

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 278/MP/2025**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri Ramesh Babu V., Member  
Shri Harish Dudani, Member  
Shri Ravinder Singh Dhillon, Member**

**Date of Order: 19<sup>th</sup> March 2025**

**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/IEGC) Regulations, 2023, seeking appropriate relief for relaxation against difficulty faced by the petitioner in implementing Regulation 24(2) of CERC (Indian Electricity Grid Code/IEGC) Regulations, 2023, and Conduct of Business Regulations 2023, to declare 'COD' without the installation and enablement of Automatic Generation Control ("AGC") and subsequently allow time for implementation of AGC in respect of 2000 MW Subansiri lower HE Project (8x250MW).

**And**

**In the matter of**

NHPC Limited,  
NHPC Office Complex,  
Sector – 33, Faridabad,  
Haryana – 121003

**...Petitioners**

**Vs**

1. Grid Controller of India Limited,  
B-9 (1st Floor), Qutab Institutional Area,  
Katwaria Sarai,  
New Delhi -110016

2. North Eastern Regional Power Committee  
Jowai Rd, Umpling,  
Shillong,  
Meghalaya 793006

**...Respondents**



**Parties Present :**

Ms. Swapna Seshadri, Advocate, NHPC

Shri Utkarsh Singh, Advocate, NHPC

Shri Parth Bhalla, Advocate, NHPC

Shri Aman Mahajan, NHPC

**Order**

The Petitioner- NHPC Limited is a Navratna Enterprise under the MoP, Government of India. The Petitioner has undertaken the Subansiri Lower Hydro Electric Project 2000 MW (8X250 MW)/Subansiri HEP in the state of Arunachal Pradesh, which is in the active stage of construction. The instant petition has been filed by the Petitioner seeking appropriate relief for relaxation against difficulty faced by the petitioner in implementing Regulation 24(2) of CERC (Indian Electricity Grid Code/IEGC) Regulations, 2023, and Conduct of Business Regulations 2023, to declare 'COD' without the installation and enablement of Automatic Generation Control.

2. This Petition has been filed by the Petitioner, NHPC Limited, seeking the following reliefs:

- (a) Admit the present Petition;
- (b) Grant relaxation in Regulation 24(2) of the CERC (Indian Electricity Grid Code) Regulations, 2023, regarding the enablement of AGC for declaration of COD of Subansiri Lower HEP 2000 MW under Regulations 57 and 58 of the CERC (Indian Electricity Grid Code) Regulations, 2023;
- (c) Grant 9 Months' time extension from the COD of the First Unit of Subansiri HEP to the Petitioner to enable the commissioning of AGC, or by 31.12.2025, whichever is later, under Regulations 57 and 58 of the CERC (Indian Electricity Grid Code) Regulations, 2023;
- (d) Pass such orders as deemed fit and necessary in the facts and circumstances of the present case.

**Submission of the Petitioner**

3. The Petitioner has submitted the following:



- (a) The Investment Approval for the Subansiri HEP was accorded by the Ministry of Power, Government of India, vide letter No. 11/1/2002-DO(NHPC) Vol-II, dated 9.9.2003, for a total capital expenditure of Rs. 6285.33 Crores. In terms of the said IA, the Subansiri HEP was to be completed within 7 years from the date of the approval by the Government of India. The SCOD for the Subansiri HEP in terms of the said approval of the Government of India was 8.9.2010. The major project completion works at Subansiri HEP started in January 2005. However, the work got stalled due to a blockade by the Anti-Dam activists from December 2011, and the work could thereafter be resumed in October 2019, which delayed the scheduled completion.
- (b) The Commission, vide Order dated 3.8.2023, notified the IEGC Regulations 2023, and the same came into force with effect from 1.10.2023. As per the Regulation, prior to the declaration of the COD, the generating station has to confirm the enablement of AGC to the appropriate Load Dispatch Center.
- (c) In terms of the aforesaid provision of IEGC Regulations 2023, it is evident that prior to the declaration of COD, the generating station has to confirm the enablement of AGC to the appropriate load despatch centre.
- (d) Subansiri HEP (2000 MW) is expected to be commissioned by May 2026 for the complete project out of which 2 units are expected to achieve commissioning by March 2025.
- (e) The Electrical & Mechanical work package of the project was awarded in the year 2005. AGC was not included in the scope of the original contract of E&M equipment as the requirement for installation of AGC under the IEGC Regulations 2023 came much later, i.e., on 1.10.2023. The Supervisory Control and Data Acquisition system ("SCADA") supplied with the E&M Package during the years 2007-2009 became old and outdated, and accordingly, the updated SCADA was required for better functioning. It was also proposed that AGC be implemented in Subansiri Lower HEP as part of the updated SCADA in terms of the provision of Regulation 24(2) of the CERC IEGC Regulations 2023.



- (f) In view of the above, the Petitioner, on 21.2.2024, applied for technical concurrence of the Central Electricity Authority ("CEA") to replace the aforesaid outdated SCADA system of Subansiri HEP. In this regard, the following timeline of events is important:
- (i) On 19.7.2024, CEA accorded its approval for the complete replacement of the aforesaid SCADA system of Subansiri HEP, which also included the installation and implementation of AGC.
  - (ii) M/s GE Vernova, being the contractor for the E&M package, submitted its proposal on 30.8.2024, stating that the time required for the AGC implementation is about 14 months from the date of issuance of the written change order.
  - (iii) Presently, the finalization of the rate of SCADA installation is in progress; the updated SCADA is supposed to be commissioned by April-May 2026. Therefore, if AGC is installed and implemented along with updated SCADA, the AGC will be implemented by April-May 2026.
- (g) In order to mitigate the delay, it was decided that the AGC may be procured separately, and accordingly, the Petitioner has accorded the administrative approval on 24.1.2025. Pursuant to the same, the process for bidding has been initiated with the timeline of execution of AGC work within six (6) months after the award of the contract.
- (h) It is submitted that the award of work is generally issued within approximately three (3) months from the commencement of the tendering process. Subsequently, the installation of AGC is to be completed within six (6) months from the issuance of the award to the successful bidder.
- (i) In view of the above, due to the non-availability of AGC connectivity in the earlier SCADA, the time required for installing and implementing the AGC and considering the commissioning of the 2 units of Subansiri HEP project in March 2025, the Order for installation of AGC at the Subansiri HEP Project could not be initiated earlier, and therefore, the Petitioner is seeking to move ahead in planning and implementation of AGC in terms of the same.
- (j) In terms of the timeline for installation of AGC and considering the date of commissioning of the 2 Units by March 2025, it is being proposed that the implementation schedule of AGC at the Subansiri HEP shall be ensured to be implemented by 31.12.2025, i.e., well before



the declaration of COD of the complete generating station corresponding to 2000 MW (March 2025 to May 2026).

- (k) In view of the submissions made above, the Hon'ble Commission may be pleased to allow the commissioning of AGC by 31.12.2025.

### **Hearing dated 4.3.2025**

4. The Petition was heard on 4.3.2025, wherein the learned counsel for the Petitioner submitted that the present Petition had been filed seeking relaxation of Regulation 24(2) of the IEGC Regulations, 2023 for the declaration of COD of the Project, without the implementation of AGC and for granting time for such implementation under Regulations 57 and 58 of the said Regulations. Considering the fact that the prayer made in the petition is for the relaxation of provisions of the IEGC Regulations, the Commission reserved its order at the admission stage itself.

5. We have examined the matter. The present Petition has been filed by the Petitioner seeking reliefs, mainly on account of the difficulty faced by it, in the implementation of Regulation 24 (2) of the IEGC Regulations, 2023, i.e., for the declaration of 'COD' without the enablement /implementation of the AGC and to allow time extension for the same, for 2 units of the Project, which is expected to achieve the commissioning by March, 2025, under Regulations 57 and 58 of the IEGC Regulations, 2023 considering that:

(a) At the time of awarding of the Project, the condition for the implementation of the AGC system prior to the COD of the Hydro power Units was not mandatory in terms of the then Regulations.

(b) AGC was not included in the scope of the original contract of E&M equipment as the condition for enablement of the AGC before COD was introduced in the IEGC Regulations, 2023, which came into force much later w.e.f. 1.10.2023; and

(c) Due to the non-availability of AGC component in the earlier SCADA, and considering the date of commissioning of the 2 Units by March 2025, it is being proposed that the implementation schedule of AGC at the Subansiri HEP shall be ensured to be implemented



by 31.12.2025, i.e., well before the declaration of COD of the complete generating station corresponding to 2000 MW (March 2025 to May 2026).

6. Regulation 24(2) of the IEGC Regulations, 2023 provides as under:

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

*(1) xxx (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.”*

7. We have considered the submissions and the difficulties faced by the Petitioner, as mentioned above. As stated above, the Petitioner is seeking the relaxation of Regulation 24(2) of the IEGC Regulations, 2023, with regard to the implementation of the AGC system well before the declaration of COD of the complete generating station corresponding to 2000 MW (March 2025 to May 2026). It has argued that the enablement of the AGC system prior to the COD of the unit/ project was for the first time introduced in the IEGC Regulations, 2023 (effective from 1.10.2023) and therefore, the implementation of the same as a pre-requisite for claiming COD, could not be envisaged at the time of the grant of the IA for this Project.

8. The Petitioner has also submitted that the award of work is generally issued within approximately three (3) months from the commencement of the tendering process. Subsequently, the installation of AGC is to be completed within six (6) months from the issuance of the award to the successful bidder. In terms of the timeline for installation of AGC and considering the date of commissioning of the 2 Units by March 2025, it is being proposed that the implementation schedule of AGC at the Subansiri HEP shall be ensured to be implemented by 31.12.2025, i.e., well before the declaration of COD of the complete generating station corresponding to 2000 MW (March 2025 to May 2026). Furthermore, it is important to consider that the processes involved in tendering, awarding, and executing the Automatic Generation Control (AGC) system will take a significant amount of time to complete.

9. Regulations 57 of the IEGC Regulations, 2023 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.*

10. It is an established principle of law that the power to relax has to be strictly construed and is to be exercised judiciously and with caution. When and only when undue hardship is caused by the application of the rules or regulations, the power to relax is to be exercised. In the present case, 2 Units of the Project are scheduled to achieve COD by March 2025, and the complete generating station corresponding to 2000 MW is scheduled to achieve COD by May 2026. As per IEGC, before the declaration of the COD, the generator is required to submit the documents confirming the enablement of the AGC system of the plant from the appropriate Load Despatch Centre by integrating the controls and telemetering features of their system into the automatic generation control. As pointed out by the Petitioner, the implementation/enablement of the AGC system could not be envisaged by the Petitioner during the approval of IA for the Project, and it is only after notification of the IEGC Regulations 2023 that the implementation of the AGC system was made mandatory.

The Petitioner has requested a time extension of 9 months from the Commercial Operation Date (COD) of the first unit of the Subansiri Hydroelectric Project (HEP) to facilitate the commissioning of the Automatic Generation Control (AGC), or until 31.12.2025, whichever is later.

11. After carefully considering the Petitioner's submissions and keeping in mind the immediate need for power from the plant, we find it appropriate to exercise our powers under Regulation 57 of the IEGC Regulations 2023 to grant the requested relief. Accordingly, we are relaxing the requirements of Regulation 24(2) of the IEGC Regulations 2023 (as referenced in paragraph 6 above) concerning the submission of documents confirming the enablement of automatic plant operation from the relevant load dispatch center prior to the declaration of COD for the first unit.

12. Regarding the timeline for implementation of the AGC, the petitioner has submitted that the period from June to October constitutes the peak hydro-power generation season for the



project. This timeframe aligns with the monsoon season, during which water availability is at its highest, enabling maximum energy production. Given the critical nature of this period for the project's operational efficiency and power generation output, undertaking testing and implementation activities for the Automatic Generation Control (AGC) system during these months would be highly impractical as it will lead to spillage of water, which is not advisable. Such activities could potentially disrupt operations and adversely impact the project's performance during its most productive phase. Accordingly, the petitioner has proposed to schedule the testing and implementation of the AGC system outside this peak monsoon period as it would ensure minimal disruption to the project's operations while allowing for the efficient and effective integration of the AGC system and also avoiding spillage of water.

13. The request for an extension of time to conduct the AGC testing and implementation activities beyond the peak season is hereby granted. However, this relaxation for the implementation or enablement of AGC, post-COD of Unit-I, shall not extend beyond 6 months from the COD of the first unit of the generating station or until 31.12.2025, whichever is later. We hereby issue these directions accordingly.

14. Further, we also make it clear that the relaxation granted as above shall not automatically entitle the Petitioner to claim the IEDC/IDC for the delay in the declaration of COD of the said Unit beyond the scheduled date. Such entitlement will be examined and determined separately in accordance with the relevant provisions of the Tariff Regulations.

15. Petition No. 278/MP/2025 is disposed of in terms of the above.

**Sd/-**  
**(Ravinder Singh Dhillon)**  
**Member**

**sd/-**  
**(Harish Dudani)**  
**Member**

**sd/-**  
**(Ramesh Babu V.)**  
**Member**

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

