

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

Quorum

Shri Desh Deepak Verma, Chairman

Shri S. K. Agarwal, Member

In the matter of:

Sub: Review Petition No. 1120 of 2016 filed by UPPCL and Review Petition No. 1121 of 2016 filed by UPSLDC in Petition No. 1070/2015 filed by RPSCL.

IN THE MATTER OF COMPLIANCE OF U.P. ELECTRICITY GRID CODE, 2007 BY U.P. STATE LOAD DESPATCH CENTRE

1. Uttar Pradesh Power Corporation Limited.
2. U.P. State Load Despatch Centre.

..... Petitioners

Rosa Power Supply Company Limited

----- Respondent

Order

(Hearing 12.7.2016)

The Commission has passed an order on 21.06.2016 in Petition No.1070/2015 in the matter of compliance of UP Electricity Grid Code 2007 by UP State Load Despatch Centre.

The Commission after due deliberation over the review petition no. 1120/2016 filed by UPPCL passed the following order on 4.7.2016:-

“On the perusal of the petition, it appears, prima facie that due to para 21(g)(2) of the order, UPPCL may suffer irreparable financial loss on continuous basis. So taking this into account the Commission on interim basis stays the implementation of para 21(g)(2) of the order dated 21.06.2016.”

In the mean while, UPSLDC also filed review petition no. 1121/2016 on 5.7.2016. The notices were issued on 5.7.2016 for the hearing on 12.7.2016.

During the hearing on 12.7.2016, the respondent vehemently opposed the maintainability of the review petition. UPPCL and SLDC submitted that they have filed the petition under Conduct of Business Regulations, 2004 read with section 94 clause (2) of Electricity Act, 2003. The respondent requested that the maintainability of the review petition decided first. **The Commission decided that the issue of maintainability and the merits of the case shall be decided simultaneously** and for it relied *upon the judgment of Hon'ble Supreme Court in the matter of PTC India Ltd. vs Gujrat Electricity Regulatory Commission and Another in Civil Appeal No. 7524 of 2012 wherein it has been observed that "the State Commission and the Tribunal should, while deciding the main matter consider all objections including the one relating to their jurisdiction to entertain the matter. Any attempt by the parties to delay adjudication of the dispute deserves to be deprecated and the State Commission and the Tribunal are not expected to waste their time in dealing with objections of different hues."*

Shri Sanjay Singh, Director, Commercial appearing on behalf of UPPCL raised arguments that the Commission's order is per incuriam as the order dated 21.6.2016 has been passed without taking into account the previous order of the Commission dated 12.9.2011. He further said that the petitioner had not approached the Commission with clean hands as it was duty of the petitioner to place the order dated 12.9.2011 before the Hon'ble Commission. He further submitted that the transmission charges and transmission losses could not be accounted as these details for ISGS normally come after two months. He further submitted that RPSCL has no locus to file the petition and Commission has no jurisdiction under section 86 (1) (f) of Electricity Act, 2003. He further submitted that the final order on MOD may be passed after discussions with all the stakeholders. He further submitted that RPSCL has not suffered any loss due to non constitution of SPC. They have simply submitted that SPC is not functional. He further submitted that RPSCL is getting full return on their investment through the fixed charges, then why they are aggrieved if their plant is shut down occasionally. This implies that

they have some cushion in operating parameters and therefore the Commission should revisit these operation parameters. He further submitted that this order will make it very difficult to manage the grid in case of low demand and UPPCL will have to pay large amount under DSM.

Shri Ram Swarath, Director, UPSLDC submitted that in case of crash of demand the generators are directed to reduce their generation to technical minimum and if low demand situation continues the plant with costlier power shall shut down. He stated that the order of the Commission to run the cheaper and costlier, both types of plants to technical minimum will cost financial loss as UPPCL will not be able to draw full power from cheaper power plants.

The Counsel Shri Shri Venkatesh of RPSCL stated that Commission has stayed para 21g(2) of the order dated 21.6.2016 of the Commission despite no such prayer in the review petition. It is very strange that the Commission has taken cognizance of the review petition which contains no prayer.

The Commission opined that it is interested in bringing down the power purchase cost of the discoms so that cheaper power is available to the consumers of the state and all the stakeholders should strive to develop a procedure to achieve this objective and if UPPCL wishes to suggest any alternative procedure in this regard, they may submit it to the Commission.

The Commission then enquired from Shri Anil Kumar Asthana, Advisor, RPSCL his views on the technical minimum of the machines. Shri Asthana submitted that CERC has specified the technical minimum as 55% and large machines above 500 MW can operate at a lower level also for a longer time. Frequent shut down of machine of smaller unit size deteriorates the health of the machine. He further submitted that in case of persistent low demand, machine can be shut down as per the merit order. He clarified that in case of longer duration of low demand the procurer can ask for shut down of the machine.

The Commission inquired what they have to say regarding para 21g(1) of the order i.e. machine should be kept on bar for 72 hrs. Shri B. S. Prashad, Plant Head, RPSCL submitted that nearly 8 to 10 hrs are needed to stabilize the boiler and 24 hrs. to stabilize the machine.

Shri Vibhav Agarwal, RPSCL submitted that they have got the Load Flow study conducted from Alstom which indicates that if the load center plant like Rosa are kept in operation on full load a saving of nearly 70 MW power can be made in terms of transmission loss. Hence some benefit should be provided to load center plant.

Shri Sanjay Singh submitted that they have not been made the party by the petitioner in the petition no. 1070/2015. The petitioner replied that they were made the party and notice was also issued to UPPCL for hearing on 20.1.2016.

The Commission enquired SLDC whether the order dated 21.6.2016 and order dated 4.7.2016 are being complied with. SLDC submitted that they are complying with. RPSCL, however, specified that UPSLDC is not following the order of the Commission.

After hearing the arguments of all the parties, the Commission directed UPPCL and UPSLDC to submit WS within fifteen days and RPSCL to file the counter within next fifteen days.

The Commission further directed UPPCL/SLDC to follow its order dated 21.6.2016 and order dated 4.7.2016 till further order is passed in the matter.

(S. K. Agarwal)
Member

(Desh Deepak Verma)
Chairman

Dated: 15.07.2016