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**ODISHA ELECTRICITY REGULATORY COMMISSION**  
BIDYUT NIYAMAK BHAWAN  
PLOT NO.4, CHUNOKOLI, SHAILASHREE VIHAR, BHUBANESWAR -751021  
TEL. No. 2721048, 2721049  
E-MAIL: [oerc@odisha.gov.in](mailto:oerc@odisha.gov.in) / [orierc@gmail.com](mailto:orierc@gmail.com)  
WEBSITE: [www.orierc.org](http://www.orierc.org)

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**Present:**      **Shri Pradeep Kumar Jena, Chairperson**  
                     **Shri Gajendra Mohapatra, Member**  
                     **Shri S. K. Ray Mohapatra, Member**

**Case No. 110 of 2024**

M/s. Arcelor Mittal Nippon Steel India Ltd. (AMNS) Sagasahi ..... Petitioner

Vrs.

M/s. TPWODL & Others ..... Respondent

**In the matter of:**      **An Application under Section 35 of the Electricity Act, 2003 read with Regulation 139 of the OERC Distribution (Conditions of Supply) Code, 2019 for approval of the draft Tripartite Agreement for supply of power to M/s Arcelor Mittal Nippon Steel India Limited (AMNS) Sagasahi, Sundergarh by using the electrical infrastructure at M/s Arcelor Mittal Nippon Steel India Limited (AMNS), Dabuna, Joda, Keonjhar.**

**For Petitioner:**      Shri B.K. Mohanty, Shri Manoj Kumar Rout & Ms. Rashmi Priya on behalf of the M/s. Arcelor Mittal Nippon Steel India Limited.

**For Respondent:**      Shri Malaya Ranjan Das, DGM (Finance) & Ms. Subhashree Das, AGM (Elect.), OPTCL; Shri K.C. Nanda, GM (RA & Strategy), TPWODL; and Ms. Malancha Ghosh, DGM (RA), TPNODL.

**ORDER**

**Date of hearing: 08.04.2025**

**Date of Order: 08.05.2025**

The present Petition has been filed by M/s Arcelor Mittal Nippon Steel India Ltd. (AMNS) Sagasahi, for approval of the draft Tripartite Agreement executed between the Petitioner-M/s Arcelor Mittal Nippon Steel India Ltd. (AMNS), Sagasahi; M/s. TPWODL; and M/s. Arcelor Mittal Nippon Steel India Ltd. (AMNS), Dabuna under Section 35 of the Electricity Act, 2003 read with Regulation 139 of the OERC Distribution (Conditions of Supply) Code, 2019.

2. The Petitioner- M/s AMNS, Sagasahi has prayed before the Commission to approve the said draft Tripartite Agreement (TPA) with or without modification so that final TPA could be executed among the parties.
3. The Background of the Case is as under:
  - a) The Petitioner, M/s AMNS, Sagasahi, is operating an Iron Ore Mine at Sagasahi in Sundergarh district and constructing an Iron Ore Grinding, Desliming and Iron Ore slurry

pumping project of 6 million tons per annum (MTPA) capacity in the non-mineralized zone of Sagasahi Mine. The Iron Ore mine at Sagasahi is availing power supply at 33 kV level from the TPWODL's rural network with a Contract Demand of 833.33 kVA. The project is under construction using DG power, as additional power is not transmittable through the existing rural 33 kV feeder.

b) M/s AMNS is also operating an Iron Ore Beneficiation Plant with capacity of 12 MTPA at Dabuna near Joda in Keonjhar District under TPNODL jurisdiction and availing power supply at 132 kV level from the Polaspanga Grid Substation of OPTCL with a Contract Demand of 27 MVA.

c) As per initial planning, the capacity of M/s AMNS, Sagasahi Iron Ore Grinding, Desliming and slurry pumping project with beneficiation was for 12 MTPA capacity and for operation of the completed project, M/s AMNS had applied to TPNODL for 38 MW electric power as the nearest 132/33 kV Grid Substation was at Barbil, which comes under the operating area of TPNODL. The ED, Northern Zone of OPTCL had granted 38 MW power connectivity permission at 132 kV level (from 132/33 kV Barbil GSS) to M/s AMNS, Sagasahi. In corrigendum to above connectivity permission, condition was added that power requirement of 38 MW can be met after commissioning of the 400/220 kV Substation at Joda due to scarcity of power at Barbil GSS. However, the proposed 400/220 kV substation has not yet been constructed. Alternative proposal of OPTCL like second circuit connectivity at 132 kV level between Joda and Barbil (220/132 kV Grid Substation) to make power available at Barbil GSS is also yet to be executed.

4. The Petitioner- M/s AMNS, Sagasahi has now submitted as under:

a) During the first phase Right of Way (ROW) clearance for construction of the 132 kV transmission line from Barbil Grid Substation to M/s AMNS, Sagasahi, it was noticed that the 27 km long transmission line would pass through 17 km forest area, with 4 km being reserve forest, rest being degraded and revenue forest. In 10 km of non-forest land, 5 km belongs to OMC, 3 km to NHAI & Govt. land and the balance 2 km belongs to M/s AMNS.

b) M/s AMNS is not able to get the ROW clearance for the 132 kV line till now (even after two years of sincere endeavor), whereas M/s AMNS, Sagasahi project is on the verge of commissioning. As 132 kV power is not being feasible, M/s AMNS deferred its second phase beneficiation project proposition with capacity downsized from 12 MTPA to 6 MTPA and accordingly, the revised power requirement becomes 20 MVA in place of earlier 38 MW for catering to the Sagasahi Iron Ore Grinding, Desliming and Iron Ore slurry pumping project of 6 MTPA capacity.

c) Due to abnormal delay in Barbil - Sagasahi 132 kV line's forest clearance as well as non-execution of OPTCL's proposals for enhancement of capacity of Barbil Grid Substation,

M/s AMNS, Sagasahi has approached OPTCL, TPNODL, TPWODL with required formal documents and requisite statutory fees for connectivity permission to its Sagasahi project at 33 kV level from their Dabuna plant, which is now availing power from the Polaspanga Grid Substation of OPTCL through single circuit at 132 kV line with a Contract Demand of 27000 kVA, to draw 20 MVA power (10 MVA in the first phase and additional 10 MVA in the second phase). As M/s AMNS's iron ore slurry pipeline from Sagasahi to Dabuna has the ROW permission from the MOEF&CC to lay the underground power cable beside the pipeline, M/s AMNS wanted to connect 33 kV line to its Sagasahi plant from Dabuna plant through underground XLPE aluminium armoured cable.

- d) The ED Northern Zone of OPTCL, vide letter dt. 16.08.24, has informed M/s AMNS that due to overloading of 132 kV Joda - Polaspanga feeder, the phase wise 20MVA drawl for M/s AMNS, Sagasahi from Polaspanga Grid Substation may be considered post readiness of the required transmission infrastructure till establishment of Turumunga- Polaspanga connectivity which is getting delayed for want of the forest clearance. In the meeting with M/s. AMNS on 03.12.2024, the ED Northern Zone of OPTCL has clarified that to eliminate the ROW issue for 132 kV line construction, M/s AMNS, Sagasahi may explore the alternative available avenue e.g. getting the connectivity from M/s AMNS, Dabuna. It was also clarified that the enhancement of Contract Demand of M/s AMNS, Dabuna to accommodate the load of M/s AMNS, Sagasahi can be processed by OPTCL/ GRIDCO only after new connectivity approval is obtained from the OERC.
- e) As direct power supply to M/s AMNS, Sagasahi is not feasible at present due to ROW issue from Barbil Grid Substation, for operation of the mining activity in full phase, M/s AMNS, Sagasahi desires to invoke Regulation 139 of the OERC Distribution (Conditions of Supply) Code, 2019 in order to avail a load of 20 MVA from M/s AMNS, Dabuna (under TPNODL area and connected to Polaspanga GSS of OPTCL). All the parties have agreed to come under a Tripartite Agreement (TPA) between TPWODL, M/s AMNS, Sagasahi & M/s AMNS, Dabuna.
- f) Under this present agreement, M/s AMNS, Sagasahi will avail load from the 132 kV bus of M/s AMNS, Dabuna, which is the delivery point for M/s AMNS, Sagasahi. M/s AMNS, Sagasahi shall be billed Energy Charge & Demand Charges as recorded at 132 kV Main meter to be installed at 132 kV outgoing feeder (for extending power to M/s AMNS, Sagasahi through 132/33 kV Transformer) from M/s AMNS, Dabuna as per applicable Retail Supply Tariff of OERC. M/s AMNS, Dabuna shall be billed energy charges on the basis of energy actually and collectively consumed and recorded in the energy meter installed at Polaspanga

Grid Substation (-) minus energy billed to M/s AMNS, Sagasahi. The Maximum Demand of M/s AMNS, Dabuna shall be calculated by subtraction of Maximum Demand recorded for M/s AMNS, Sagasahi considering 15 minutes integration period of both the meters along with applicable Retail Supply Tariff of OERC. TPNODL vide its letter dated 17.12.2024, has agreed to facilitate such arrangement for drawal of power by M/s AMNS Sagasahi.

- g) Consent of OPTCL was sought for 33 kV Sagasahi - Dabuna connectivity arrangement with the proposal of energy metering arrangement at M/s AMNS, Sagasahi's 132 kV incomer at M/s AMNS, Dabuna which comes under TPNODL's area of jurisdiction.
- h) The proposed 33 kV dedicated line, will eliminate the power requirement at Barbil Grid Substation as well as the ROW requirement for 132 kV Barbil - Sagasahi line and as construction of 33 kV line can be completed early, M/s AMNS can commission its Sagasahi project without any abnormal delay.
- i) According to M/s AMNS, as presently more power is not available with Polaspanga Grid, initially M/s AMNS, Sagasahi and M/s. AMNS, Dabuna will combinedly use the Contract Demand of M/s AMNS, Dabuna i.e. 27 MVA, without enhancing the drawl from Polaspanga Grid beyond 27000 kVA. At a later stage, M/s AMNS, Sagasahi will draw 20MVA power, 10 MVA in the first phase and additional 10 MVA in the second phase after readiness of Turumunga - Polaspanga connectivity of OPTCL through enhancement of Contract Demand of M/s AMNS, Dabuna from 27 MVA to 37 MVA in the first phase and 37 MVA to 47 MVA in the second phase.
- j) The Regulation 187 of the OERC Distribution (Conditions of Supply) Code, 2019 prohibits consumer not to sell or transfer or divert power to any person or premises unless the agreement so provides. So, M/s AMNS needs to execute an agreement with the concerned DISCOM to divert power from M/s AMNS, Dabuna Plant to M/s AMNS, Sagasahi Mine Project.
- k) The Regulation 139 of OERC Distribution (Conditions of Supply) Code, 2019 enables the Distribution Licensee to execute a special agreement subject to approval of the Commission, in case special tariff and special conditions of supply is required to extend power supply to an intending consumer. Accordingly, to extend power supply to the intending consumer M/s AMNS Sagasahi, special arrangement is required in respect of metering conditions, billing and utilisation of substation of M/s AMNS, Dabuna. Accordingly, a draft TPA detailing the supply conditions, quantum of supply, type of supply and billing modalities/ methodology, has been prepared and agreed upon between M/s AMNS, Sagasahi; M/s AMNS, Dabuna; and the Licensee- TPWODL and submitted along with the present Petition for approval of the Commission under the Regulation 139 of the OERC Distribution (Conditions of Supply) Code, 2019.

- l) At present M/s AMNS, Sagasahi project is on the verge of commissioning and unless the proposed power connectivity is established, this project cannot be operated after commissioning and so, perpetually M/s AMNS will incur huge financial loss. Therefore, M/s AMNS has prayed before the Commission for approval of the draft Tripartite Agreement, so that M/s AMNS will be able to execute the TPA at the earliest and its Sagasahi project can start operation properly.
5. The Respondent-M/s. TPWODL has submitted that it has no objection on extending the power supply to the Petitioner- M/s AMNS, Sagasahi through the Tripartite Agreement, with/ without modification as deemed necessary.
6. The Respondent-M/s. TPNODL submits that:
- a) TPNODL has given consent, vide Letter dt. 17.12.2024, to TPWODL for providing power connectivity to M/s AMNS, Sagasahi at 33 kV level for a load of 20 MVA, subject to release of required power by OPTCL and approval of the Commission for extending power supply from 132 kV bus of M/s. AMNS, Dabuna to M/s AMNS, Sagasahi.
  - b) The 33 kV underground cable to be laid by the Petitioner- M/s AMNS, Sagasahi shall be treated as part of Licensee's distribution system as per Regulation 63 of OERC Distribution (Conditions of Supply) Code, 2019.
  - c) Under the proposed network, M/s AMNS will be establishing a 132/33 kV sub-station at existing switchyard of MRSS, Dabuna and constructing approximately 30 Kms line from existing switchyard of MRSS, Dabuna (in TPNODL licensed area) to M/s AMNS, Sagasahi (in TPWODL licensed area).
  - d) TPWODL will bill the energy consumed by M/s AMNS, Sagasahi, and TPNODL will bill these units to TPWODL at BSP rate alongwith transmission charge. However, transmission loss as permitted by OPTCL, may be loaded over there. The quantum of energy recorded for M/s AMNS, Sagasahi will be deducted from total billing of M/s AMNS, Dabuna plant using a subtraction mechanism (i.e. Energy Meter data of Palaspanga GSS – Energy Meter data of proposed meter at 132 kV side of 132 kV bay of M/s AMNS, Sagasahi, at existing switchyard of MRSS, Dabuna). The MD of the M/s AMNS, Dabuna will be calculated by subtracting the maximum demand recorded for M/s AMNS Sagasahi considering 15 minutes demand integration period.
  - e) TPNODL does not have any objection to the proposed power supply arrangement, subject to approval of the Commission.
7. The Respondent-M/s. OPTCL submits that:
- a) About 481MW of peak load was estimated to be availed by upcoming industries in the Joda/Barbil area from proposed projects to be implemented in a phased manner, out of which 38 MW was allotted to M/s AMNS, Sagasahi. Accordingly, the connectivity permission for

38MW had been granted to the Petitioner keeping in view the 400/220kV S/S at Joda (Remuli at present) and 220/132kV Grid S/S at Barbil under TBCB. The Petitioner had already committed to avail connectivity from Barbil GSS and accordingly, OPTCL has planned infrastructure strengthening at Barbil GSS along with its connected upstream projects under TBCB mode keeping 38 MW load of the Petitioner as well as that of other upcoming industries into consideration. The proposed GSS at Joda and Barbil will be commissioned within 24 months from date of placing LOI and necessary steps have been initiated in this regard.

- b) The Regulation 139 of OERC (Conditions of Supply) Code, 2019 is applicable only to those consumers, who are not covered by the classification enumerated at Regulation 138 of this Code. The Regulation 139 further stipulates that power supply to such consumers through special Agreement is also subjected to special tariff and special conditions of supply and such special tariff needs to be approved by the Commission. Considering Regulation 138 of OERC (Conditions of Supply) Code, 2019 and the present power requirement (20 MVA) of the Petitioner, it is to be classified under Large Industry Category of consumer. Further, as per the draft Tripartite Agreement, M/s AMNS, Sagasahi is classified as “Large Industry Category” which is in consonance with the classifications enumerated at Regulation 138 of OERC (Conditions of Supply) Code, 2019. Moreover, as M/s AMNS Sagasahi is connected to Distribution network at Rugudi PSS of TPNODL with a CD of 833.333kVA and thereby is a consumer of Distribution Licensee under HT Tariff Category, therefore the Petitioner by no means shall come under Regulation 139 of the (Condition of the Supply) Code, 2019.
- c) The submission of the Petitioner that after 2 years of sincere attempt, construction of 132kV line from Barbil GSS to M/s AMNS, Sagasahi could not be possible and is extremely improbable due to non-attainment of ROW clearance needs to be justified with documentary evidence. As no documents were submitted by the Petitioner regarding the application for forest clearance on Parivesh Portal, it is ascertained that the Petitioner has never applied in the MoEFCC’s Parivesh portal for diversion of the forest Land for the purpose of construction of transmission lines. Hence, the conclusion that construction of 132kV transmission line is extremely improbable due to ROW issues without following proper process and receiving any response from MoEFCC needs justification. Moreover, approval of Forest clearance is a statutory process and can be obtained after fulfilment of necessary compliances and thus cannot be treated as ROW issue.
- d) OPTCL anticipated that any decision in favour of TPNODL in Case No- 60/2024 and M/s Rungta Mines Limited, Barbil in Case No- 75/2024, will encourage consumers to demand such type of connectivity citing such Order. This Petition has been filed by M/s. AMNS,

Sagasahi on 01.01.2025 within few days of pronouncement of similar Order dt. 17.12.2024 passed by the Commission in Case No- 75/2024.

- e) M/s AMNS, Sagasahi is proposing to avail connectivity from 132kV MRSS at AMNS Dabuna through 33 KV underground cable as AMNS's iron ore slurry pipeline from Sagasahi to Dabuna has the ROW permission from the MOEF & CC to lay underground power cable beside pipeline. However, Regulation 134(I)(4) of the OERC (Conditions of Supply) code 2019 stipulates that, "*the supply voltage for Contract Demand of above 15000 KVA shall be 3 phases, 3 wires EHT*". Therefore, the Petitioner shall avail connectivity at 132kV level instead of 33kV level to make use of any power above 15MVA for M/s AMNS, Sagasahi. Further, considering ROW issues faced by Petitioner for construction of 132kV overhead line, OPTCL suggests to explore possibility towards construction of the same 132kV line from Barbil or any nearby GSS through UG cabling as a permanent connectivity to M/s AMNS, Sagasahi plant for availing 20MVA power.
- f) Due to system constraint at GSS Polasponga in providing 20MVA load to Sagasahi and looking into urgent power requirement of Petitioner, OPTCL has agreed upon to the temporary arrangement of M/s AMNS, Sagasahi getting connected to M/s AMNS, Dabuna to avail power from TPNODL within CD of 23MVA subject to approval of the Commission. OPTCL has not accorded any type of NOC regarding proposed 33kV connectivity from the existing 132/33 kV MRSS of M/s AMNS, Dabuna to AMNS Sagasahi.
- g) With regards to the CD enhancement of M/s AMNS, Dabuna from 27 MVA to 47 MVA, to accommodate additional 20 MVA of M/s AMNS, Sagasahi, OPTCL submits that, the above connectivity agreed by OPTCL is temporary in nature, assessing the urgency of the Petitioner and may not be treated as permanent arrangement.
- h) The parties may execute agreement under Regulation 187 of OERC (Conditions of supply) Code, 2019 so as to avail power through temporary arrangement till construction of its own connectivity from the GSS of OPTCL to Petitioner's plant at Sagasahi. According to the Regulation 187 of OERC Supply Code, 2019, a consumer can transfer/ divert its power to another consumer only if it is allowed/mentioned/agreed upon through an Agreement.
- i) The duration of TPA should be for a period of 5 years from date of execution or till completion of their own arrangement for availing power supply from the GSS of OPTCL, "whichever is earlier", but in draft agreement it is written "whichever is later" which means agreement is for indefinite period.
- j) Both M/s AMNS, Dabuna & M/s AMNS, Sagasahi should not be allowed to install CGP till M/s AMNS, Sagasahi build its own connectivity for availing power supply directly from the GSS of OPTCL. Further, no CPP injection/connection shall be permitted.

- k) All redundant and pointless approximations on OPTCL in the draft TPA may be omitted as OPTCL is not a party to the agreement.
  - l) TPWODL is mandated by Vesting Order dated 28.12.2020 in Case No. 82/2020 to develop distribution network under its license area, for catering loads. If the Petitioner is restricted to draw 750kW due to power circuit constraint of the Distribution Licensee, then proper steps should have been taken by TPWODL by creating new 33kV line or PSS to resolve power shortage issues for its consumers. If there is power shortfall even after infusing Capex of Rs.2023.00 Cr, then the onus lies with TPWODL only.
  - m) The Petitioner claims that CD of M/s AMNS, Dabuna is 27 MVA in concurrence to the agreement executed between M/s AMNS & OPTCL dated 30.12.2022. The agreement states that *“As per Lr. No 402 dated 03.09.2022 of CGM (CP) OPTCL and Lr No. 765 dated 18.10.2022 of ED, Zone, Balasore, OPTCL the present CD is 27MVA & all terms & conditions remain unaltered”* and accordingly, the CD of M/s AMNS, Dabuna is 27MVA depending on the condition iterated in the aforesaid letters i.e. subject to the commissioning of 220/132/33kV GSS Turumunga and part load diversion to Turumunga GSS from Polasponga GSS. Hence, in any case if the Petitioner is allowed by the Commission to draw power from Polasponga GSS through the system of TPNODL, then it would remain up to 23 MVA and not 27 MVA.
  - n) That there might be a delay in construction of the 132kV transmission line on the part of the Petitioner due to several unforeseen reasons and the same could be completed by the Petitioner in due course of time. In the meantime, the Petitioner may avail 33kV temporary connectivity from the switch yard of AMNS, Dabuna by entering into a Tripartite Agreement with TPWODL & AMNS Dabuna under Regulation 187 of the OERC (Conditions of Supply) Code, 2019 subject to the permission from the Commission.
8. The Petitioner-M/s. AMNS Sagasahi in its Rejoinder submits that:
- a) OPTCL has stated that infrastructure development project for power enhancement at Barbil Grid Substation will be completed within 24 months after the signing of the LOA with the lowest bidder under TBCB. M/s AMNS had received connectivity permission from OPTCL for 38 MW from Barbil GSS during Oct 2022, however, the power infrastructure could not be developed by the OPTCL till date to make availability of this power. With the permission from OPTCL and with good hope on power availability, M/s AMNS, Sagasahi went for their project, which is now ready for commissioning as soon as Grid power becomes available. So, AMNS Sagasahi has prayed for connectivity from M/s AMNS, Dabuna, which can be made possible much before completion of infrastructure at Barbil GSS. M/s AMNS, Dabuna, have placed LOI for 132/33 kV transformer, NGR and 33 kV cable after getting affirmation from TPWODL, TPNODL & OPTCL and the placement of other orders are in progressive stage.



- b) The Regulation 139 of the OERC Supply Code, 2019 enables Licensee to execute a special agreement subject to approval of the Commission in case special tariff and special conditions of supply is required to extend power supply to intending consumer. Though M/s AMNS, Sagasahi is connected presently to the TPWODL's network at 33 kV, even after paying the Security Deposit for 3 MW power, which could have catered to M/s AMNS, Sagasahi Mines as well as construction of Sagasahi Project, only 750 KW load could be made available to M/s AMNS due to power circuit constraint. So, to extend the required 20 MVA power supply to M/s AMNS, Sagasahi, special arrangement is required in respect of metering, billing and utilisation of substation of another consumer. Accordingly, a special agreement detailing the supply conditions, quantum of supply, type of supply and billing modalities/methodology is proposed between M/s AMNS, Sagasahi, M/s AMNS, Dabuna and TPWODL under Regulation 139 of the OERC Supply Code, 2019. The Regulation 187 only cautions that 'No consumer shall sell or transfer or divert power any person or premises unless the agreement so provides'. It does not speak for the Commission's approval of the draft Tripartite Agreement with suitable modifications in the Standard Agreement Form.
- c) OPTCL has asked for the proof of M/s AMNS's effort to resolve the ROW issues towards construction of 132 kV line from Barbil GSS to M/s AMNS, Sagasahi. A detailed report and corresponding documents were submitted to substantiate this matter.
- d) Unless M/s AMNS, Sagasahi project goes into the operation phase, not only M/s AMNS will incur huge financial loss, but also due to the road transportation of mined material the environmental pollution level of the nearby area will be questionable, which could be under control with slurry transport through pipeline from Sagasahi to Dabuna. As approved by the State Environment Impact Assessment Authority, Odisha under MoEF&CC, the transportation of ore from M/s AMNS, Sagasahi to M/s AMNS, Dabuna by road is allowed up to 30.09.25 post which it has to be through Slurry Pipeline.
- e) Quoting Regulation 134 of the OERC Supply Code, 2019, OPTCL has expressed that as M/s AMNS, Sagasahi needs 20 MVA power, the connectivity should be at 132 kV. It is respectfully submitted that the said Supply Code, through Regulation 134 also speaks that 'Provided that licensee/supplier, at its discretion, may also supply at any other voltage depending on system availability or condition'. Therefore, if agreed by the Distribution Company, 20 MVA power can be fed to M/s AMNS, Sagasahi through 33 kV line. In this instant case, the Distribution Company TPWODL has already given their consent for transmitting 20 MVA power through 33 kV line.
- f) Both M/s AMNS and TPWODL have agreed to execute the Tripartite Agreement for an initial period of 5 years, not permanently or indefinitely. The proposal through the Tripartite

Agreement is that the agreement shall continue to be in force until the expiry of 5 years from the date of agreement or till M/s AMNS, Sagasahi make their own arrangement to avail power supply directly from the Grid whichever is later. However, the duration of validity/ its extension may be suitably modified by the Commission.

- g) OPTCL has stated that the existing approved CD of M/s AMNS, Dabuna is 23 MVA. In this context the copies of agreement with TPNODL dtd. 29.11.2022 and agreement with OPTCL dtd. 30.12.2022 have been submitted, which substantiate the 27 MVA Contract Demand. It is further submitted that M/s AMNS, Dabuna and M/s AMNS, Sagasahi will not exceed the Contract Demand of 27 MVA until OPTCL approves additional 20 MVA, which M/s AMNS has requested in two phases, 10 MVA additional in each phase.
- h) With regards to grant of NOC, M/s AMNS submits the following extract from OPTCL's letter and MOM with M/s AMNS:

**Extract from Letter ref. no. ED/NZB/TECH/BENF/PR/70/971(8) dt. 16.08.24:**

*With reference to the subject captioned above and letters under reference, the drawl of additional 20 MVA power in 33 kV supply system in phase wise manner for their Sagasahi plant from GSS Polasponga, the drawl of aforesaid quantum of power by the beneficiary from Polasponga GSS may be considered post readiness of the required transmission infrastructure.*

**Extract from MOM dtd. 03.12.24:**

*As the ROW issue of the beneficiary is not under the scope of OPTCL, the beneficiary may explore alternative available avenues to get the connectivity in 33 kV level from their Dabuna plant MRSS.*

- i) OPTCL has stated that M/s AMNS has approached the Commission at the last moment during the completion phase of the project to seek shelter of Regulation 139 of the OERC Supply Code, 2019, instead of trying for getting connected to the GSS of OPTCL. In this context M/s AMNS submits that the LOI for construction of this transmission line had been placed on 05.10.23 and the orders had been placed subsequently asking the completion date as 04.04.2025. The order to assist the forest diversion proposal of the 132 kV Barbil GSS – M/s AMNS, Sagasahi line corridor had been placed on 29.11.22 to complete the job by 30.11.2023. However, till Aug 2024, the line construction vendor could construct foundation of only 2 nos. of towers from 78 towers as no forest clearance could be achieved during this period. So, other options were looked into for availing power and OPTCL was requested for connectivity from M/s AMNS, Dabuna vide letter dt. 20.06.24 to TPNODL with copy to the ED, OPTCL, Balasore. Accordingly, the draft Tripartite Agreement was submitted with the Commission for approval on 19.12.2024.
- j) OPTCL has suggested that to resolve the ROW issue M/s AMNS should explore possibility towards construction of 132 kV U/G cabling from the nearby GSS. M/s AMNS submit that the nearest GSS being the Barbil GSS, the 132 kV U/G cabling from Barbil GSS also needs forest clearance for patch of 17 KM including reserve forest of 4 KM. In fact, from earlier planned nearly 27 Kms 132 kV line, 8.26 Km length was through U/G cable.

k) M/s AMNS has no planning for installing any CGP / CPP in their Dabuna and Sagasahi premises except establishment of emergency stand-by DGs. Regarding availing Open Access power through OPTCL network, M/s AMNS, Sagasahi and M/s AMNS, Dabuna will obey mandate of the Commission.

9. We heard the parties through hybrid mode and their written notes of submissions and argument during hearing are taken on record. From the submissions of Petitioner and Respondents, we observe the followings:

a) The present Petition is filed by M/s Arcelor Mittal Nippon Steel India Ltd. (AMNS) Sagasahi, for approval of the draft Tripartite Agreement to be executed between M/s Arcelor Mittal Nippon Steel India Ltd. (AMNS), Sagasahi (in TPWODL's operating area); M/s TPWODL; and M/s Arcelor Mittal Nippon Steel India Ltd. (AMNS), Dabuna (in TPNODL's operating area) under Regulation 139 of the OERC Distribution (Conditions of Supply) Code, 2019.

b) M/s AMNS is operating an Iron Ore Mine at Sagasahi in Sundergarh district under TPWODL's operating area and is presently availing 33 kV power supply with CD of 833.33 kVA. An Iron Ore Grinding, Desliming and slurry pumping project with beneficiation of 12 MTPA capacity is under construction at Sagasahi using DG supply as additional power cannot be transferred through the existing 33 kV feeder. The planned plant capacity would be downsized to 6 MTPA (from 12 MTPA) reducing the power requirement from 38 MW to 20 MVA.

c) M/s AMNS is drawing power from Polaspanga GSS of OPTCL for its Steel (beneficiation) Plant at Dabuna through 132 kV connectivity with CD of 27 MVA. However, M/s AMNS's Mine at Sagasahi (located under TPWODL area) is getting power supply from Rugudi PSS of TPNODL with CD of 833.333 kVA and is being billed by TPWODL under HT tariff. The power sourced from Rugudi PSS is being billed by TPNODL to TPWODL at its Bulk Supply Tariff (BSP) along with 8% normative loss.

d) M/s AMNS's project at Sagasahi is ready for operation and require about 20 MVA of power in a phased manner with initial requirement of 10 MVA from March 2025 followed by another 10 MVA from June 2025 resulting in total demand of 47 MVA (with 27 MVA demand at Dabuna) at Polaspanga GSS of OPTCL.

e) The Petitioner had earlier received conditional permission from OPTCL for CD of 38 MW at 132 kV level through 132/33 kV GSS at Barbil and 132 kV line from Barbil GSS under the supervision of OPTCL subject to commissioning of 400/220 kV GSS at Joda and 220/132 kV GSS at Barbil. Also, M/s AMNS has failed to construct Barbil- Sagasahi 132 kV line (27 Km) due to ROW issue linked to forest clearance and other issues. OPTCL had accordingly suggested the Petitioner to explore alternate arrangement due to delay in construction of above Substation at Joda.

- f) The Petitioner- M/s AMNS Sagasahi has submitted that the Iron Ore project at Sagasahi is in advance stage of commissioning and unless the power connectivity is established, the company will not only incur huge financial loss perpetually but also the transportation of mined material (ore) by road will not be allowed after 30.09.2025 as per direction of State Environment Assessment Authority, Odisha (under MoEF&CC) for which transportation of such material has to be through slurry pipeline.
  - g) The Petitioner has got ROW permission from MoEF&CC for laying slurry pipeline, water, power and communication cables from Sagasahi to Dabuna. It has therefore applied to OPTCL to draw 20 MVA in phased manner by laying underground 33 kV XLPE Cable (about 30 Km) from its Dabuna Plant to Sagasahi as an alternate arrangement due to abnormal delay in execution of Barbil- Sagasahi 132 kV line.
  - h) OPTCL has submitted that as per Regulation 187 of OERC's Supply Code, 2019, a consumer can transfer or divert its power to another consumer only if it is allowed through an agreement. Hence parties may execute agreement under said Regulation so as to avail power through temporary arrangement till direct connectivity is established between M/s AMNS's plant at Sagasahi and GSS of OPTCL.
  - i) OPTCL in its additional submission has stated that the power constraint at Polaspanga GSS of OPTCL would be resolved after commissioning of 220/132/33 kV GSS at Turumunga and associated 132 kV link between Polaspanga and Turumunga, which is expected by May 2025. Hence additional power requirement of M/s AMNS can be met through direct connectivity of M/s AMNS Sagasahi with Polaspanga GSS at 132 kV level as an alternative, if there is any difficulty in getting connected with 132/33 kV GSS at Barbil.
  - j) As special arrangement is required in respect of metering, billing and utilization of Substation of M/s AMNS, Dabuna to extend power supply to M/s AMNS, Sagasahi, therefore, the Petitioner has submitted a draft Tripartite Agreement executed between the parties detailing supply conditions, quantum of supply, type of supply and billing modalities/ methodology for approval of the Commission so that the M/s AMNS, Sagasahi project can be commissioned.
10. As per the draft Tripartite Agreement executed between the Petitioner- the Consumer (M/s AMNS Sagasahi), the Consenting Party (M/s AMNS Dabuna) and the Licensee- TPWODL, the duration of agreement, quantum of supply/contract demand, the metering and billing methodology are as stated hereunder:
- a) The duration of the Tripartite Agreement shall commence from the date of its execution and shall continue to be in force until the expiry of **5 (Five) years** from the date of agreement as per regulations or till M/s AMNS, Sagasahi make their own arrangement to avail power supply directly from the grid whichever is **later** and shall so continue until the same is

determined by either party giving to the other, two calendar months', notice, in writing, of its intention to terminate the Agreement. In the event, M/s AMNS, Sagasahi chooses to short close the agreement before completion of 05 years from the date of commencement of supply, M/s AMNS, Sagasahi shall be liable to pay the fixed charges for the 05 years agreement duration.

- b) M/s AMNS, Sagasahi will have 33 kV connectivity from M/s AMNS, Dabuna with contract demand of 20 MVA (10 MVA from March, 25 & another 10 MVA from June, 25). The existing 27 MVA of CD of M/s AMNS, Dabuna (Steel Beneficiation Unit) shall continue as per existing power supply agreement with TPNODL, subject to the provisions of this Agreement and during the continuance of this Agreement, the licensee, shall supply power to M/s AMNS, Sagasahi through M/s AMNS, Dabuna. The Consenting Party shall continue to draw supply as per its existing contract demand and the Consumer shall avail supply upto 20 MVA (1<sup>st</sup> phase – 10 MVA & 2<sup>nd</sup> phase – 10 MVA). The aforesaid supply shall be from a three phased 50 Hz alternating current system at a normal pressure of 132 kV. The quantum of supply shall be measured by a suitable metering equipment of 132000/110 volts till M/s AMNS, Sagasahi avails power supply independently by their own arrangement.
- c) A set of ABT complaint Main and Check Energy Meters of 0.2 S accuracy class as per CEA (Installation and Operation of Meters) Regulation 2006, as amended from time to time, shall be installed by the Consumer at the 132 kV outgoing transformer bay at the Substation of the Consenting Party. The Consumer shall be billed the energy charges as per the energy actually & collectively consumed and recorded by the Main Energy meter installed at 132kV based on the tariff applicable to this class of consumers.
- d) The Consumer M/s AMNS, Sagasahi shall be billed Demand Charges as per demand recorded at 132 kV Main meter installed at Consenting Party's Substation in accordance with prescribed guidelines in applicable Retail Supply tariff by OERC. M/s AMNS, Dabuna, the consenting party shall be billed energy charges on the basis of energy actually and collectively consumed and recorded in the grid side energy meter installed at Polaspana grid Substation (-) minus energy billed to the Consumer. The MD of Consenting Party shall be calculated by subtraction of the maximum demand recorded for M/s AMNS, Sagasahi considering 15 minutes integration period of both the meters. All efforts must be made for time synchronization of both the meters. M/s AMNS, Dabuna, the Consenting Party shall be billed such demand charges as per demand calculated in accordance with prescribed guideline and applicable tariff determined by OERC. The above activities shall be carried out by TPNODL as per the consent as extended vide letter dt.17.12.2024. As regards to demand charges payable by the Consumer, shall be billed by TPWODL on the basis of MD recorded or 80% of CD, whichever is higher.

- e) The Consumer will avail load from the 132 kV bus of M/s AMNS, Dabuna, which is the delivery point for M/s AMNS, Sagasahi. The consumer, M/s AMNS, Sagasahi has to pay required additional security deposit, pursuant to OERC Distribution (Condition of Supply) Code, 2019, in favour of TPWODL for availing 20 MVA power in place of their existing contract demand of 833.333kVA, which is being availed from rural 33kV feeder at Sagasahi.
  - f) The Consumer shall pay to TPWODL, for power demanded and electrical energy supplied under the agreement 'minimum monthly charges', 'demand charges', 'energy charges' and 'other charges' in accordance with provisions of OERC Distribution (Conditions of Supply) Code, 2019 and as notified in Tariff Orders from time to time under EHT Category.
11. In the instant case, Petitioner- M/s AMNS, Sagasahi has proposed to avail such power supply at 33 kV level with single point metering at 132 kV side from the from the Sub-station/Switchyard of the Consenting Party (M/s AMNS, Dabuna). Considering urgency of extending power supply to facilitate operation of Iron Ore Grinding, desliming and slurry pumping project with beneficiation plant of the Petitioner located in remote geographical terrain, which is ready for commissioning and non-availability of required transmission/distribution infrastructure of OPTCL/TPWODL in the nearby area to cater the required load, we accord in-principle approval for extension of power supply to the Petitioner-M/s. AMNS, Sagasahi with single point metering at 132 kV side from the Sub-station/Switchyard of the Consenting Party-M/s. AMNS, Dabuna through Tripartite Agreement to be executed between the Petitioner (M/s AMNS Sagasahi), the Consenting Party (M/s AMNS Dabuna) and the Licensee-TPWODL along with proposed metering plan, subject to the following terms and conditions:
- a) The 132/33 kV GSS at Dabuna of M/s AMNS and the underground cable link between M/s AMNS Dabuna to M/s AMNS Sagasahi shall be treated as "Deemed Transmission System" of the Transmission Licensee (OPTCL) and "Deemed Distribution System" of the Distribution Licensee (TPWODL) respectively. Before charging the system, the Distribution Licensee- M/s TPWODL shall ensure all safety measures with certification from appropriate authority. The necessary electrical infrastructure will be constructed by the Petitioner from outgoing point at the Sub-station of the Consenting Party to its Iron Ore Grinding, desliming and slurry pumping project with beneficiation at Sagasahi. The maintenance of 33 kV line shall rest with M/s AMNS Sagasahi.
  - b) The existing ABT compliant main meter installed at 132 kV feeder emanating from Polaspanga GSS will record the total energy consumption of M/s AMNS Sagasahi and M/s AMNS Dabuna. A set of ABT compliant Main and check meter as per CEA Regulation shall be installed by the Consumer (M/s AMNS Sagasahi) at 132 kV side of 132/33 kV transformer at the Substation of M/s AMNS Dabuna. Accordingly, metering

and billing arrangement shall be made for raising the transmission charges and energy charge separately by M/s TPNODL & M/s TPWODL for M/s AMNS Dabuna and M/s AMNS Sagasahi respectively as applicable for this category of consumer. M/s TPNODL shall raise bill to M/s AMNS Dabuna for its energy consumption which will be the difference of meter reading at the 132 kV side of Polaspanga GSS and the meter reading at 132 kV side of 132/33 kV transformer at the Substation of M/s AMNS Dabuna. M/s TPWODL shall raise bill to M/s AMNS Sagasahi for its energy consumption as per the meter reading at 132 kV side of 132/33 kV transformer at the Substation of M/s AMNS Dabuna.

- c) The term of the subject Tripartite Agreement (TPA) shall be for a maximum period of 5 (five) years from the date of commencement of power supply or till the Consumer-Petitioner- M/s AMNS, Sagasahi make their own arrangement to avail power supply directly from the GSS of OPTCL whichever is **earlier**. The agreement shall continue till either party gives notice in writing to the other party two calendar months in advance to terminate the Agreement. On availability of required transmission system (GSS & transmission line) of OPTCL within the contract period of the TPA, M/s AMNS, Sagasahi shall immediately establish direct connectivity of its system with the GSS of OPTCL and accordingly, the TPA shall be terminated and in such case, M/s AMNS, Sagasahi shall not be liable to pay fixed charges for the remaining period of the TPA.
  - d) The Petitioner will be treated as EHT Consumer and the tariff and any other charges as determined for such category of consumers in the Tariff Orders of the Commission in respective financial year(s) shall be applicable.
  - e) In case of Open Access transaction by the Consumer- M/s AMNS, Sagasahi, applicable OA charges as per the OERC Open Access Regulations shall be paid by the Consumers.
  - f) As agreed by M/s AMNS, no CGP shall be installed by them till M/s AMNS, Sagasahi build its own connectivity for availing power supply directly from the GSS of OPTCL.
  - g) The revenue loss to the Licensee-TPWODL, if any, due to extension of such power supply under above Tripartite Agreement, shall be borne by the Licensee and the agreement shall cease with immediate effect under intimation to the Commission.
  - h) The Licensee-TPWODL shall ensure that there would not be any loss of revenue to M/s. GRIDCO & M/s. OPTCL under such arrangement of supply of power to the Consumer- M/s AMNS, Sagasahi. GRIDCO & OPTCL are at liberty to approach the Commission, in case of any genuine loss of revenue to them.
12. The Distribution licensee (TPWODL) & Transmission licensee (OPTCL) are directed to take necessary action for development of required T&D infrastructure considering future load growth in the area under discussion, so that the Petitioner would get direct connectivity with

STU network/DISCOM network as early as possible. The Petitioner shall take all measures to obtain required statutory clearances, ROW and other relevant matters & ensure the line & associated infrastructure are completed much before the agreement period.

13. The parties are directed to modify the draft Tripartite Agreement in line with the observations and directions made by the Commission in previous paragraphs and submit the signed TPA for information/perusal of the Commission.
14. With the aforesaid observations and directions, the Case stands disposed of.

Sd/-  
**(S. K. Ray Mohapatra)**  
**Member**

Sd/-  
**(G. Mohapatra)**  
**Member**

Sd/-  
**(P. K. Jena)**  
**Chairperson**