

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 175/MP/2021

Coram:

**Shri I. S. Jha, Member
Shri Arun Goyal, Member
Shri P. K. Singh, Member**

Date of Order: 7.03.2023

In the matter of:

Petition under Section 79 (1) (c), and 79 (1) (k) of the Electricity Act, 2003 read with Clause 6.4.3 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 seeking approval for scheduling of power for Chuzachen Hydro Electric Power Plant from Eastern Regional Load Dispatch Centre.

And

In the matter of:

Gati Infrastructure Private Limited,
14/19/2 Old Delhi Gurgaon Road,
Opposite Hira Public School, Samalkha,
New Delhi – 110 037.

...**Petitioner**

Vs

1. Eastern Regional Load Dispatch Centre,
14, Golf Club Road, Tollygunj,
Kolkata – 700 033.

Respondent No. 1

2. Government of Sikkim,
Energy and Power Department,
Arithang, East District, NH-31A, DPH Road,
Gangtok, Sikkim – 737 101.

Respondent No. 2

3. Eastern Regional Power Committee,
Secretariat, 14th Golf Club Road, Tollygunj,
Kolkata – 700 033.

Respondent No. 3

4. Central Transmission Utility of India Limited,
1st Floor, Saudamini, Plot No. 2, Sector-29,
Near IFFCO Chowk Metro Station,
Gurgaon, Haryana – 122001

Respondent No. 4

Parties Present:

Shri Tabrez Malawat, Advocate, GIPL



Shri Syed Hamza, Advocate, GIPL
Shri Ranjit Pal, ERLDC
Shri Debajyoti Majumder, ERLDC
Shri Rajesh Kumar, CTUIL
Shri Manish Ranjan Keshari, CTUIL
Shri Swapnil Verma, CTUIL
Shri Siddharth Sharma, CTUIL
Shri Ranjeet Singh Rajput, CTUIL
Shri Bhanu Prakash Pandey, CTUIL

ORDER

1. The present Petition has been filed by the Petitioner, Gati Infrastructure Private Limited (GIPL), under Section 79(1)(c) and Section 79(1)(k) of the Electricity Act, 2003 (hereinafter referred to as 'the Act') read with Clause 6.4.3 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (hereinafter referred to as 'the Grid Code') seeking approval for scheduling of power for Chuzachen Hydro Electric Power Plant through Eastern Regional Load Dispatch Centre. The Petitioner has made the following prayers:

“(a) Allow the Petition and approve scheduling of the power of the Petitioner Plant’s 110 MW (2x55 MW) Chuzachen Hydro Electric Plant through the Eastern Regional Load Dispatch Centre; and

(b) Pass such other or further order as this Commission deem think fit in the eyes of justice.”

Submissions of the Petitioner

2. Petitioner has submitted as follows:
 - (a) The Petitioner is a generating station in terms of Section 2 (28) of the Electricity Act, who has developed 110 MW (2x55 MW) Chuzachen Hydro Electric Plant is an embedded entity of State of Sikkim selling power to Haryana Power Purchase Centre and need to evacuate the same from its generation switchyard for onward transmission to Haryana. The Respondent No.2 is having constraints and capacity limitation in its existing system restraining it to schedule power of the Petitioner.
 - (b) Commission may under Clause 6.4.3 of the Grid Code grant approval for scheduling of the power from a generating station through Regional Load



Dispatch Centre even if the same is not directly connected to Inter-State Transmission System ("ISTS") or Central Generating Station ("IGS") or Ultra Mega Power projects ("UMMP").

- (c) In present case, the Hydro Electric Power Station of the GIPL is not directly connected to ISTS and is:
- i. Embedded entity of State of Sikkim selling power to Haryana Power Purchase Centre and need to evacuate the same from its generation switchyard for onward transmission to Haryana.
 - ii. The Respondent No. 2 is having system constraints, operational exigencies and capacity limitation in its existing system restraining it to schedule power of the Petitioner.
- (d) Therefore, on one hand the GIPL cannot schedule power through the Respondent No.2 and on the other hand, its Project is not directly connected to ISTS enabling ERLDC to schedule its power on account of operational expediencies.

The Petitioner has developed 110 MW (2x55 MW) Chuzachen Hydro Electric Plant located on the rivers of Rangpo and Rongli about 20 kms straight from Rangpo Bazaar in the East District of Sikkim ("**Chuzachen HEP/Plant**") pursuant to the Implementation Agreement dated 14.11.2003 ("**Implementation Agreement**") executed between Gati Investment Ltd. and Govt. of Sikkim. Chuzachen HEP was commissioned on 18.05.2013. The evacuation system connecting Chuzachen HEP to Rangpo Pooling Sub-station- 400/220/132 kV of the PGCIL through a dedicated 132 kV Double Circuit has been constructed by the GoS. The Petitioner and Respondent No. 2 has also executed Connectivity Agreement dated 25.09.2017.

- (e) As such, Chuzchen HEP is connected to only intra-state transmission line for evacuating its power to the grid at Rangpo pooling Sub Station. The power from Rangpo Pooling Sub-station is further evacuated to Eastern Region Grid.
- (f) In peculiarity of the aforesaid situation and fitness of circumstances, the issue relating to scheduling of the Power was taken up and deliberated before various meetings of Commercial Sub-Committee ("CCM") and Eastern Region Power Committees ("ERPC") to decide the manner in which



the issues relating to the scheduling can be resolved while maintaining optimum scheduling and grid security.

- (g) Similarly, the aforesaid issue was also discussed and deliberated in 38th ERPC Meeting dated 30.06.2018. In the said meeting following was decided:

"ITEM NO. B33: SCHEDULING OF CHUZACHEN HEP AND TASHIDING HEP

Scheduling of Chuzachen HEP and Tashiding HEP is carried out by ERLDC, as per Indian Electricity Grid Code Clause 6.4.3. The clause 6.4.3 states

Quote:

"There may be exceptions with respect to above provisions, for reasons of operational expediency, subject to approval of CERC. Irrespective of the control area the jurisdiction, if a generating station is connected both to the ISTS and the STU, the load dispatch centre of the control area under whose jurisdiction the generating station falls, shall take into account grid security implication in the control area of the other load dispatch centre."

Unquote:

Presently for net injection of Chuzachen, Gangtok(PG) and Rangpo(PG) end meter is used and for Tashiding net injection, New Melli(PG) and Rangpo(PG) end meter is being used.

It was decided in the 36th ERPC meeting that Tashiding would approach CERC and obtain approval from Hon'ble commission regarding scheduling of Tashiding HEP by ERLDC. Tashiding HEP and Chuzachen HEP are yet to approach CERC for the said approval.

In 37th CCM, the followings were decided:

- i) The metering points for Chuzachen and Tashiding HEPs would be at CTU end.*
- ii) As Chuzachen and Tashiding HEPs are embedded generators of Sikkim, both need to seek approval from CERC regarding scheduling by ERLDC. ERLDC may explain. Deliberation in the TCC meeting TCC advised Chuzachen and THEP to file petition with CERC for obtaining NOC for scheduling of generation by ERLDC. The accounting of power shall conform to the methodology listed in the agenda."*

ERLDC may explain.

Deliberation in the TCC meeting:

TCC advised Chuzachen and THEP to file petition with CERC for obtaining NOC for scheduling of generation by ERLDC. The accounting of power shall conform to the methodology listed in the agenda."



- (h) As per the Clause 6.4 of the Grid Code, this Commission is empowered to grant approval to generating station to schedule power through ERLDC.
- (i) Respondent No. 2 provided NOC vide its letter dated 12.01.2018.
- (j) Petitioner qualifies on all the parameters to be designated as a regional entity and undertake to fall within the control area and jurisdiction of the ERLDC and comply with its directions. The Petitioner also undertakes to comply with all directions of the ERLDC.

Commission Order dated 13.12.2021

3. The matter was called out for admission through virtual hearing on 7.12.2021. The Commission vide order dated 13.12.2021 in the instant Petition directed as follows:

“6. We have considered the submissions made by the learned counsel for the Petitioner. We observe that the Petition in its present form is incomplete and bereft of material details/information, as listed below, on the basis of which the Petitioner has prayed for reliefs sought by it:

- (a) *Despite having contended that the Respondent No. 2 is not equipped to schedule power from the Hydro Electric Plant and thereby invoking the power of the Commission under Regulation 6.4.3 of the Grid Code citing the reasons of operational expediency, the Petition fails to specifically lay down the adverse circumstances/ difficulties having faced by the Petitioner over past 8 years since the commercial operation of date.*
- (b) *The Petitioner has not brought out the fact in its Petition or submissions as to since when ERLDC has been scheduling power from the Hydro Electric Plant.*
- (c) *Though the Hydro Electric Plant is an embedded entity of the State of Sikkim, the Petitioner has not mentioned the provisions under which ERLDC has been scheduling power from the Hydro Electric Plant.*
- (d) *The Petitioner has merely relied upon the NOC issued by the Respondent No.2 and minutes of various meetings. However, the NOC issued by Respondent No.2, which dates back to 12.1.2018, clearly indicates that the NOC granted was for a temporary period till commissioning of 132 kV GIS bays at New Rangpo 400/220/132 kV Pooling Station of Power Grid Corporation of India Ltd. (PGCIL) or till further instructions.*
- (e) *The Petitioner has relied upon a conditional NOC issued in 2018 but not furnished the current status of 132 kV GIS bays at New Rangpo 400/220/132 kV Pooling Station of PGCIL or the status of NOC as it stands now.*

7. In view of the above, the Commission observed that it is not inclined to admit the Petition in its present form. The learned counsel for the Petitioner submitted that it would rectify the Petition by incorporating all the required details. Accordingly, the Petitioner is directed to approach the Commission within fifteen (15) days from the date of this order with amended Petition complete in all respect along with requisite details.

8. Petition No. 175/MP/2021 will be listed for hearing on admission in due course.



4. As per above, Commission observed that Petition in its present form is incomplete and bereft of material details/information and accordingly ordered not to admit the Petition in its present form. Further, the Commission directed the Petitioner to approach the Commission within fifteen (15) days from the date of order with amended Petition complete in all respect along with requisite details. Accordingly, the Petitioner vide affidavit dated 04.01.2022 filed the amended Petition.

Submission of the Petitioner

5. Petitioner vide amended petition date 04.01.2022 submitted as follows:
- (a) GIPL had achieved its Commercial Operation Date (“COD”) on 18.05.2013. Since then its scheduling has been undertaken by the ERLDC on account of operational constraints and inability of the Respondent No.2- Energy and Power Department, Government of Sikkim to undertake scheduling of the power. The power by the Petitioner was sold on bilateral basis/power exchanges, till 13.05.2018, thereafter, from 14.05.2018 till present, power is being sold by GIPL to Haryana Power Purchase Centre (“HPPC”) under the Long Term Power Purchase Agreement dated 03.05.2018 (“PPA dated 03.05.2018”).
- (b) Scheduling of Chuzachen HEP is being carried out by the ERLDC as per Clause 6.4.3 of the Indian Electricity Grid Code. In view of the support being granted by ERLDC, there was no difficulty being faced by the Petitioner in last eight year. However, in order to make the said temporary arrangement of scheduling of power by ERLDC permanent, present Petition has been filed.
- (c) NOC relied upon by the Petitioner was issued back in 2018, which indicates that it was issued for a limited period of time. The Petitioner states that the Respondent No. 2 on 23.12.2021 has issued a fresh NOC to the Petitioner. The relevant portion of the NOC dated 23.12.2021 is reproduced hereunder;
- “The agreement signed on 14th November 2003 between Gati Infrastructure Ltd. and Sikkim Power Development Corporation Ltd (A Government of Sikkim Enterprise) shall stand in force. The Scheduling may be done by ERLDC and the power be evacuated further to the Inter-*



State Transmission System till the end of this financial Year i.e., 2021-2022. However, starting from the next financial year i.e., 2022-2-2023, scheduling shall be done by Sikkim State Load Despatch Centre, Power Department. Government of Sikkim

Further the details of 132 KV Chuzachen GIS Bay commissioned are as below:

132 KV Chuzachen-Rangpo I : 24.07.2019 at 22:05 Hrs

132 KV Chuzachen-Rangpo II : 24.07.2019 at 22:35Hrs

Hearing dated 22.02.2022

6. The Commission directed the Petitioner to clarify the period for which it is seeking approval for scheduling by ERLDC and directed ERLDC to explain the provision of the 2010 Grid Code under which ERLDC was scheduling power of the Petitioner's generating station since 2013 along with necessary proofs and approvals, if any.

Reply of Respondent No.1 – Eastern Regional Load Dispatch Centre (ERLDC)

7. ERLDC vide affidavit dated 10.03.2022 has submitted as follows:
 - (a) Chuzachen is (2X55 MW) HEP of M/s Gati Infrastructure Pvt Ltd located in Sikkim. Both the Units of Chuzachen HEP declared COD wef 18.05.2013. The generation from the above HEP was supposed to be evacuated through dedicated 132kV Chuzachen-Rangpo D/C STU lines. However, as the commissioning date of units approached the bays (owned by Sikkim) of aforesaid lines at Rangpo (PGCIL) were yet to be commissioned. To evacuate power of Chuzachen, as an interim measure, LILO arrangement of 132 KV Melli-Gangtok S/C Line (ISTS) at Chuzachen was done. Since 132kV Chuzachen-Rangpo D/C (STU line) was ready, the portion of the STU line i.e Chuzachen- Rangpo Double Circuit Line was being used upto the LILO portion for evacuation of power of Chuzachen through 132 KV Melli-Gangtok S/C Line (ISTS).



(b) M/s Gati Infrastructure Pvt Ltd initially signed connectivity agreement of 99 MW with CTU dated 07.11.2012 with connectivity point as below:

- i. At the connection point - 132/66 kV Gangtok Substation and Melli Substation using the Transmission and Communication System of the CTU namely 132 kV S/C Gangtok (PG)- Melli (Sikkim)- 36.136 kM with LOOP-IN-LOOP- OUT Connectivity upto Rangpo, where Chuzachen-Rangpo 132 kV D/C was connected so as to form Chuzachen-Gangtok and Chuzachen-Melli 132 kV S/C lines (under the scope of M/s Gati Infrastructure Limited) as *Interim Arrangement*; and
- ii. S/Y of Chuzachen HEP Plant (99 MW) to Rangpo 132 kV D/C line (under the scope of M/s Gati Infrastructure Limited) as *Final Arrangement*.

(c) The above connectivity agreement was further revised to 121 MW by CTU vide intimation dated 04.06.2013. Further M/S GATI (Chuzachen) had also signed 99 MW LTA agreement dated 09.08.2012 with CTU on target region NR, which was more than 50% share of power of Chuzachen.

(d) Clause 6.4.3 (ii) of Indian Electricity Grid Code says:

Quote...

If a generating station is connected both to ISTS and the State network, scheduling and other functions performed by the system operator of a control area will be done by SLDC, only if state has more than 50% Share of power, The role of concerned RLDC, in such a case, shall be limited to consideration of the schedule for interstate exchange of power on account of this ISGS while determining the net drawal schedules of the respective states. If the State has a Share of 50% or less, the scheduling and other functions shall be performed by RLDC.

.....Unquote

As Chuzachen was electrically connected to both ISTS network & STU network (upto LILLO portion only) (with connectivity agreement signed with CTU) and state share of power was less than 50% of share of power, the scheduling was to be carried out by ERLDC as per the aforesaid provision of IEGC.

(e) A special meeting was held among M/s. Gati infrastructure ltd., Department of Power, Govt, of Sikkim, ERPC and ERLDC on 25.02.2013



at Teesta - V Power station to discuss scheduling, metering, and other related issues related to Chuzachen HEP of M/s Gati Infrastructure Pvt Ltd.

- (f) At the aforesaid meeting, the representative of Gati Infrastructure informed that the plant would be having connectivity with ISTS only by way of LILONG Melli - Gangtok 132 kV S/C line as an interim measure till the Rangpo(PGCIL) Substation is completed. He noted that, as of then and in distant future also, the units would have direct connectivity with CTU. Therefore, he requested that the scheduling of the plant was to be carried out by ERLDC as per the provisions of IEGC in line with the scheduling done for other hydro ISGS stations. When asked to comment on the proposal of Gati Infrastructure regarding scheduling by ERLDC, representative of the Dept. of Energy and Power, Govt, of Sikkim informed that Dept. of Energy and Power, Govt, of Sikkim had no objection if the scheduling is done by ERLDC. After deliberation in the aforesaid meeting, it was unanimously decided that the daily scheduling of 2X55 MW Chuzachen HEP would be done by ERLDC.
- (g) Subsequently as per the decision taken at the aforesaid meeting as mentioned in above Para & IEGC Clause 6.4.3 (ii) the scheduling of Chuzachen was undertaken by ERLDC w.e.f. COD of the plant i.e 18.05.2013.
- (h) Thereafter M/S Gati (Chuzachen) signed connectivity Agreement of 121 MW with Sikkim Power Development Corporation Ltd. a Government of Sikkim Enterprise dated 25.09.2017, to facilitate evacuation of Chuzachen power through Intra State Transmission system with point of connectivity being the - Dead end Tower No: I of the 132 K V D/C (Zebra granted Conductor) Chuzachen-Rangpo Transmission line. Consequent upon the signing of the connectivity agreement with Govt. of Sikkim, the granted ISTS Connectivity to Gati Infrastructure Pvt. Ltd. (GIPL) for Chuzachen HEP in Sikkim was revoked by CTU vide letter dated 25.03.2018.

- (i) Further, NOC was issued by Dept. of Energy and Power, Govt. of Sikkim on 12.01.2018 for the scheduling of power by ERLDC till the commissioning date of the 132 KV GIS Bays at New Rangpo 400/220/132 KV Pooling Station of POWERGRID or till further instructions from the Energy & Power Department, Government of Sikkim .
- (j) In 37th CCM of ERPC held on 11.06.18, it was decided to shift metering point of Chuzachen HEP at CTU end and it was also decided that Chuzachen is embedded generator of Sikkim, and the same requires to seek approval from CERC regarding scheduling by ERLDC.
- (k) Thereafter on 24.07.2019, GIS bays of aforementioned lines were commissioned at Rangpo (PGCIL) end, which led to evacuation of power through 132 KV Chuzachen-Rangpo D/C Line (Sikkim Owned). (Final Arrangement).
- (l) Presently, Chuzachen is evacuating power through 132 KV Chuzachen-Rangpo D/C Line (Owned by Sikkim) and connected at Rangpo PGCIL ISTS point (Rangpo Bay owned by SIKKIM).
- (m) Vide letter dated 23.12.2021, Sikkim issued fresh NOC citing that the scheduling of Chuzachen may be done by ERLDC and the power be evacuated further to the Inter-State Transmission System till the end of this financial Year i.e., 2021-2022. However, as mentioned in NoC issued by Sikkim, starting from the next financial year i.e., 2022-2023, scheduling shall be done by Sikkim State Load Despatch Centre, Power Department, Government of Sikkim.

Hearing on 07.06.2022

8. The Commission directed CTUIL to submit the following information in respect of Chuzachen HEP:
- a) Copy of connectivity application(s) made by the Petitioner and connectivity granted by CTUIL;
 - b) Copy of LTA application(s) made by the Petitioner and LTA granted by CTUIL; and

- c) Under which provision of Regulation or Procedure, CTUIL vide its letter dated 29.3.2018 revoked the 99MW ISTS connectivity granted to the Petitioner.

Submissions of Petitioner

9. Petitioner vide affidavit dated 16.06.2022 submitted as follows:

- (a) Sikkim State Load Dispatch Centre (“**SLDC Sikkim**”) intimated GIPL vide email dated 22.03.2022, that it shall be in position to undertake scheduling of the power of the Chuzachen HEP starting from 01.04.2022 quoted as follows:

“Dear Sir,

*With reference to the letter GIPLIHO/2021-22/03/001 dated 14.03.2022 regarding Scheduling of Chuzachen /PP by SLDC Sikkim, **this is to inform you that the scheduling will be done by SLDC starting 01.04.2022.***

.....

- (b) That subsequently, discussions were held between GIPL and SLDC Sikkim regarding the scheduling of power following which SLDC Sikkim expressed its inability in relation to the commencement of scheduling of power by 01.04.2022. The reason stated for such refusal was the non-availability of requisite technical platform, software and technical infrastructure required to undertake the scheduling. Therefore, the scheduling was postponed by SLDC Sikkim till 01.06.2022 subject to remedy of the said technical constraints.
- (c) GIPL vide its letter bearing reference no. GIPL/HO/2022-23/05/001 dated 19.05.2022 apprised the Respondent No. 2 regarding the delayed scheduling of power by SLDC Sikkim starting from 01.06.2022 instead of earlier agreed date of 01.04.2022. The Petitioner further requested Respondent No. 2 to confirm whether SLDC Sikkim was in fact going to commence the scheduling of power generated by GIPL from 01.06.2022.
- (d) Petitioner vide the said letter further requested Respondent No. 2 to provide No Objection Certificate (“**NOC**”) to the GIPL for uninterrupted scheduling of generated power by ERLDC as the Standing Clearance issued by ERLDC

was going to expire on 31.05.2022. The relevant excerpt of the letter dated 19.05.2022 are reproduced below:

“

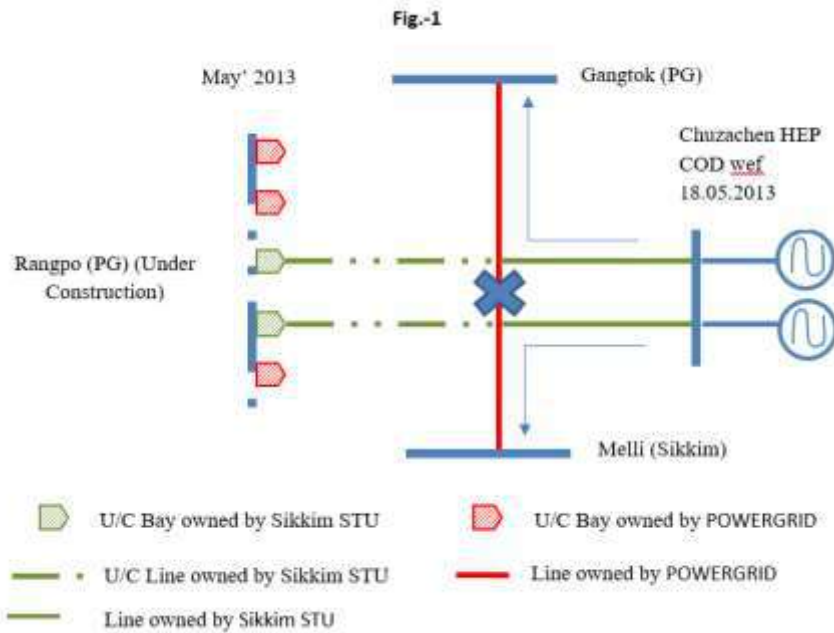
In view of the above, kindly confirm the status of scheduling. If Sikkim SLDC is not going to does scheduling by 1st Jun, 2022, kindly arrange to provide NOC for scheduling of generated power from 110 MW Chuzachen HEP by ERLDC.

It is pertinent to mention here that Standing Clearance issued by ERLDC for scheduling of generated power from Chuzachen HEP, is going to expire on 31st May 2022. Chuzachen HEP needs to approach ERLDC for renewal of standing clearance at least one week prior to the expiry of the Standing Clearance i.e., latest by 23rd May, 2022 for uninterrupted evacuation of generated power from Chuzachen HEP.”

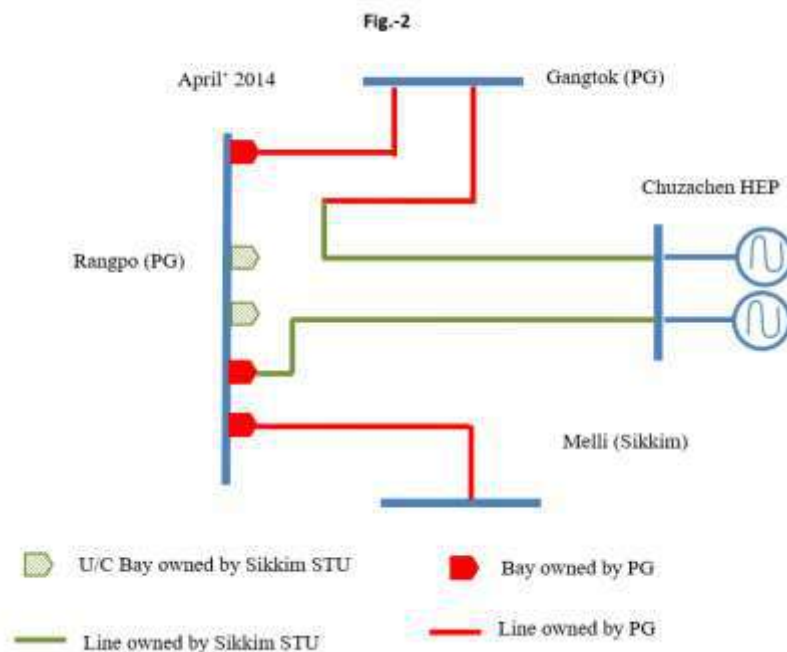
- (e) Respondent No. 2 through its letter bearing reference no. 02/GEN/SLDC/2015-15/466 dated 23.05.2022, issued NOC to the Petitioner for evacuation of power generated by it through interconnection with the intra-State transmission line of Power Department and that the scheduling of power by ERLDC shall continue till the SAMAST Framework has not been set up by SLDC Sikkim.

Reply of Respondent No.1, ERLDC

10. Respondent No.1, ERLDC vide affidavit dated 21.6.2022 has submitted as follows:
- (a) Since May 2013 connection of Chuzachen HEP (Gati Infrastructure Pvt Ltd) was established by LILO of 132 kV Gangtok-Melli line of POWERGRID, so as to form 132 kV Chuzachen-Gangtok and 132 kV Chuzachen-Melli. Line from Chuzachen HEP to LILO point was owned Sikkim STU. Thus, evacuation of Chuzachen HEP established by partly utilizing Sikkim (STU) lines and POWERGRID lines. Evacuation details of this period is depicted in Fig.-1.

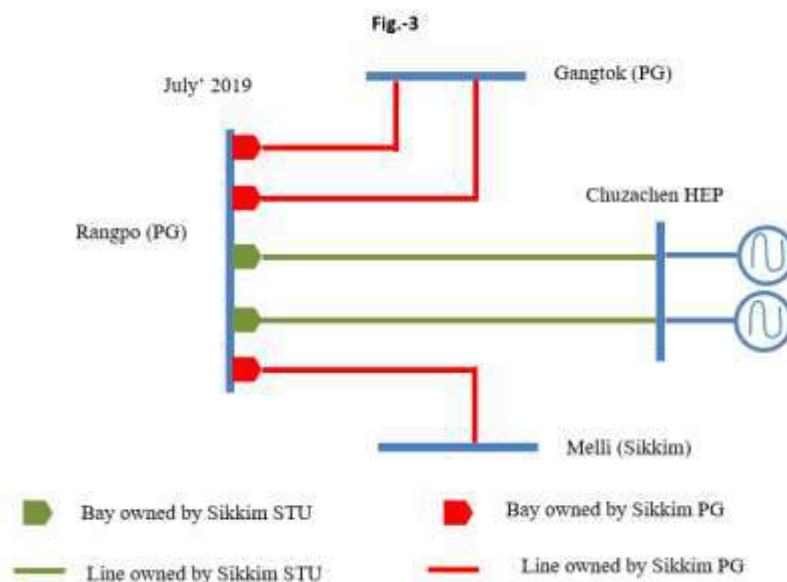


(b) After commissioning of Rangpo (POWERGRID) substation, during April 2014, one circuit of 132 kV Chuzachen- Rangpo terminated at Rangpo (POWERGRID) at bay earmarked for Melli Feeder (as associated bay of Chuzachen at Rangpo were not ready). Evacuation details of this period is depicted in Fig.-2.



(c) During July 2019, commissioning of GIS bays at Rangpo substation earmarked for termination of 132 kV Chuzachen completed by Sikkim STU. Since July 2019, 132 kV Chuzachen- Rangpo D/C is terminated at Rangpo substation at bays owned by Sikkim STU. Presently Chuzachen HEP (Gati Infrastructure Pvt Ltd) is evacuating exclusively through lines

and bay owned by Sikkim STU. Evacuation details of this period is depicted in Fig.-3.



Reply of Respondent No.4, CTUIL

11. Respondent No.4, CTUIL vide affidavit dated 28.06.2022 has submitted as follows:

- (a) On 06.01.2018, a meeting was held in the office of Principal Chief Engineer/Secretary, Govt of Sikkim, regarding Comprehensive scheme of Sikkim, wherein it was deliberated that Govt. of Sikkim and the project developers of Chuzachen HEP need to clarify regarding ownership of dedicated transmission lines [viz. Chuzachen- Rangpo 132kV D/c line]. In response to the above, the representative of Govt. of Sikkim confirmed that the Chuzachen – Rangpo 132kV D/c line belongs to Govt. of Sikkim and that the same has also been communicated to ERPC.
- (b) Petitioner vide its letter dated 09.02.2018 informed CTU that it has been granted Connectivity for 121 MW by the Govt. of Sikkim through the above said transmission line, in pursuant to which Connection Agreement dated 25.09.2017 has also been executed between the Petitioner and Govt of Sikkim.

- (c) In view of the fact that the Petitioner had been granted Connectivity through the abovesaid transmission line by Govt. of Sikkim and the fact that dual connectivity for the same quantum of Connectivity is not permissible as per the provisions under Para 1.4 of the Detailed Procedure dated 31.12.2009 issued under Regulation 27 of the 2009 CERC Connectivity Regulations, the 99 MW ISTS connectivity granted to the Petitioner had been rendered infructuous and was consequently revoked by CTU vide its letter dated 29.03.2018.

Analysis and Decision

12. The Petitioner has submitted that the Petitioner's generating station Chuzachen Hydro Electric Power Station is embedded entity of the State of Sikkim selling power to Haryana Power Purchase Centre and that SLDC Sikkim is having constraints and capacity limitation restraining it to schedule power of the Petitioner. Petitioner has sought approval of Commission under Regulation 6.4.3 relating to "operational expediency" to allow scheduling of power by ERLDC for Chuzchen HEP.

13. We have considered the submissions of the Petitioner and the Respondents and perused the documents available on record. The issue which arise for our consideration is as follows:

Issue No.1 : Whether approval can be granted under Regulation 6.4.3 of 2010 Grid Code for ERLDC to schedule power of State embedded generating station?

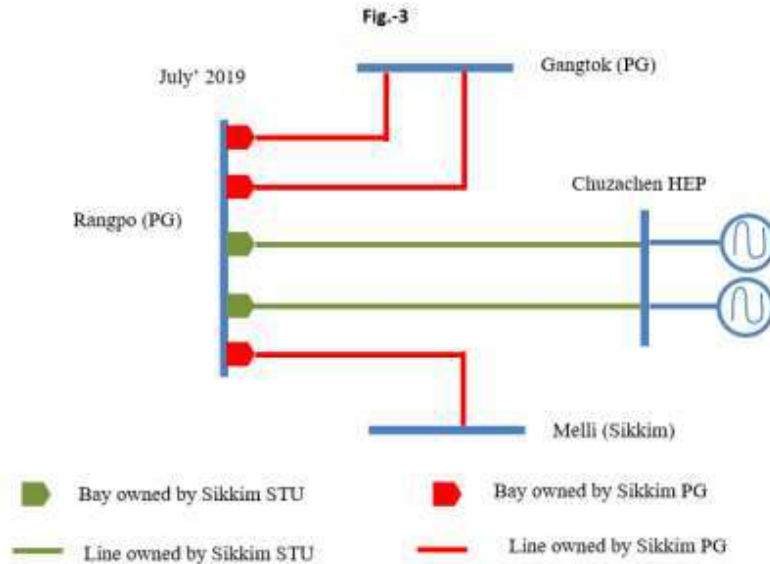
Issue No.2 Whether ERLDC complied with the provision of Grid Code while undertaken scheduling for generating station of the petitioner since 2013?

The issues are dealt with in subsequent paragraphs.



Issue No.1 : Whether approval can be granted under Regulation 6.4.3 of 2010 Grid Code for ERLDC to schedule power of State embedded generating station?

14. ERLDC has submitted the present configuration of evacuation for petitioner’s generation station as follows:



As per above, Chuzachen HEP is evacuating exclusively through lines and bays owned by Sikkim STU.

15. Regulation 6.4 of the 2010 Grid Code provides as under:

“6.4 Demarcation of responsibilities:

.....

2. The following generating stations shall come under the respective Regional ISTS control area and hence the respective RLDC shall coordinate the scheduling of the following generating stations:
 - a) Central Generating Stations (excluding stations where full Share is allocated to host state),
 - b) Ultra Mega Power Projects including projects based on wind and solar resources and having capacity of 500 MW and above.
 - c) In other cases, the control area shall be decided on the following criteria:
 - (i) If a generating station is connected only to the ISTS, RLDC shall coordinate the scheduling, except for Central Generating Stations where full Share is allocated to one State.
 - (ii) If a generating station is connected only to the State transmission network, the SLDC shall coordinate scheduling, except for the case as at (a) above.

- (iii) *If a generating station is connected both to ISTS and the State network, scheduling and other functions performed by the system operator of a control area will be done by SLDC, only if state has more than 50% Share of power, The role of concerned RLDC, in such a case, shall be limited to consideration of the schedule for inter state exchange of power on account of this ISGS while determining the net drawal schedules of the respective states. If the State has a Share of 50% or less, the scheduling and other functions shall be performed by RLDC.*
- (iv) *In case commissioning of a plant is done in stages the decision regarding scheduling and other functions performed by the system operator of a control area would be taken on the basis of above criteria depending on generating capacity put into commercial operation at that point of time. Therefore, it could happen that the plant may be in one control area (i.e. SLDC) at one point of time and another control area (i.e. RLDC) at another point of time. The switch over of control area would be done expeditiously after the change, w.e.f. the next billing period.*
3. *There may be exceptions with respect to above provisions, for reasons of operational expediency, subject to approval of CERC. Irrespective of the control area the jurisdiction, if a generating station is connected both to the ISTS and the STU, the load dispatch centre of the control area under whose jurisdiction the generating station falls, shall take into account grid security implication in the control area of the other load dispatch centre.”*

As per Regulation 6.4.2(c)(ii) of the IEGC, 2010 scheduling of power of a generating station connected with the State network shall be done by SLDC. Further Regulation 6.4.3 provides for exceptions to this Regulation, under operational expediency, subject to approval of CERC.

16. Petitioner has referred to deliberation and decision during 38th ERPC meeting held on 30.06.2018, where following was decided:

38th ERPC meeting held on 30.06.2018

“ITEM NO. B33: SCHEDULING OF CHUZACHEN HEP AND TASHIDING HEP

Scheduling of Chuzachen HEP and Tashiding HEP is carried out by ERLDC, as per Indian Electricity Grid Code Clause 6.4.3. The clause 6.4.3 states

Quote:

“There may be exceptions with respect to above provisions, for reasons of operational expediency, subject to approval of CERC. Irrespective of the control area the jurisdiction, if a generating station is connected both to the ISTS and the STU, the load dispatch centre of the control area under whose jurisdiction the generating station falls, shall take into account grid security implication in the control area of the other load dispatch centre.”



Unquote:

Presently, for net injection of Chuzachen, Gangtok(PG) and Rangpo(PG) end meter is used and for Tashiding net injection , New Melli(PG) and Rangpo(PG) end meter is being used.

It was decided in the 36th ERPC meeting that Tashiding would approach CERC and obtain approval from the Hon'ble commission regarding scheduling of Tashiding HEP by ERLDC. Tashiding HEP and Chuzachen HEP are yet to approach CERC for the said approval.

In 37th CCM, the followings were decided:

- i) The metering points for Chuzachen and Tashiding HEPs, would be at CTU end.*
- ii) As Chuzachen and Tashiding HEPs are embedded generators of Sikkim, both need to seek approval from CERC regarding scheduling by ERLDC. ERLDC may explain. Deliberation in the TCC meeting TCC advised Chuzachen and THEP to file petition with CERC for obtaining NOC for scheduling of generation by ERLDC. The accounting of power shall conform to the methodology listed in the agenda."*

ERLDC may explain.

Deliberation in the TCC meeting:

TCC advised Chuzachen and THEP to file petition with CERC for obtaining NOC for scheduling of generation by ERLDC. The accounting of power shall conform to the methodology listed in the agenda."

As per above petitioner was to approach CERC for obtaining NOC for scheduling of generation by ERLDC

17. Respondent No. 2 vide letters dated 12.01.2018 and 23.12.2021 and 23.5.2022 issued NOC for scheduling of Power from Chuzachen HEP by the ERLDC as follows:



GOVERNMENT OF SIKKIM
ENERGY AND POWER DEPARTMENT

No. 243/CE/ENP/RE/ESP/2017-18/890

Dated: 12/01/2018

TO WHOM IT MAY CONCERN

Reference to the Application No: GIPL/CO/17-18-01/001 dated: 01/01/2018 regarding issuance of NOC for the scheduling of Power by ERLDC for the power generated by Chuzachen HEP, the Energy & Power Department, Government of Sikkim do hereby provide a No Objection Certificate for evacuation of power generated by the Chuzachen HEP of Gati Infrastructures Pvt. Ltd. through interconnection with the Intra-State Transmission Line of Energy & Power department at Tower No:1 of the 132 KV Chuzachen-New Rangpo Transmission Line of ENPD. The Transmission charges as per Clause 3.9, Evacuation of Power, of the agreement signed on 14th November 2003 between Gati investments Ltd. and Sikkim Power Development Corporation Ltd. (A Government of Sikkim Enterprise) shall stand in force. The scheduling may also be done by ERLDC and the power evacuated further to the Inter State Transmission system. However, this is a purely temporary arrangement and will be effective till the commissioning date of the 132 KV GIS Bays at New Rangpo 400/220/132 KV Pooling Station of POWERGRID or till further instructions from the Energy & Power Department, Government of Sikkim.

Chief Engineer, (TQA/RE)
Energy & Power Department,
Government of Sikkim,
Gangtok.

As per above, NOC has been granted as a temporary arrangement, effective till the commissioning date of the 132 KV GIS Bays at New Rangpo 400/220/132 KV Pooling Station of POWERGRID or till further instruction from the Energy & Power Department, Government of Sikkim.

Further vide letter 23.12.2021 fresh NOC was issued for scheduling of power from Chuzachen HEP by the ERLDC till the end the Financial Year 2021-22 and that starting from the next financial year i.e. 2022-23, scheduling shall be done by Sikkim State Load Despatch Centre, as follows:

Fax: 03592 202927



Phones: 202706
PBX: 222908
222916

**GOVERNMENT OF SIKKIM
POWER DEPARTMENT**

No. 02/GEN/SLDC/2015-16/447

Dated 23/12/2021

TO WHOM IT MAY CONCERN

- Ref: 1. E&P letter No: 243/CE/EHV/RE/E&P/2017-18/830 dated 12.01.2018
2. CERC Order dated 13.12.2021 issued for Petition no.175/MP/2021

Reference to the Application No: GIPL/HO/2021-22/12-001 dated: 14/12/2021 regarding issuance of NOC for the scheduling of Power by ERLDC for the power generated by Chuzachen HEP, the Power Department, Government of Sikkim do hereby provide a No Objection Certificate for evacuation of power generated by Chuzachen HEP of Gati Infrastructure Pvt. Ltd. through interconnection with the Intra-State Transmission Line Of Power Department at Tower No: 1 of the 132 KV Chuzachen-New Rangpo Transmission Line of Power Department.

The agreement signed on 14th November 2003 between Gati Infrastructure Ltd and Sikkim Power Development Corporation Ltd (A Government of Sikkim Enterprise) shall stand in force.

The Scheduling may be done by ERLDC and the power be evacuated further to the Inter-State Transmission System till the end of this Financial Year i.e. 2021-2022. However, starting from the next financial year i.e. 2022-2023, scheduling shall be done by Sikkim State Load Despatch Centre, Power Department, Govt. of Sikkim.

Further the details of 132KV Chuzachen GIS Bay commissioned are as below:

132 KV Chuzachen-Rangpo I : 24.07.2019 at 22:05 Hrs

132KV Chuzachen- Rangpo II : 24.07.2019 at 22:35 Hrs


Executive Engineer (SLDC)

Executive Engineer (SLDC)
Energy & Power Deptt.
Govt. of Sikkim

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As per above, NOC was granted for a limited period upto end of 2021-22.

18. Petitioner has submitted that Sikkim State Load Dispatch Centre ("SLDC Sikkim") vide email dated 22.03.2022 to GIPL (petitioner) has stated that it shall be in position to undertake scheduling of the power of Chuzachen HEP starting from 01.04.2022, however, subsequently, during discussions




between GIPL and SLDC Sikkim, SLDC Sikkim expressed its inability to the commencement of scheduling of power by 01.04.2022 due to non-availability of requisite technical platform, software and technical infrastructure required to undertake the scheduling. Therefore, the scheduling was postponed by SLDC Sikkim till 01.06.2022 subject to remedy of the said technical constraints.

19. Further vide letter dated 23.5.2022, another NOC was issued by Respondent No. 2 as follows:

Fax: 03592 202927

Phones: 202706
FBX: 222908
222916



**GOVERNMENT OF SIKKIM
POWER DEPARTMENT**

No. 02/GEN/SLDC/2015-16/466 Dated 23/05/2022

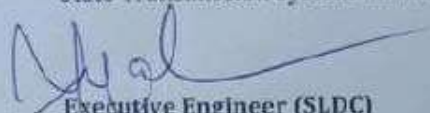
TO WHOM IT MAY CONCERN

Ref: 1. E&P letter No.243/CE/EHV/RE/E&P/2017 - 18/830 dated 12.01.2018
2. CERC Order dated 13.12.2021 issued for Petition no. 175/MP/2021

Reference to application No. GIPL/HQ/2022 - 23/05 / 001 dated: 19/05/2022 regarding issuance of NOC for the scheduling of Power by ERLDC for the power generated by Chuzachen HEP, Power Department, Government of Sikkim do hereby provide a No Objection Certificate for evacuation of power generated by Chuzachen HEP of Gati Infrastructure Pvt. Ltd through interconnection with the Intra - State Transmission Line of Power Department.

The agreement signed on 14th November 2003 between Gati Infrastructure Ltd and Sikkim Power Development Corporation Ltd. (A Government of Sikkim Enterprise) shall stand in force.

The Scheduling may be done by ERLDC and the power be evacuated further to the Inter State Transmission System till the time SAMAST Framework is set up at SLDC, Sikkim.


Executive Engineer (SLDC)
Executive Engineer
Power Department
Govt. of Sikkim, Gangtok

As per above, Respondent No. 2 has issued NOC for scheduling of Power from Chuzachen HEP of the Petitioner by the ERLDC till the time SAMAST framework is set up at SLDC, Sikkim.

20. We observe that the generating station of Petitioner is connected only to intra-State transmission system and accordingly should be scheduled by SLDC of Sikkim as per provisions of 6.4 of the 2010 Grid Code. However, Respondent No.2 has expressed difficulty in scheduling power from Chuzachen HEP by Sikkim SLDC due to non-availability of SAMAST Framework within the State and has provided NOC for scheduling to be taken up by ERLDC. ERLDC has been scheduling power from generating station of the Petitioner since its COD in 2013 and has not expressed any reservations in continuing the scheduling by ERLDC. Accordingly, in the given facts and circumstances, we are inclined to approve the exception of Regulation 6.4.2 (c)(ii) of 2010 Grid Code for reasons of operational expediency as provided under regulation 6.4.3 of 2010 Grid Code and hereby allow ERLDC to schedule power from Chuzachen HEP till the time SAMAST framework is set up at SLDC Sikkim. Respondent No. 2 is directed to take up the modalities of changeover of scheduling from ERLDC to SLDC Sikkim at ERPC forum, once SLDC, Sikkim is in position to take up the scheduling activity for generating station of petitioner.

Issue No. 2: Whether ERLDC complied with the provision of Grid Code while undertaken scheduling for generating station of the petitioner since 2013?

21. We observe that ERLDC has been scheduling power for generating station of petitioner since 2013. A related issue arises as to whether ERLDC was



authorised to undertake such scheduling under 2010 Grid Code since 2013 which is dealt with in subsequent paragraphs.

22. The Commission vide RoP of hearing dated 22.02.2022 directed ERLDC to explain the provision of the 2010 Grid Code under which ERLDC was scheduling power of the Petitioner's generating station since 2013 along with necessary proofs and approvals, if any.

23. ERLDC has made following submissions in this regard:

(a) M/s Gati Infrastructure Pvt Ltd (GIPL) initially signed connectivity agreement of 99 MW with CTU dated 07.11.2012 with connectivity point as below:

- i. At the connection point - 132/66 kV Gangtok Substation and Melli Substation using the Transmission and Communication System of the CTU namely 132 kV S/C Gangtok (PG)- Melli (Sikkim)- 36.136 km with LOOP-IN-LOOP- OUT Connectivity upto Rangpo, where Chuzachen-Rangpo 132 kV D/C was connected so as to form Chuzachen-Gangtok and Chuzachen-Melli 132 kV S/C lines (under the scope of M/s Gati Infrastructure Limited) as interim arrangement; and
- ii. Switchyard of Chuzachen HEP Plant (99 MW) to Rangpo 132 kV D/C line (under the scope of M/s Gati Infrastructure Limited) as Final Arrangement

(b) Chuzachen was electrically connected to both ISTS network & STU network (upto LILO portion only) (with connectivity agreement signed with CTU) and state share of power was less than 50% of share of power, the scheduling was to be carried out by ERLDC as per the Regulation 6.4.2 (c) (iii) of IEGC as quoted below.

Quote...

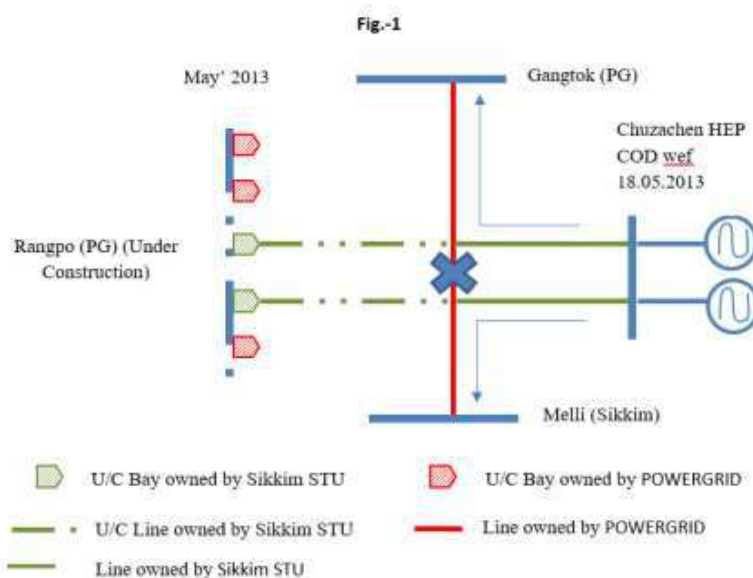
If a generating station is connected both to ISTS and the State network, scheduling and other functions performed by the system operator of a control area will be done by SLDC, only if state has more than 50% Share of power, The role of concerned RLDC, in such a case, shall be limited to consideration of

the schedule for interstate exchange of power on account of this ISGS while determining the net drawal schedules of the respective states. If the State has a Share of 50% or less, the scheduling and other functions shall be performed by RLDC .

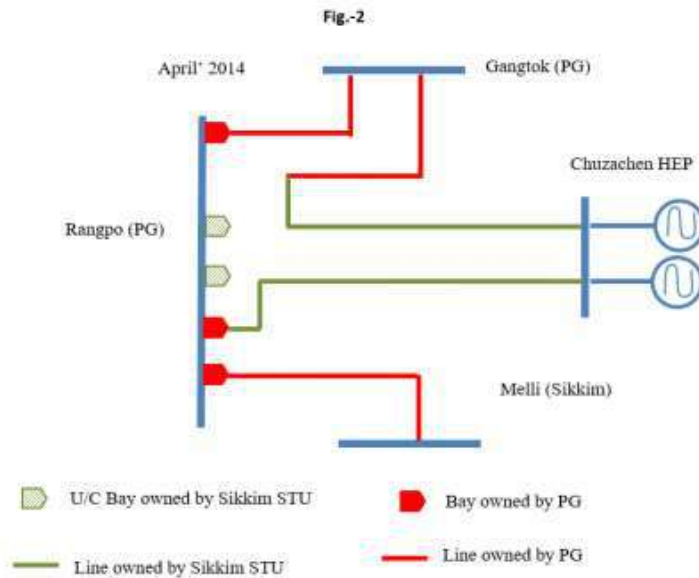
.....**Unquote**

- (c) At special meeting held among M/s. Gati infrastructure Ltd, Department of Power, Govt, of Sikkim, ERPC and ERLDC on 25.02.2013. Representative of Gati Infrastructure informed that the plant would be having connectivity with ISTS only by way of LILo-ing of Melli - Gangtok 132 kV S/C line as an interim measure till the Rangpo (PGCIL) Substation is completed. He noted that, as of then and in distant future also, the units would have direct connectivity with CTU. Therefore, he requested that the scheduling of the plant was to be carried out by ERLDC as per the provisions of IEGC in line with the scheduling done for other hydro ISGS stations. When asked to comment on the proposal of Gati Infrastructure regarding scheduling by ERLDC, representative of the Dept. of Energy and Power, Govt, of Sikkim informed that Dept. of Energy and Power, Govt, of Sikkim had no objection if the scheduling was done by ERLDC.
- (d) Subsequently as per the decision taken at the aforesaid meeting as mentioned in above Para & IEGC Clause 6.4.2.(c) (iii), the scheduling of Chuzachen was undertaken by ERLDC w.e.f. COD of the plant i.e. 18.05.2013.
- (e) Thereafter M/S Gati (Chuzachen) signed connectivity Agreement of 121 MW with Sikkim Power Development Corporation Ltd., a Government of Sikkim Enterprise dated 25.09.2017, to facilitate evacuation of Chuzachen power through intra-State transmission system with point of connectivity being the - Dead end Tower No: 1 of the 132 K V D/C (Zebra Conductor) Chuzachen-Rangpo Transmission line. Consequent upon the signing of the connectivity agreement with Govt. of Sikkim, the granted ISTS Connectivity to Gati Infrastructure Pvt. Ltd. (GIPL) for Chuzachen HEP in Sikkim was revoked by CTU vide letter dated 25.03.2018.

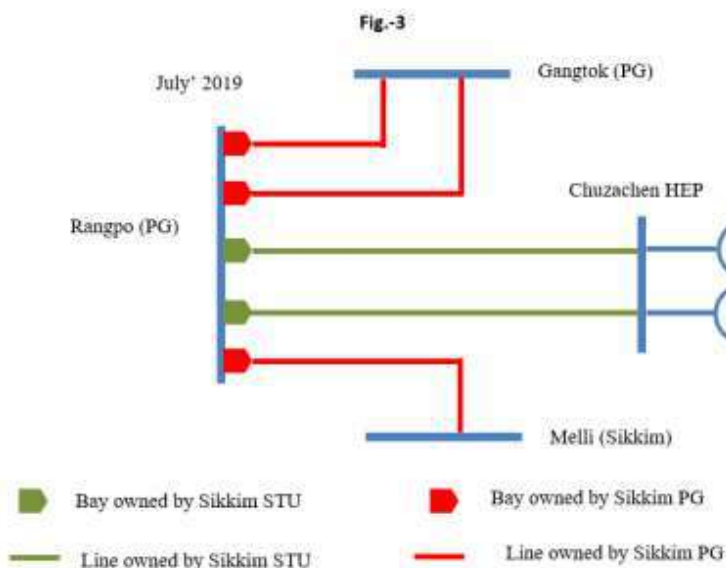
- (f) Further, NOC was issued by Dept. of Energy and Power, Govt. of Sikkim on 12.01.2018. The issue was deliberated in 38th ERPC meeting where ERLDC advised GIPL to file petition in CERC seeking approval under Regulation 6.4.3 of 2010 Grid Code.
- (g) Since May 2013, connection of Chuzachen HEP (Gati Infrastructure Pvt Ltd) was established by LILO of 132 kV Gangtok-Melli line of POWERGRID, so as to form 132 kV Chuzachen-Gangtok and 132 kV Chuzachen-Melli. Line from Chuzachen HEP to LILO point was owned Sikkim STU. Thus, evacuation of Chuzachen HEP established by partly utilizing Sikkim (STU) lines and POWERGRID lines. Evacuation details of this period are depicted as follows in Fig-1:



- (h) After commissioning of Rangpo (POWERGRID) substation during April 2014, one circuit of 132 kV Chuzachen- Rangpo terminated at Rangpo (POWERGRID) at bay earmarked for Melli Feeder (as associated bay of Chuzachen at Rangpo were not ready). Evacuation details of this period is depicted in Fig.-2.



- (i) During July 2019, commissioning of GIS bays at Rangpo substation earmarked for termination of 132 kV Chuzachen was completed by Sikkim STU. Since July 2019, 132 kV Chuzachen- Rangpo D/C was terminated at Rangpo substation at bays owned by Sikkim STU. Presently, Chuzachen HEP (Gati Infrastructure Pvt Ltd) is evacuating exclusively through lines and bays owned by Sikkim STU. Evacuation details of this period is depicted in Fig.-3.



24. We have perused the submissions of ERLDC. ERLDC has contended that petitioner was partly connected to CTU and partly to STU since May 2013. We do not agree with this view of ERLDC. We observe from submissions of

ERLDC as quoted at subclause (g) of paragraph 23 above that the petitioner was connected to lines owned by STU only and Petitioner was not connected directly to ISTS. Therefore, Regulation 6.4.2(c)(iii) of the 2010 Grid Code was not applicable in this case. Hence, the Petitioner was to be squarely covered under regulation 6.4.2 (c) (ii) of the 2010 Grid Code and scheduled by SLDC, Sikkim unless approved by CERC under regulation 6.4.3 of 2010 Grid Code.

25. We observe that neither ERLDC nor the petitioner ever sought any approval of the Commission and ERLDC continued scheduling for petitioner in contravention of the Grid Code. The Commission expresses strong displeasure at the act of ERLDC and directs the ERLDC not to breach the Regulatory provisions in future.

26. The Petition No. 175/MP/2021 is disposed in terms of the above.

Sd/

(P. K. Singh)
Member

Sd/

(Arun Goyal)
Member

Sd/

(I. S. Jha)
Member