

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
UNIT-VIII, BHUBANESWAR - 751 012

Present : Shri S.P. Nanda, Chairperson
Shri B.K. Misra, Member
Shri S.P. Swain, Member

Case Nos.51,131,132 & 133/2010 and 16/2011

M/s.GRIDCO	Petitioner
Vrs.			
M/s.OHPC	Respondent

In the matter of :

Applications for approval of PPAs executed between OHPC and GRIDCO for purchase of power from ChiplimaHEP (3X24MW=72MW), Balimela HEP (6X60MW+2X75MW= 510MW), Upper Kolab HEP (4X80MW=320MW), Rengali HEP (5X50MW=250Mw) and Hirakud HEP (2X9.5MW+2X32MW+3X37.5MW=275.5MW).

For the Petitioner: Shri Laxmidhar Mohapatra, GM, GRIDCO

For the Respondent: Shri P.K.Sahoo, CS& DFI/c.,OHPC

ORDER

Date of Hearing: 04.05.2012

Date of Order: 30.5.2012

The brief fact of the above cases are for approval of PPAs executed between M/s.OHPC and M/s. GRIDCO for purchase of power from the Hydro Electric Projects of M/s.OHPC such as Rengali, Upper Kolab, Balimela, Hirakud and Chiplima. In Case Nos. 51,131,132&133 of 2010, the Commission vide its Interim Order dated. 28.12.2010 had directed GRIDCO to issue public notice to invite objections/suggestions from the general public, stakeholders etc. and also directed to provide the salient features of the PPAs to the stakeholders. The said

public notice and the salient features were also uploaded in the website of the petitioner i.e. GRIDCO for inviting views/suggestions from the public. Accordingly, GRIDCO had published the public notice and also uploaded the salient features in its website for the said purpose but had not received any views/suggestions from the public within the time stipulated in the said public notice.

2. M/s. GRIDCO had filed another petition under section 86 of the Electricity Act, 2003 read with S. 21 of the OER Act, 1995 for approval of Power Purchase Agreement (PPA) for purchase of power from Chiplima Hydro Electric Project (3x24 MW= 72 MW) on 24.02.2011 before the OERC. The above petition of M/s.GRIDCO was registered as Case No. 16/2011 and was also admitted vide Commission's Order dated. 19.04.2011 and was clubbed with Case Nos. 51, 131, 132 and 133 of 2010 for analogous hearing as these were similar in nature. The Commission also further directed GRIDCO to issue Public Notice to invite views/suggestions from the general public, Stakeholders etc. and also to upload the same in its website for the said purpose. According to the above directions of the Commission dated 19.04.2011, GRIDCO had published the public notice which was issued on 20.05.2011 inviting views/suggestions from the general public stipulating the time of one month for filing up of views/suggestions and also uploaded the same in its website for the said purpose. The Commission had also uploaded the said PPAs in its website for inviting suggestions/views from the public.

According to the said public notice dated 20.05.2011, nobody had filed views/suggestions on the above matters. Therefore, the Commission had fixed the date of hearing of all the cases regarding approval of Hydro PPAs on 04.05.2012 with due notice to the parties concerned.

3. During hearing on 04.05.2012, the Representative of M/s.GRIDCO- the petitioner submitted that as per issues raised by the respondent M/s.OHPC during hearing on 08.11.2011 and also as per Order dated 21.11.2011 of the Commission, a meeting was held on 30.12.2011 with M/s.OHPC on the disputed issues of long term PPAs of old hydro electric power stations and finally the PPAs of old stations of M/s.OHPC which were executed on 20.11.2009 are unaltered and there would be no change in the earlier petitions filed by GRIDCO for approval

- of hydro PPAs before the OERC. The matter was also discussed with the State Govt. The above submission of GRIDCO is also admitted by the representative of M/s.OHPC. M/s.OHPC also submitted that there is no further dispute among themselves.
4. The representative of M/s.GRIDCO further submitted that the PPA of Rengali Power House was executed between M/s.OHPC and M/s.GRIDCO in the year 2004 and was also approved by the Commission vide its Order dated 13.01.2005 passed in Case No. 88 of 2004, wherein the Commission had directed both M/s.GRIDCO and M/s.OHPC to re-submit the PPA with the PPAs of other hydro electric stations incorporating the directions of the Commission. In the meanwhile due to change in the CEA metering Code, formation of M/s.GRIDCO and M/s.OPTCL, due to new CERC Regulations 2009-14 and separation of Burla and Chiplima HEPs etc. certain modification were required in the approved PPAs. After a lot of meeting and deliberations between M/s.OHPC and M/s.GRIDCO officials, finally the PPAs of old hydro electric stations of M/s.OHPC was executed on 20.11.2009 between M/s.OHPC and M/s.GRIDCO and were filed before the Commission for approval. As no response was received from the public in response to the 1st public notice issued by M/s.GRIDCO- the petitioner. Second public notice was also published as directed by the Commission inviting views/suggestions from the public on approval PPAs of OHPC in “The New Indian Express” and “The Samaja” on 29.01.2011. During hearing on 18.08.2011 M/s.OHPC unilaterally proposed for amendment of certain clauses in the executed PPAs without any intimation to GRIDCO. After hearing the M/s.OHPC & M/s.GRIDCO, the Commission directs M/s.OHPC to submit all the disputed issues and amendment proposal to M/s.GRIDCO as well as to the OERC. Accordingly, M/s.OHPC submitted the disagreed issues on PPAs to this Commission and serving copy on M/s. GRIDCO.
 5. As per direction of the Commission in the hearing on 21.11.2011, since both M/s.OHPC and M/s.GRIDCO are fully Govt. owned undertakings, all the disputed issues should be resolved through mutual discussion. The unresolved issues if any, should be referred to the Commission-cum-Secretary, DoE, GoO for mutual settlement. After resolving all the disagreements, M/s.GRIDCO should submit the agreed PPAs for approval of the Commission.

6. In view of the above directions of the Commission a meeting was held between M/s.OHPC & M/s.GRIDCO on 30.12.2011 at the Conference room of M/s.OHPC to resolve all the disputed issues. After detailed discussion it was decided to keep the clauses in the executed PPAs of old Hydro Electric Power Stations of M/s.OHPC submitted before the Commission for approval unaltered. The copy of the said Minutes of Meeting held between M/s.GRIDCO & M/s.OHPC on 30.12.2011 is read as part of this order, which is annexed hereto as **Annexure-A**.
7. After hearing the parties, perusal of the case records and going through the Minutes of Meeting held between M/s.GRIDCO & M/s.OHPC on 30.12.2011, we approve the PPAs executed between M/s.OHPC and M/s.GRIDCO for purchase of power from the old Hydro Electricity Projects of M/s.OHPC by M/s.GRIDCO as both the parties to these PPAs have agreed to keep the clauses as laid down without any modification as per Annexure-A to this Order.
8. With the above observations, the cases are disposed of.

Sd/-
(S.P.Swain)
Member

Sd/-
(B.K. Misra)
Member

Sd/-
(S. P. Nanda)
Chairperson

