d) and other applicable provisions of the Electricity Act, 2003 read with chapter V of the Central Electricity Regulatory Commission (Conduct of Business) Regulations, 1999 for revision of Unscheduled Interchange Accounts in respect of dispatch of electricity from the Indira Gandhi Super Thermal Power Project of Aravali Power Company Limited at Jhajjar.

And In the matter of

Aravali Power Company (P) Limited NTPC Bhawan, Core-7, SCOPE Complex, 7 Institutional Area, Lodhi Road, New Delhi- 110003

...Petitioner

Vs

 Power System Operating Corporation Limited (National Regional Load Dispatch Centre)
18-A, Shaheed Jeet Singh Sansanwal Marg, Katwaria Sarai, New Delhi- 110016

Northern Regional Power Committee
18-A, Qutab Institutional Area,
Shaheed Jeet Singh marg,
Katwaria Sarai, New Delhi- 110016

3. Chief Executive Officer Tata Power Delhi Discom Ltd. Grid sub-station, Hudson Road, Kingsway Camp, Delhi-110 009 4. Chief Executive Officer BSES Rajdhani Power Ltd , BSES Bhawan, Nehru Place, New Delhi-110 092

5. Chief Executive Officer BSES Yamuna Power Ltd. Shakti Kiran Building, Karkardooma, Delhi-110 092

6. Chairman and Managing DirectorAndhra Pradesh Transmission Co. Ltd.Vidhut Soudh, KhairatabadHyderabad

7. Chairman Kerala State Electricity Board Vyduthi Bhavanam, Pattom Thiruvananthapuram-695 004

Managing Director
Uttar Pradesh Power Corporation Ltd,
11th Floor, Shakti Bhawan Extension,
14 Ashok Marg, Lucknow-226 001- UP

9. Chief Engineer Power Development Department, Jammu and Kashmir, Govt. of Jammu and Kashmir Jammu-180 001

10. Managing Director HPSEB Ltd. Vidyut Bhawan, Shimla-171 004

11. Chief Engineer (PP&R) Punjab State Power Corporation Ltd. Inter-State Building Thermal Shed T-1A, Patiala

12. Chief Engineer Electricity Department, UT of Chandigarh, Division No. 2, New Power House, Industrial Area Phase-I, Near Transport Chowk, Chandigarh 13. Managing Director UHBVNL/DHBVNL Vidyut Bhawan, Plot No. C-16, Sector-6, Panchkula, Haryana

14. Managing DirectorAjmer Vidyut Vitran Nigam Ltd.Near Power House, Industrial Estate,Jodhpur, Rajasthan

15. Managing Director Jaipur Vidyut Vitran Nigam Ltd. Janpath, Jyoti Nagar, Jaipur

16. Managing Director Jodhpur Vidyut Vitran Nigam Ltd. Near Power House, Industrial Estate, Jodhpur, Rajasthan

17. Managing Director Uttarakhand Power Corporation Ltd. Urja Bhawan, Kanvali Road, Dehradun-248 001

.....Respondents

Following were present:

Ms. Swagatika Sahoo, Advocate, APCPL Shri N.N. Sadasivan, APCPL Shri Alok Shankar, Advocate, TPDDL Shri Ankur Sood, TPDDL Shri Pradeep Mishra, Advocate, Rajasthan Shri Manoj Kumar. Sharma, Advocate, Rajasthan Shri Rajiv Porwal, NRLDC Shri H.K. Chawla, NRLDC Ms. Supriya Singh, NRLDC Shri S.S. Barpanda, NLDC Ms. Jyoti Prasad, POSOCO Shri B.S. Bairwa, NRPC

<u>ORDER</u>

The petitioner, Aravali Power Company (P) Limited, is a joint venture company

of NTPC Ltd., Haryana Power Generation Company Limited (HPGCL) and

Indraprastha Power Generation Company Limited (IPGCL) with a share holding of 50%, 25% and 25% respectively. The petitioner has set up a generating station namely, India Gandhi Super Thermal Power Project (IGSTPP) with a capacity of 1500 MW (3X500 MW) in District Jhajjar, Haryana. The petitioner is supplying power to the distribution companies of Haryana and Delhi. The power sold to the distribution companies of Haryana is being delivered at the station bus bar of IGSTPP at Jhajjar which is evacuated through Jhajjar-Daulatabad 400 kV Double Circuit line, established, operated and maintained by the Haryana Vidyut Prasaran Nigam Limited (HVPNL). The petitioner has built up Jhajjar- Mundka 400 kV D/C transmission line as a double circuit line for evacuation of power to the distribution companies of Delhi and other entities whom the power surrendered by Delhi and the unallocated power is allocated by the Govt. of India (Ministry of Finance) to various Northern Region beneficiaries.

2. The petitioner had filed I.A. No. 57/2012 in Petition No. 239/2010 with the following prayers:

(i) Declare Jhajjar-Mundka line as "Deemed ISTS" line under the Central Electricity Regulatory Commission (Sharing of Transmission Charges and Losses) Regulations, 2010 and determination of tariff of the 400 kV D/C Jhajjar-Mundka transmission line accordingly;

Pass the order to shift main meters at Jhajjar end for Jhajjar Mundka line. Till the shifting of main meters, check meters installed at
Jhajjar end be considered for energy accounting and billing for Jhajjar;

(iii) Direct NLDC/ NRPC to consider check meters readings at Jhajjar end for billing and accounting purposes and revising UI accounts from COD of Unit-1 of IGSTPP, Jhajjar till arrangement as above comes into force.

3. The I.A. was disposed of vide order dated 8.6.2013 in which the Commission had issued the following directions:

"16. We are of the view that the subject transmission assets is not functioning as dedicated transmission line and is actually being used as an inter-State transmission line. Since, the business of transmission cannot be carried out without a transmission licence, the petitioner should file the appropriate application for grant of transmission licence for the subject transmission line. In view of decision, the first prayer of the petitioner, in IA. No. 57/2012, to treat the transmission line as deemed ISTS cannot be granted.

17. The second prayer is for shifting the meters installed at Mundka end to the bus bar of the generating station and till the shifting of main meters, check meters installed at Jhajjar end be considered for energy accounting and billing for IGSTPP, Jhajjar. After the petitioner is granted transmission licence for the subject transmission line, the main meters will be installed in the bus bar of the generating station and the check meters will be installed at Mundka. This will address the grievance of the petitioner.

18. As regards the petitioner's last prayer to direct NRLDC/NRPC to consider the check meter readings at Jhajjar end for billing and accounting purposes and revising UI accounts from the date of commercial operation of Unit 1 of IGSTPP, Jhajjar till arrangement as above comes into force, we are of the view that decision in this regard cannot be taken without hearing NRLDC and NRPC. The petitioner may file a proper petition in this regard, by impleading NRLDC and NRPC as respondents.

19. The petitioner is granted the liberty to apply for a transmission licence for the subject transmission line. Thereafter, the petition shall be listed for hearing for determination of tariff of the subject transmission line as an ISTS. The petitioner's prayer for provisional tariff shall also be considered thereafter."

4. In accordance with the above directions, the petitioner filed the petition for grant of transmission licence. The Commission, after consideration of the submission of the petitioner, vide its order dated 7.11.2013, granted transmission

licence for 400 kV D/C Jhajjar-Mundka transmission line to the petitioner. The Commission while granting the transmission licence had also clarified as under:

"7. The petitioner during the hearing submitted that after the grant of transmission licence, direction may be issued to CTU/RLDC to shift the energy meter from Mundka sub-station to the bus bar of the generating station. In this connection, it is clarified that after grant of transmission license, the transmission licensee will be considered as an Inter-State transmission system and accordingly, the metering shall be done in accordance with Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time."

5. The petitioner has filed the present petition for seeking revision of the Unscheduled Interchange (UI) accounts in respect of dispatch of electricity from its generating station from the date of commercial operation(5.3.2011) till the metering and energy accounting is considered at Jhajjar. The petitioner has made the following prayers:

"(a) Direct the respondents to revise all the Unscheduled Interchange (UI) accounts from the Commercial Operation Date of Unit No. 1 of the generating station of the petitioner at Jhajjar, namely, 5.3.2011 onwards till the metering and energy accounting for the generating station is totally considered at Jhajjar generating bus-bar and not at Mundka sub-station and give adjustment for such energy accounting in favour of the petitioner; and

(b) Pass such other further order (s) as this Hon'ble Commission may deem just and proper in the facts and circumstances of the case."

6. The petitioner has submitted that, it has become necessary to adjust the UI energy accounting for the period from COD of Unit-I i.e., 5.3.2011 till grant of transmission licence due to the following reasons:

(a) The actual generation/electricity supplied/injected into Jhajjar-

Mundka line is being metered at Mundka end. However, as per the Central

Electricity regulatory Commission (Indian Electricity Grid Code)

Regulations, 2010 (Grid Code) and Central Electricity regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 (2009 Tariff Regulations), such metering is to be done at the bus-bar of Jhajjar generating station.

(b) The generating station, being an ISGS, is covered under 2009 Tariff Regulations. However, the energy loss in the subject transmission line is not covered under auxiliary energy consumption as defined in 2009 Tariff Regulations.

(c) The generating station is declaring its capacity on ex-power plant basis from the date of commercial operation of unit-I of the generating station in line with Regulation 6.4 (16) of the Grid Code.

(d) The generating station is being given despatch schedule as per Regulation 2 (u) of the Grid Code at Jhajjar end. However, the actual generation for IGSTPP, Jhajjar with reference to Jhajjar–Mundka transmission line, measurement at Mundka end is used instead of the Jhajjar end measurement which is not in line with the Grid Code and 2009 Tariff Regulations.

7. The petitioner has submitted that the generating station is being subjected to the dispatch schedule at Jhajjar end from COD of Unit-I of the generating station. However, the measurement of electricity at Mundka end result in the differentiation in the quantum of electricity injected by the generating station at Jhajjar and the quantum of electricity taken at Mundka end for the purposes of energy accounting for scheduling and dispatch. The petitioner has submitted that this differentiation is being treated as Unscheduled Interchange Charges to the account of the petitioner on account of various factors, namely, Daulatabad-Jhajjar and Jhajjar-Mundka have been used as an integrated line with number of power flowing on the above transmission lines.

8. The petitioner has submitted that the Commission vide order dated 8.6.2013 observed that the subject transmission line is a part of the meshed network and flow of power on the subject transmission line is not as per schedules of Haryana and Delhi/other beneficiaries but depends on load generation balance in the system. Therefore, the line is functioning as ISTS line i.e. Jhajjar-Mundka line is carrying ISTS power. The petitioner has further submitted that the power from other generators in Haryana also flows through Jhajjar-Mundaka line via Daulatabad-Jhajjar line by reason of displacement path. Accordingly, the implication of the above is resulting in the differential measurement at Mundka sub-station. This is particularly, so as the above integrated line is effectively Inter-State transmission line and this aspect has already been noticed by the commission in order dated 8.6.2013.

 The petition was heard after notice to the respondents. Reply to the petition has been filed by Northern Regional Load Despatch Centre and Northern Regional Power Committee.

10. Northern Regional Load Despatch Centre, vide its reply affidavit dated 28.1.2014, has submitted that the issues related to scheduling of the generating station was discussed in the meeting held on 19.11.2010 at NLDC office in which the representatives of the petitioner, DTL, HVPNL, SLDC, Haryana, NRPC and NRLDC were present and in the said meeting it was decided that the generating station shall be considered as a regional entity. Therefore, scheduling, metering and energy accounting of the generating station is being coordinated by NRLDC. NRLDC has submitted that in the said meeting dated 19.11.2010, it was deliberated that keeping in view the fact that 400 KV Jhajjar-Mundka D/C transmission line is owned and maintained by the petitioner and IGSTPP dedicated network extends upto Mundka, the metering arrangement shall be done in line with the envisaged configuration and as per CEA's Regulation on metering. NRLDC has submitted that Jhajjar-Mundka transmission line was a dedicated line which was owned and maintained by the petitioner before it became ISTS. Therefore, the electrical system of the generating station were extended up to Mundka and losses of 400 KV Jhajjar-Mundka D/C line were not pooled but were attributed to IGSTPP. NRLDC has submitted that in the said meeting dated 19.11.2010, the following metering arrangements were agreed for computation of net injection of the generating station:

(i) Main and Check Meter on 400 kV IGSTPS-Mundka- I and II at Mundka end.

(ii) Main and Check Meter on 400 kV IGSTPS-Daultabad-I and II at IGSTPS end.

(iii) Standby Meters on 400 kV side of Generator Transformers (GTs)

(iv) Standby Meters on 400 kV side of Station Transformers (STs)

(v) Standby Meters on 400 kV IGSTPS-Mundka -1and II at IGSTPS end

11. NRLDC has submitted that the representative of CEA, during the course of hearing of 16.5.2013 in Petition No. 239/2010, had submitted that the Mundka sub-station can be considered as the extended bus bar of the generating station and there is no requirement for shifting the metering arrangement from Mundka sub-station. NRLDC has further submitted that the Commission in order dated 7.11.2013 has already clarified that the assets of the transmission licensee shall be considered as inter-State transmission system only after the grant of transmission licence and accordingly, metering shall be done in accordance with Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time.

12. NRLDC has submitted that after grant of transmission licence to the petitioner, a meeting was convened on 11.12.2013 by Northern Regional Power Committee to discuss various requirements to be completed by ISTS licensee, transmission charges, energy accounting and meter issues etc. NRLDC has stated that in the said meeting it was decided that any retrospective change in metering arrangement would result in retrospective revision of declared ISTS losses and UI bills which may result in changes for all entities pan-India and should be avoided. Accordingly, it was decided in the meeting to consider date of grant of transmission licence (7.11.2013) and the date of Unscheduled Interchange (UI) accounting (2.12.2012) for the purposes of recovery of transmission charges and pooling of transmission losses respectively.

13. NRLDC has submitted that as per Regulation 24 of the Central Electricity Regulatory Commission (Fee and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2009, all users are required to register themselves with RLDC concerned by filing appropriate application. However, the petitioner has not registered itself as an ISTS transmission licensee with NRLDC so far.

14. Northern Regional Power Committee (NRPC) in its reply dated 18.3.2014 has submitted that scheduling and metering of the generating station is coordinated by NRLDC and based on processed data furnished by NRLDC, the energy accounting is done by NRPC.

15. During the course of hearing on 8.5.2014, learned counsel for the petitioner submitted that the petitioner was granted a transmission licence for the transmission assets on 7.11.2013 and the issue of calculation of UI charges and transmission losses for the period from 5.3.2011 to 6.11.2013 is involved in this case. He further submitted that it was agreed in the NRPC forum in November 2010 that UI charges and transmission losses will be calculated as per the meter installed at the bus bar of the generating station. The representative of NRLDC submitted that transmission losses cannot be revised retrospectively as allocation of transmission losses among the beneficiaries is a complex and difficult exercise. He further submitted that the Commission has all along maintained that the



transmission charges and losses will be accounted for from the bus bar of the generating station only after the grant of transmission licence.

16. We have heard the learned counsels for the petitioner, Distribution Companies of Rajasthan and representatives of the respondents and pursued documents on record.

17. The petitioner in the present petition has prayed for revision of UI accounts from COD of unit-I i.e. 5.3.2011 of the generating station till the metering and energy accounting for the generating station is totally considered at Jhajjar generating bus-bar and not at Mundka sub-station. The petitioner had made similar prayer in I.A. No. 57/2012 in Petition No. 239/2010 for revision of UI accounts considering check meter reading of 400 kV IGSTPP-Mundka D/C at Jhajjar generating station. The Commission, while disposing of the IA, vide order dated 8.6.2013 had observed that the decision in this regard cannot be taken without hearing NRLDC and NRPC and advised the petitioner to file appropriate petition by impleading NRLC Accordingly, the petitioner has filed the present petition by impleading NRLDC, NRPC and others as parties to the petition.

18. NRLDC has stated that any retrospective change in metering arrangement will result in retrospective revisions of weekly-declared ISTS losses and UI accounting, which may result in changes for all entities pan-India and should be avoided. 19. NRPC and NRLDC have submitted that a meeting was held on 11.12.2013 in NRPC Secretariat to discuss commercial issues in which it was decided that retrospective changes in the accounting and computation of losses should be avoided. Accordingly, it was decided in the said meeting to consider date of grant of transmission licence (7.11.2013) and the date of Unscheduled Interchange (UI) accounting (2.12.2012) for the purposes of recovery of transmission charges and pooling of transmission losses respectively.

20. We are in agreement with the submissions of NRLDC and NRPC. The petitioner was granted transmission licence for 400 kV D/C Jhajjar-Mundka transmission on 7.11.2013 and prior to grant of transmission licence, the line had the status of dedicated transmission line. Therefore, the losses of the dedicated transmission line are to be borne by the generating station. Accordingly, the petitioner's request for retrospective adjustment of UI accounts is not maintainable.

21. The petition is disposed of in terms of the above.

sd/- sd/-

(A.K.Singhal) Member

Sd/-

(M Deena Dayalan) Member (Gireesh B.Pradhan) Chairperson