

**ORISSA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAVAN, UNIT – VIII  
BHUBANESWAR – 751012**

**Present : Shri D.C. Sahoo, Chairperson  
Shri B.C. Jena, Member  
Shri S.K. Jena, Member**

**Dated the 19th Day of August, 2006**

**CASE NO. 20 OF 2006**

M/s Nava Bharat Ferro Alloys Ltd.,  
At/Po: Khadagaprasad,  
Near Muramundali Station  
Dist. Dhenkanal

..... Petitioner

-Vrs-

M/s GRIDCO,  
Janpath, Bhubaneswar.

..... Respondents

M/s OPTCL,  
Janpath, Bhubaneswar.

For the petitioner - Mr. P. P Mohanty, Advocate  
Mr. H.P.Mahapatra GM(PP)

For the respondents - Mr. S.K.Das, Sr.GM,  
Mr. S.K.Mishra, Sr.GM.

**ORDER**

M/s Nava Bharat Ferro Alloys Ltd. At/Po Khadagaprasad, District. Dhenkanal has filed a petition for settlement of its dispute with GRIDCO & OPTCL with regard to location of ABT complaint Apex Energy meter. The petitioner NBFAL has established a

Captive Power Plant in its factory premises at Khadagaprasad and the said CGP had started its commercial operation in February, 2004. As the petitioner company was unable to consume full generation from its CGP, it sought Commission's permission for sale of its surplus power. The Commission in its order dated 11th January, 2005 passed in Case No. 133/2004 accepted the status of the above CGP as a Generating Station under the purview of the Electricity Act, 2003 and allowed the petitioner company to trade its surplus energy by way of sale either to GRIDCO or to some other party on a mutually acceptable terms and conditions. In compliance with the above order of the Commission, the petitioner company entered into contract with RETL for sale of its surplus power through Short Term Open Access inter-state transaction, and also with GRIDCO.

2. The petitioner had also approached GRIDCO/OPTCL for required clearance for transmission of the said energy and entered into a MoU with GRIDCO/OPTCL and SLDC on 27th December, 2005. In the said MoU, the metering point was mutually agreed to be provided at Meramundali Grid Sub Station. As per agreement in line with clause 5.5.4 of 'Grid Code', on 31.12.2005, OPTCL, as STU, installed the meter at Meramundali Sub Station. Another meter had already been installed by STU at the premises of the petitioner since 20.04.2005 at the connection point of CGP with STU at 132 KV for accountal of power exchange with the petitioner. The export of power from petitioner's CGP commenced from January, 2006. The petitioner raised its bill to GRIDCO based on reading recorded by the ABT complaint Apex Energy Meter provided by STU on 20.04.2005 and located at petitioner's premises. In protest to the said bill,

the Senior General Manager (PP) GRIDCO informed the petitioner on 21.04.2006 that the meter installed at Meramundali Grid Sub Station is the meter from which the readings are to be taken for the purpose of billing as provided in the executed MOU/agreement.

3. Hence, this dispute

By citing the various provisions of Grid Code (12th version), Orissa Grid Code Regulation, 2006 and the CEA (Installation and Operation of Meters) Regulations, 2006, the petitioner pleaded for the location of the meter for purpose of billing should be at the premises of the petitioner and not at the Meramundali Sub Station which is 4 km away from the petitioner's premises. The petitioner also contended that due to location of the meter away from its premises, it will "suffer irreparable loss and irremediable injury".

4. In response to the contention of the petitioner, the O.P. No.1 (GRIDCO) filed its counter affidavit praying the Commission to reject the request of the petitioner and requested to allow preparation of the bills based on the recording of the ABT complaint Apex Energy meter installed at Meramundali Sub Station as agreed between the parties. O.P.No.1 has also filed the true copy of the MoU dated 27.12.2005 where the petitioner has expressly agreed to the provision of the metering arrangement at Meramundali Sub Station. The O.P.No.1 has also pleaded that as per clause 5.5.4 of the Grid Code, the metering point for CGP shall be at licensee's sub station or as agreed with the licensee. As the petitioner expressly agreed for installation of meter

at Meramundali Sub Station, so there is no question of raising the bills based on the recording of the meter installed at petitioner's premises.

5. After careful consideration of the documents filed by parties and the arguments advanced by them, the Commission's view is as follows:-

6. Section 55(2) read with Section 73(e) and Section 177(1)(c) of the Electricity Act, 2003 only authorizes CEA to make regulations on installation of meters and location of meters. After the commencement of CEA (Installation and Operation of Meters) Regulations, 2006, the entire scenario has undergone transformation. The aforesaid CEA Regulations are binding and overriding effect on the Orissa Grid Code. According to Regulation 7(1) of the CEA Regulations, the location of the main meter of a generating station shall be on the all outgoing feeders. Regulation 10.6(19) of the OGC also directs to adopt the provisions of CEA Regulation 2006. As there has been a change in the relevant statutory provisions during the period of the agreement and some provision of the agreement became inconsistent with the law in force, parties to the agreement shall have to agree to make necessary changes in the agreement to make it consistent with the present legal positions.

7. During the course of the hearing, OPTCL confirmed that the 132Kv line from Meramundali Grid s/s to the premises of the petitioner is owned and operated by OPTCL. Thus, OPTCL has been recovering maintenance cost, transmission cost and transmission loss of the State Transmission System which includes the portion of this

line through tariff. OPTCL, therefore, should not claim for recovery of transmission loss component against this portion of the line due to energy accounting through the meter installed by the STU at Grid s/s. Moreover, the interface between the Generator and the STU is the point where the transmission line of the STU terminates, which in this case is the outgoing feeder from the gantry of the Generator.

8. It is further confirmed that the ABT compliant Energy Meters are already installed by the STU on either side of the 132 kV feeder connecting the CGP and Meramundali Grid sub-station. Upto 31.12.05, there was no dispute between the parties with regard to the meter reading installed at the petitioner premise. CEA's Regulation came into effect from 17.03.2006.

9. In view of the above discussion, the Commission orders that (a) the calculation of energy till 31.03.2006 registered through the meter installed at Meramundali Grid Sub Station shall be made as agreed in the agreement dated 27.12.2005 by the parties and (b) the calculation of energy through the meter installed at petitioner's premises i.e. at out going feeder of the Generator shall be made with effect from 01.04.2006. The petitioner shall raise the bills accordingly.

10. The present petition stands disposed off accordingly.

**(S.K. Jena)**  
**MEMBER**

**(B.C. Jena)**  
**MEMBER**

**(D.C. Sahoo)**  
**CHAIRPERSON**