

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

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

**Case No. 29/2015**

M/s. Jindal Steel & Power Limited	.....	Petitioner
Vrs.		
SLDC & Another	.....	Respondents

**In the matter of:**     **An application under S.86 (1) (f) of the Electricity Act, 2003 read with Regulation 1.13 of the Orissa Grid Code OGC) Regulations, 2006 between the petitioner and SLDC.**

**For Petitioner:**     Shri R. P. Mohapatra, authorised representative of M/s. Jindal Steel and Power Limited.

**For Respondent:**     Shri S. Basu Majumdar, M/s. JSPL, Shri P. K. Mishra, GM, SLDC and Malancha Ghose, Manager (RA), NESCO Utility.

**ORDER**

**Date of Hearing: 03.11.2015**

**Date of Order:08.12.2015**

The petitioner M/s. Jindal Steel & Power Limited in the supply area of NESCO Utility is operating a Pelletization Plant at Deojhar, Barbil, under the Keonjhar Electrical Division. The unit is receiving power through a LILO arrangement from 220 KV line of OPTCL forming part of the 220 KV line from Joda to Jamshedpur with contract demand of 55,556 KVA at 220 KV as per the agreement executed with NESCO Utility. Further, the petitioner was allowed by SLDC to avail power of 40 MW on RTC basis from its CGP situated at Angul through Intra-State Short Term Open Access (STOA) since July, 2011. This STOA is being renewed in each year as per Regulation 5(iii) of the OERC (Terms and Conditions for Open Access) Regulations, 2005.

2. NESCO Utility serves the monthly bills to the petitioner initially basing on the reading of its summation meters installed at Barbil and thereafter, revises the said bill after receipt of the data regarding injection of energy by the CGP at Angul from SLDC. The energy injected at Angul less transmission loss of 3.75% is deducted from the reading of the NESCO summation meter at Barbil for billing purpose. However, the Maximum Demand(MD) recorded in the summation Meter is not being revised to take into account the demand met through OA from CGP namely M/s. JSPL, Angul. The minimum demand

charges to be billed by NESCO Utility is 44444.80KVA i.e. being 80% of the CD of 55556 KVA. There is no excess billing by NESCO Utility whenever the MD for the total power drawn by the petitioner is equal to or less than 44444.80 KVA. However, when the MD recorded by the Summation Meter of the NESCO Utility is higher than 44444.80 KVA, there is excess demand charges, as the demand (KW/KVA) met by the petitioner through OA is not taken into account even though SLDC is submitting the monthly OA Drawl Schedule of M/s. JSPL at Barbil to NESCO Utility serving copy of the same to the petitioner. On the request of the petitioner, the question of billing by NESCO Utility was considered in the 85<sup>th</sup> Power System Operational Co-Ordination meeting held on 29.04.2015 wherein the petitioner had raised the billing dispute and NESCO Utility submitted in the meeting that it had prepared the provisional bill considering the actual meter reading and the same is revised deducting the OA quantum after receipt of monthly Energy Accounting data from SLDC. In the said meeting SLDC was suggested to consider the block wise import schedule through OA while computing the SMD of the Petitioner. The SMD of M/s. JSPL segregating the drawl through OA and from the Grid is not computed either by SLDC or NESCO Utility till date. Therefore, the petitioner prayed to the Commission to direct NESCO to determine the maximum demand after taking into account the maximum demand of the power received through OA basing on the monthly drawal schedule of SLDC and the power factor on the load survey of the summation meter.

3. Shri P. K. Mishra, GM,SLDC submitted that in accordance to Section 32 (C) of the Electricity Act,2003 read with Clause 2.2.1(3) of the Orissa Grid Code(OGC) Regulations,2006 it prepares the monthly State Energy Accounts which includes import/export of power through intra/inter-State OA Transactions by the State entities. Accordingly, the same has been forwarded to the NESCO Utility for preparation of monthly energy bill of the petitioner. In the 85<sup>th</sup> Power System Operational Co-ordination Committee meeting held on 29.04.2015, it was suggested by SLDC that while computing SMD, the block-wise power import by Petitioner through OA should be considered.
4. NESCO Utility in its counter reply has submitted that as per Regulation 7(2) of the OERC (Terms and Conditions for Open Access) Regulations, 2005 SLDC is the Nodal Agency for short term open access transactions. In case of short term customers, SLDC should prepare invoice to the customer on behalf of the Distribution Utility as per Regulation 14(2) of the above Regulations. NESCO Utility has served the provisional monthly bill by taking readings from the Summation meter and subsequently revised bill after receipt of data from SLDC regarding injection of energy by the petitioner at Angul and deduction of 3.75% as

transmission loss at Barbil. There is no such guideline issued by the Commission regarding segregation of demand against OA. Further, SLDC has not provided KVA drawl schedule or actual KVA parameter/demand on account of OA to NESCO Utility.

5. After hearing the parties and perusal of the case records, we observe that the petitioner M/s. JSPL availing power from NESCO Utility having contract demand of 55556 KVA from 15.07.2010 and at the same time it draws power from its CGP at Angul through Intra-State STOA with effect from July, 2011. NESCO Utility while preparing the energy bill of M/s. JSPL deducts the quantum of energy availed by the petitioner through open access from the total drawal of energy of the petitioner. Hence, there is no dispute regarding billing of energy. NESCO Utility claims demand charges on the contract demand or the maximum demand as per Tariff Order of the Commission as recorded in the energy meters without deducting the demand on the power availed through OA by the petitioner. The issue is raised before the Commission on 14.08.2015.
6. In view of arguments placed before us and existing tariff orders, the Commission accepts the prayer of the petitioner M/s. JSPL to allow relief from the demand charges on power availed through open access in excess of 80% of CD from the total maximum demand recorded in the Energy Meter. Since the meter at present has no such facility we have to prescribe a methodology. This, in this case, is as follows:

SLDC has scheduled the total OA power of the Petitioner during the OA transaction. Therefore, basing upon the scheduled demand reported by SLDC and at unit power factor, NESCO shall calculate the demand in KVA for such OA transaction of the Petitioner. Such demand relating to Open Access shall be reduced from the total maximum demand recorded in the meter to arrive at the payable demand charges. In no case demand charges shall be less than 80% of CD i.e. demand charges shall be claimed on the basis of 80% of CD or MD for power supplied by the licensee whichever is higher. The respondent-SLDC is directed to submit the required information to NESCO Utility for this and NESCO Utility is also directed to prepare the monthly energy bills of the petitioner M/s. JSPL accordingly henceforth. We direct accordingly.

7. The case is disposed of.

Sd/-  
(A .K. Das)  
Member

Sd/-  
(S. P. Swain)  
Member

Sd/-  
(S. P. Nanda)  
Chairperson