



**Petition No. 1716 of 2021**  
**BEFORE**  
**THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION**  
**LUCKNOW**

**Date of Order: 25. 04.2022**

**PRESENT:**

Hon'ble Shri Raj Pratap Singh, Chairman  
Hon'ble Shri Kaushal Kishore Sharma, Member  
Hon'ble Shri Vinod Kumar Srivastava, Member (Law)

**IN THE MATTER OF:** Petition for seeking clarity on ABT metering measurement of slop-based power and for directions to allow Petitioner to inject power from there slop + bagasse-based co-generation plant till the Power Purchase Agreement (PPA) is approved.

1. M/s The Seksaria Biswan Sugar Factory Ltd. (SBSFL),  
Biswan, Distt. Sitapur, Uttar Pradesh-261201 ..... **Petitioner**

**Versus**

1. U.P. Power Corporation Ltd.  
Through its Managing Director,  
Shakti Bhawan, 14, Ashok Marg, Lucknow.
2. U.P. Power Corporation Ltd.  
Through its Chief Engineer (PPA),  
Shakti Bhawan, 14, Ashok Marg, Lucknow.
3. Madhyanchal Vidyut Vitran Nigam Ltd.  
4A, Gokhle Marg, Butler Colony, Lucknow
4. Uttar Pradesh State Load Dispatch Centre,  
Through its Chief Engineer (PSO),  
UPSLDC Complex, Vibhuti Khand,  
Gomtinagar, Lucknow. .... **Respondents**

The following were present:

1. Shri Deepak Raizada, C.E (PPA), UPPCL
2. Shri Divyanshu Bhatt, Counsel, UPPCL
3. Shri Ajai Vikram Singh, Counsel, SBSFL
4. Director, UPSLDC
5. Shri Rajiv Shrivastava, Counsel, UPSLDC
6. Shri K.P. Singh, SBSFL



**ORDER**  
**(Date of Hearing: 11.11.2021)**

1. The Petitioner, SBSFL has filed the instant petition seeking clarity on ABT metering measurement of slop-based power and allow the Petitioner to inject power from slop + bagasse-based co-generation plant till the Power Purchase Agreement (PPA) is approved.
2. The Prayer(s) of the Petitioner is as below: -
  - a) Issue appropriate directions to the Respondents regarding ABT metering measurement of slop-based power and further issue directions to allow the Petitioner to inject power into the grid even during the pendency of the approval of PPA.
  - b) Any other relief which the Commission seems fit to be granted in the circumstances of the case may also be granted.

**Brief Facts:**

3. The Petitioner, SBSFL has mainly stated in the petition as under:
  - a) SBSFL is a company registered under the Companies Act, 2013 having its unit at Biswan, Distt. Sitapur and is engaged in the business of Sugar and other incidental/ allied business. The Petitioner is presently engaged in generation of electricity from its 32 MW bagasse-based generating plant and supplying electricity under a PPA dated 24.12.2016. In addition to the above, the Petitioner has set up a 3.5 MW bagasse + slop (concentrated spent wash) based generating plant.
  - b) Pursuant to the bidding process, SBSFL has been selected as the seller for sale and supply of slop-based power for the aggregate contracted capacity of 2 MW generated in its generating plant's facility of 3.5 MW. Subsequently a PPA was entered into between SBSFL and UPPCL on 31.12.2020 for the supply of slop-based power for ten years. The UPPCL vide Petition No. 1695/2021 has presented the said PPA before this Commission for its approval.
  - c) In the meantime, the slop-based power plant is ready for injecting the power into the grid as per the time schedule mentioned in the PPA i.e., 25.05.2021. The slop-based power is to be transmitted through the already existing 132 kV line used for injecting the bagasse-based power from the Petitioner's unit to the Biswan sub-station.
  - d) The slop-based power plant of the Petitioner is almost ready to inject the power into the grid as per the date of commencement of the plant i.e., 25.05.2021 as mentioned in the PPA. However, due to non-sealing of the ABT meter by the Executive Engineer on the ground of the non-clarity on the ABT metering

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measurement mechanism is likely going to cause delay in the commencement of the plant.

**Records of Proceedings:**

4. The matter was heard on 11.11.2021. The Commission noted that the PPA has already been approved by the Commission. The Commission vide order dated 24.11.2021 directed the Petitioner to hold meeting with UPPCL and submit its response. UPPCL on 28.01.2022 filed its reply along with the Minutes of Meeting dated 06.01.2022.

**Reply of Respondent:**

5. The UPPCL in its reply filed on 28.01.2022 has mainly submitted as under:
- a) In compliance to the Commission's directions, the parties have conducted meetings internally as well as with each other. The final meeting was held on 06.01.2022, between the representatives of the Petitioner, UPPCL, and UPSLDC. During the said meeting, a line diagram was also drawn up in order to give effect to the metering arrangement, which was in terms of the agreement arrived at between the parties. The said Line Diagram encapsulates the placement of the main and check meters in order to account for the separate billing of the SLOP based power and the bagasse-based power.
  - b) The modified metering arrangement is to be carried out considering the unique circumstances and the difficulties being faced by the Petitioner, the costs for the installation of meters ought to be borne by the Petitioner itself and the said costs should not be passed on to UPPCL and its consumers.
  - c) In terms of the proviso to Regulation 27 (III) of the CRE Regulations, 2019, if the existing transmission arrangement/ infrastructure is utilised for evacuating any additional capacity of power commissioned under a PPA, then the applicable tariff as prescribed by the Regulations, shall be reduced by 20 paise/ kWh which have been agreed to by all parties concerned, as reflected in the Minutes of the Meeting dated 06.01.2022.

**Analysis & Decision:**

6. The Petitioner by way of the instant petition is seeking mechanism of the metering arrangement provided under CRE Regulation, 2019 and has prayed to allow injection of power through one common transmission line of 132kV to the Biswan sub-station.
7. The Commission vide order dated 15.07.2021 in petition no. 1695/2021 has adopted the slop-based power at a levelized tariff of Rs. 2.798 per kWh for the period of 10 years and approved the PPA including the Petitioner dated 31.12.2020 among others.

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8. Regulation 29 of the CRE Regulations, 2019 related to metering arrangement provides that ABT compatible Special Energy Meters should be installed at the point of injection i.e., substation of Licensee/STU. The relevant extract is as under:

**"29. Metering Arrangement**

*The Captive Plants and Renewable Energy Generating Power Plants (except for SHP and MSW plant) shall provide ABT compatible Special Energy Meters (SEM) at the point of injection and point of drawl and shall comply with all metering requirements as notified by the State Transmission Utility:*

*Provided that the point of injection and point of drawl for the purpose of recording and billing purposes shall be the substation of the Licensee / STU:*

*Provided also that metering at generator terminal shall be as per the guidelines issued by the Authority."*

9. Regulation 7 of CRE Regulations, 2019 regarding power to relax states as under:

**"7. Power to Relax**

*The Commission, for reasons to be recorded in writing, may relax the provisions of these Regulations on its own motion or on an application made before it by any interested party."*

10. The relevant extract of Regulation 27 of CRE Regulations, 2019 regarding evacuation of power states as under:

**"27 Evacuation of Power**

*.....  
III. The Captive Plants and Renewable Energy based Generating Power Plants (except for MSW plant) shall be responsible for construction of the evacuation system for connecting its plant with the substation of the Distribution Licensee or STU / any Transmission Licensee, as per the scheme approved by the Commission in PPA, on its own or through any other agency engaged for that purpose. The cost of laying the dedicated transmission line to the sub-station, the required bays, associated terminal equipment and synchronization equipment shall be borne by the Generating Plant except MSW plant and such works shall be undertaken under approval and supervision of the Licensee / STU or any Transmission Licensee of the area in which the plant is located:*

*Provided further that in case of evacuation through temporary arrangements or in case of additional capacity commissioned under supplementary PPA using existing transmission infrastructure the applicable tariff given in Schedule I and Schedule II of these Regulations shall be reduced by 20 Paise/ kWh."*

11. Article 4.3 & Article 4.4 of the PPA dated 31.12.2020 regarding Evacuation Facilities and Interconnection Facilities respectively states as under:



#### **"4.3 Evacuation Facilities**

**4.3.1.** *The Generator shall bear the entire cost of Generation Facility switchyard and interconnection facilities in the premises of the generator up to the point of energy metering (interconnection point).*

#### **4.4 Interconnection Facilities**

**4.4.1** *Power from the Generating Plant shall be transmitted at 132 kV through 132 KV M/S Seksaria Sugar Mill-Biswan line from the Generating plant located at **Biswan, Distt. Sitapur**. The power so transmitted shall be interfaced with 11KV/33KV/132KV or higher grid sub-station located at Biswan, Sitapur owned by /STU/other with transmission licensee."*

12. Further the PPA has some other provisions for interconnection and RPO which states as under:

*"f) The parties to this Agreement agree for prior consultation with the State Transmission Utility for the purpose of implementation of this agreement and seek its approval for permitting, inter alia, interconnection to the generating plant with the **132kV Biswan, Sitapur grid substation** owned by STU or other transmission licensee, and*

*.....*  
*h) The Seller has agreed to sign this Power Purchase Agreement with UPPCL for sale of Slop based power for **10** years as per the terms and conditions of this Agreement.*

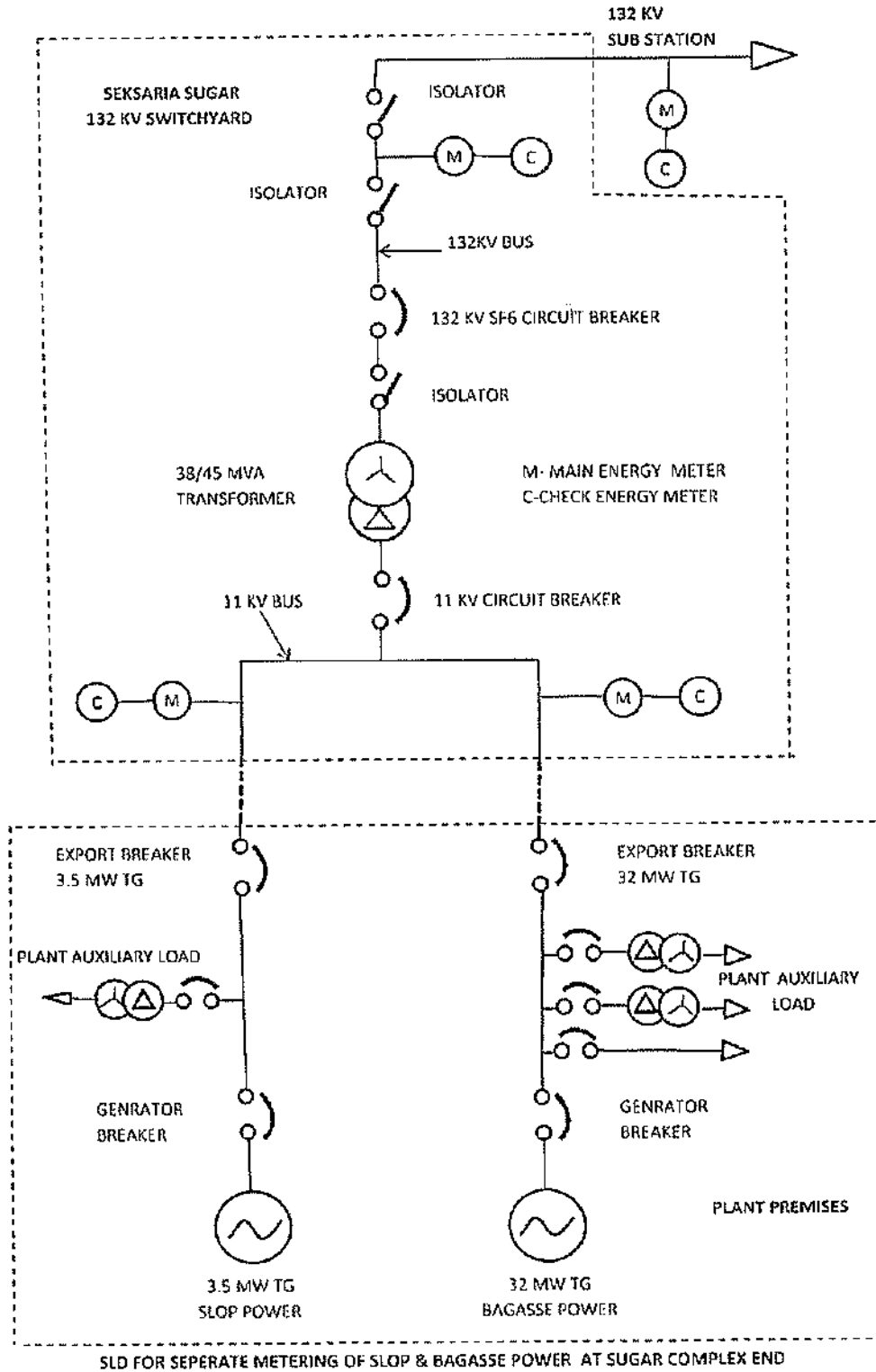
*i) UPPCL agrees to procure Slop based power up to the Contracted capacity from the Seller under Non RPO procurement as per the terms of this Agreement."*

13. The Commission vide order dated 21.01.2022 in petition no. 1677/2021 (Gularia Chini Mills Ltd. Vs UPPCL) on similar issue decided to allow the Petitioner i.e., Gularia Chini Mills Ltd. to use the existing transmission line for evacuation of slop-based power at an agreed revised tariff of Rs. 2.598 per kWh under the PPA with certain terms.

14. The meeting was held on 06.01.2022 between the representatives of the Petitioner, UPPCL and UPSLDC. Single Line Diagram (SLD) for metering arrangement as agreed to in meeting dated 06.01.2022 encapsulates the placement of the Main and Check meters to account for the separate billing of the Slop-based power and the Bagasse-based power as below.



THE SEKSARIA BISWAN SUGAR FACTORY LTD BISWAN, SITAPUR(U.P)



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15. The relevant points of the Minutes of Meeting (MoM) dated 06.01.2022 are as below:
- a) SBSFL agrees with UPSLDC for settlement of DSM of both the power generated from both the generation sources i.e., Bagasse as well as SLOP and will give common schedule for both the power considering plant as a whole.
  - b) SBSFL agrees with UPPCL for the JMR of ABT meters installed at Generator premises for separate billing of Bagasse-based power and Bagasse + SLOP based power in accordance with original proposal.
  - c) SBSFL agrees with UPPCL for adjustment of transformer losses in JMR. The SBSFL suggested that the same can be adjusted on prorata basis of the transformer losses from No load to full load losses as mentioned in transformer data sheet, which is to be provided by the Seksariya Biswan Sugar Factory Ltd. as furnished by OEM.
  - d) SBSFL agrees with UPPCL that the cost of alternate metering arrangement at generator's end will bear by generator.
  - e) SBSFL agrees with UPPCL for deduction of 20 paise per kWh from the tariff on account of common transmission line.

**Commission's View:**

16. We have considered the submissions of the Petitioner, the Respondent, and the documents placed on record. As per the bidding document for procurement of slop-based power, the responsibility of interconnection facilities from the generating plant to the evacuation substation lies with the generator i.e., the Petitioner. The Petitioner has agreed to bear the cost of separate metering arrangement under the agreed SLD dated 06.01.2022 and deduction of 20 paise per kWh from the discovered tariff of Rs. 2.798 per unit for using same 132 kV line instead of building a new one.
17. In view of the above, the Commission in exercise of Regulation 7 of UPERC (CRE) Regulations, 2019 under clause (e) of section 86 of the Electricity Act, 2003, allows the Petitioner to use the existing 132 kV transmission line for evacuation of slop-based power at an agreed revised tariff of Rs. 2.598 per kWh under the PPA dated 31.12.2020 with following directions:
- a) **Regulation 29 of UPERC (CRE) Regulations, 2019 specifically mandate that the point of injection and the point of drawl for the purpose of recording and billing shall be substation of the Licensee/STU. Also, as per Clause 4.4.1 of the PPA dated 31.12.2020, power from the slop based generating plant shall be transmitted at 132 kV through a 132 kV M/S Seksaria Sugar Mill-Biswan line from the Generating plant located at Biswan, Distt. Sitapur. The power so**



transmitted shall be interfaced with 11kV/33kV/132kV or higher grid substation owned by STU/other transmission Licensee. Further, as per clause 4.4.2, the cost of the dedicated transmission line from the generating plant to the designated substation of STU and the cost of interfacing at both ends (the generating plant and grid S/s) shall be borne by the generating plant. UPPCL and SBSFL (owner of both bagasse and slop based generating plants) have mutually agreed to utilize the same 132kV Transmission line from the generating plant for evacuation of power from bagasse and slop-based plant instead of constructing new transmission line.

- b) Therefore, the Commission in exercise of Regulation 7 of UPERC (CRE) Regulations, 2019 and under clause (e) of section 86 of the Electricity Act, 2003, allows the Petitioner to seek connectivity of 3.5 MW Slop based generating plant with the existing connectivity to intra state transmission system (STU) through the electrical system and dedicated transmission line of the bagasse based generating station as UPERC Connectivity Regulations. The point of injection and the point of drawl for the purpose of scheduling, recording and billing shall be the substation of the Licensee/STU for both generation sources i.e., Bagasse as well as SLOP based power generation.
- c) The Commission from time to time vide its various regulations/orders provided the detailed procedure/mechanism of scheduling and dispatch, energy accounting and DSM related matters etc. for intra-state entities in line with UPEGC/IEGC and CERC (DSM) Regulations and its amendments thereof with primary aim of maintaining the grid discipline and grid security/stability. These Deviation Settlement Mechanism/Regulations shall govern both the generation sources i.e., Bagasse as well as SLOP based power generation. However, for the purpose of deviation accounting, UPSLDC shall consider scheduling of power by aggregating scheduled generation of both the plants at common interconnection point of STU/UPPTCL.
- d) Both the Generating Plants shall declare their DC faithfully to UPSLDC. Installation of ABT compliant meters on both the generating plants at 11kV outgoing feeders and HV side of 11/132kV Transformer in the switchyard of Generating Plant(s) shall be ensured, in terms of CEA Metering Regulations and amendments thereof, at its own cost by the Generator(s).
- e) Meter readings and all the data of ABT meters installed at Generating Plant Switchyard shall be transmitted to SLDC. UPSLDC shall monitor declaration of DCs of both the generating plant with the meter readings with these ABT meters of individual plants as per UPEGC/IEGC/DSM Regulations. The historical transmission losses of the electrical system including 132 kV dedicated transmission line of SBSFL may be used in this regard.





- f) As the petitioner has agreed to revise tariff for the power supplied from its slop based generating plant under the PPA dated 31.12.2020 to Rs. 2.598 per kWh, the parties shall sign a supplementary PPA in this regard and place a copy of the same for record of the Commission.

The petition is disposed of in terms of above directions.

(Vinod Kumar Srivastava)

Member

(Kaushal Kishore Sharma)

Member

(Raj Pratap Singh)

Chairman

Place: Lucknow

Dated: 25.04.2022