

ORISSA ELECTRICITY REGULATORY COMMISSION

**BIDYUT NIYAMAK BHAWAN
UNIT-VIII, BHUBANESWAR – 751 012**

Present : Shri S.K. Jena, Member
Shri K.C. Badu, Member

Case No.54 of 2008

M/s. Patnaik Steel & Alloys Ltd.,
Falcon House, A/22, Cuttack Road, Bhubaneswar. ...

Petitioner

- Vrs. -

Orissa Power Transmission Corporation Ltd. (OPTCL) ...
Janpath, Bhubaneswar

Respondent

For the petitioner : Mr. Prabhu Prasad Mohanty, Advocate and Mr. Bibhu Prasad
Das, Advocate on behalf of the petitioner.

For the respondent : Mr. J.P. Das, C.G.M.(O&M), OPTCL

Date of Hearing: 22.09.2008

Dated of Order: 06.11.2008

ORDER

Mr. Prabhu Prasad Mohanty, Advocate on behalf of the petitioner, M/s Patnaik Steel & Alloys Ltd. stated that the petitioner has set up an integrated steel plant of 50 MW capacity at Purunapani, District Keonjhar, under the licensee - consumer NESCO, which is connected to 132/33 KV Palasapanga grid substation through a dedicated 33 KV dedicated bay at that substation. It is presently drawing power for its requirement through this 33 KV line. According to the MoU signed between the petitioner and the State Govt. on 04.05.2005 PSAL would install 0.22 Million tonne/annum sponge iron plant, 0.11 million tonne of steel in got and 15 MW CPP in the first phase and the same would be doubled in capacity in the second phase with an additional CPP on 35 MW. The sponge iron system having the load of 3 MW and 8MW CPP have been commissioned. 2x5 MVA steel melting shop and 7 MW CPP is in advance stage of installation which would be commissioned by March, 2009. It wants to synchronize this 50 MW CGP with the state grid and for this the petitioner has made an approach to GRIDCO for sale of surplus power to GRIDCO or any other corporation and designated by the State Govt., at a tariff determined by the Commission. The petitioner is ready to install metering at Palasapanga grid at its own cost.

The petitioner, therefore, has prayed that (a) to exempt PSAL from providing PLCC/RTU in view small injection of power 5 MW or less (b) to grant time for one year in the event appeal made in (a) is not considered.

He also stated that in response to the petitioner offer M/s ABB responded through their channel partner M/s SB Associates Pvt. Ltd. Bhubaneswar to execute the work on turnkey basis including supply of all equipments of their make and rest from other suppliers. The total quoted cost amounting to Rs.1,69,14,800 plus taxes with freight and insurance along with OPTCL's supervision charges which works out to over 200 lakhs. The delivery quoted is six to seven months from the drawing approval. Thus the total completion period from ordering would be one year.

2. Mr. J.P. Das, CGM (O&M), OPTCL has submitted that approval of OERC is required for synchronization at 33 KV in view of the provisions of Reg.4.15(1) of OGC. As the capacity of the petitioner's unit is not 5 MW, but it is 50 MW, so there is requirement of installation of PLCC/SCADA as per OGC. He also stated that the matter relating to PLCC/SCADA has been dealt by OPTCL as per the technical feasibility and provisions of OGC only after receiving the supervision charges from the petitioner. He further stated that the petitioner has not complied the order dated 15.03.2008 passed by the Commission in Case No.7 of 2008. So, the Commission may not allow one year time as prayed by the petitioner for installation of PLCC/SCADA in this case. The meter is now placed in the petitioner's premises from which NESCO takes meter reading. NESCO wants separate meter should be put for sale of power from the petitioner to GRIDCO or any buyer designated by the OERC.

3. The respondent has further submitted that the petitioner has not complied the required statutory clearances for synchronization. The import meter has to be put at Palaspanga grid substation and NESCO has to agree for BST billing from that meter. OPTCL further submits that it is not agreed to connection at 33 KV in view of Reg.4.15(1) of OGC. Further, it apprehends that larger number of tripping at 33 KV shall cause deemed generation charges. Back flow of power from 33 KV to 132 KV may cause damage to transformer. The use of the 33 KV bus coupler breaker for this 33 KV connectivity may hamper flexibility of operation through other breakers in Palaspanga grid. However, OPTCL has suggested that the petitioner should provide PLCC & SCADA, spare 33 KV bus coupler bay, additional protection in the form of reverse power relay to protect the transformer, additional direction and O/C relay to restrict the power injection and also restrict the quantum of power injection to 5 MVA. OPTCL further suggests that NESCO should accept the metering point at Purunapani to the Palaspanga grid as a part of drawl by it. OPTCL further suggests that tariff should be determined by OERC for sale of power to GRIDCO or any other purchaser designated by OERC.

4. During hearing it was agreed that 33 KV voltage level can also be treated as connection point in view of the CEA Regulation dated 21st February 2007 on Grid Connectivity. As per Regulation no. 2(8) of the above said Regulation, "Bulk consumer" means a consumer who avails supply at voltage of 33kV or above. Its Regulation no. 2(34) also defines "User" to be a person such as a generating company including CGP or

transmission licensee (other than CTU or STU) or distribution licensee or bulk consumer, whose electrical plant is connected to the grid at voltage level 33 kV and above. Besides Regulation 4.15(1) of OGC says that voltage of connection of a generator (including CGP) to the grid may be 400/220/132 kV or as agreed with the transmission licensee. In the present case the petitioner has already been connected to the 132/33Kv Palaspanga grid s/s of OPTCL through a 33 KV line. The 33 kV bay inside that s/s has been constructed by the petitioner. Besides Regulation 1.19 (123) of the OGC says that transmission system is the system consisting of extra high voltage electric lines, having design voltage of 33 KV and higher owned and/or operated by the licensee for the purpose of transportation of electricity from one power station to a substation or to another power station or between substations or to or from any external interconnection including 33/11 KV bays/equipment up to the interconnection with the distribution system. Sec.10 of the Electricity Act, 2003 says that the generating company (the petitioner in this case) shall establish, operate and maintain generating stations, tie-lines, substations and dedicated transmission lines. Hence, the 33 KV line from the petitioner's premises at Purunapani to the Palaspanga grid is a tie-line and it has to be maintained by the petitioner. However, the petitioner should not claim for deemed generation due to failure of this tie-line or on account of interruptions from OPTCL. The petitioner also agreed to bear the cost of the metering unit at the Polaspanga grid. There shall be metering arrangement at Polaspanga both for the purpose of import and export. The import meter reading shall be considered for the purpose of BSP billing to NESCO along with the transformer incoming meter of Polaspanga grid substation. The export meter shall be treated as the consumer meter. Damage to the 132/33 KV transformer at Polaspanga due to reverse power flow should be prevented by limiting injection to the grid. The petitioner agreed to restrict the power sale to GRIDCO or any other purchaser to 5 MW by restricting injection beyond 5 MW. For capacity injection beyond 5 MW, the connection with OPTCL has to be at 132 KV.

5. The first prayer of the petitioner to exempt from installation of PLCC/SCADA in view of small injection of power i.e. 5 MW or less is not accepted since in line with para 9 under chapter 9 of the Commission's order dated 13.03.2008 for generation, operational metering letter relating to real time operation shall be made available in respect of each generating unit but shall not be applied to power stations of capacity below 5 MW (Regulation 10.3.1 of OGC). Further, according to OGC Regulation 4.13.1(d) and 10.5 all agencies connected to or planning to connect to capital STS shall provide remote terminal units (RTUs) and other communication equipments for sending real time data. They shall make available output of their respective operational meters to SCADA interface equipments installed by the STU/transmission licensee. Thus, this shall not be applied to power stations below 5 MW. Since M/s PSAL have commissioned a 15 MW (more than 5 MW) CGP as stated in para 3 of the petition, and their supply may go upto the full capacity of the CGP, they will have to provide PLCC/RTU irrespective of the quantum of export to grid by, them but can be allowed time for its installation.

6. So far as the second prayer of the petition is concerned, since the petitioner is connecting its CGP with the state grid, they shall put up PLCC & RTU at the point of

interconnection and provide output only upto the nearest point of SCADA interface i.e. JODA Grid S/s within a period of nine months i.e. on or before 30th June, 2009.

7. In view of the above, the Commission directs OPTCL to synchronize the CGP of the petitioner with the state grid with immediate effect and at any case before 31.10.2008 subject to the petitioner fulfilling the statutory clearance requirement and other statutory provisions before that date.

8. The case is admitted, heard and disposed of accordingly.

Sd/-
(K.C. Badu)
Member

Sd/-
(S.K. Jena)
Member