

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

**Present : Shri S. P. Nanda, Chairperson
 Shri S. P. Swain, Member
 Shri A. K. Das, Member**

Case No. 24/2015

WESCO Utility	Petitioner
Vrs.		
M/s. Steel Authority of India Ltd. (SAIL), RSP & another	Respondents

In the matter of: **An application for approval of Special Tripartite Agreement executed between M/s. RSP Ltd., M/s. Linde India Ltd. and the WESCO Utility under Regulation 81 of the OERC Distribution (Conditions of Supply) Code, 2004.**

For Petitioner: Shri K. C. Nanda, DGM (Fin.), WESCO Utility.

For Respondent: Shri Amit Paul, AVP (Energy), M/s. Linde India Limited,
 Shri Santanu Chatarjee, GM (Legal), M/s. Linde India Limited
 Shri Paramananda Sahoo, GM (Elect.), Rourkela Steel Plant (SAIL).

ORDER

Date of Hearing: 03.11.2015

Date of Order: 18.01.2016

The present application has been filed by M/s WESCO Utility under Regulation 81 of OERC Distribution (Condition of Supply) Code, 2004 to approve a tripartite agreement between WESCO Utility, M/s. Linde India Limited and SAIL, RSP for supply of electrical energy to M/s. Linde India Limited. The background of the case is that M/s. Linde India Limited (LIL) had set up an air separation unit inside M/s RSP premises for meeting their industrial oxygen demand and was drawing power from RSP supply for construction and commissioning purposes without the approval of WESCO Utility. This was not permissible as per Reg.105 & 106 of OERC Supply Code, 2004. When this matter was pointed out by the WESCO Utility M/s RSP agreed to compensate for the fixed demand charges which is otherwise would have been available to WESCO Utility. The requirement of power for M/s LIL is for 40 MW which cannot be made available immediately unless a separate line is constructed from the grid of the Utility. Since industrial gases like Oxygen, Argon and Nitrogen are integral part of the steel industry M/s RSP has extended power supply to M/s LIL from its own 33/11 KV substation. The petitioner WESCO Utility has submitted that M/s. RSP is an existing consumer of the utility with contract demand of 150 MVA and availing power supply under heavy industrial category.

2. Since the above arrangement was not permissible under the regulation of OERC, several rounds of discussions were held between the parties including one under the Chairmanship of Principal Secretary, Energy.
3. Finally, M/s RSP, M/s LIL and WESCO Utility mutually agreed for a tripartite agreement where M/s RSP would be the consenting party, M/s LIL would be the consumer and M/s WESCO Utility would be the supply licensee.
4. Through the tripartite agreement, RSP will remain as the consumer of WESCO Utility with contract demand of 150 MVA and M/s LIL would be another consumer in 33 KV supply with CD of 43.5 MVA. RSP is availing power in 220 KV under EHT category where entire energy would be recorded and the energy consumed by M/s LIL through separate metering arrangement in 33 KV shall be billed to them which would be subtracted from RSP billing. The MD will be calculated through time synchronization with 15 minutes integration period. Maximum demand recorded at M/s LIL end shall be subtracted from the demand recorded at M/s RSP to arrive M/s RSP's demand.
5. The tripartite agreement which was signed on 20.7.2015 has been made initially for a period of five years. The said agreement has been made till M/s. LIL make its own arrangement to avail power supply from the grid.
6. The Commission examined the tripartite agreement dated 20.7.2015. Since all the parties concerned have agreed to this arrangement and entered into an agreement, we approve the same under Regulation 81 of OERC Distribution (Condition of Supply) Code, 2004. However, directions in the tariff order for the respective year shall also be applicable. In case of any revenue loss, the same shall be borne by WESCO Utility and the agreement shall cease with immediate effect under intimation to the Commission.
7. With the above observation, the case is disposed of.

Sd/-
(A. K. Das)
Member

Sd/-
(S. P. Swain)
Member

Sd/-
(S. P. Nanda)
Chairperson