



Chhattisgarh State Electricity Regulatory Commission
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Petition No. 03 of 2017(M)

In the Matter of

"Petition for implementation and compliance of the order dated 30.04.2016 in Suo-Motu petition No. 56 of 2015(M) passed by this Commission in the matter of methodology for billing of Parallel Operation Charges by CSPDCL".

M/s Chhattisgarh Power Producers Associations Petitioner

V/S

Chhattisgarh State Power Distribution Co. Ltd. ... Respondent

PRESENT : **Narayan Singh, Chairman**
: **Arun Kumar Sharma, Member**

APPEARANCE : Shri Raunak Jain, Advocate for petitioner.
: Shri Manoj Khare, SE and Shri S.K. Pandey, EE
for respondent.

ORDER ON ADMISSION
(Passed on 31st March 2017)

The petitioner Chhattisgarh Power Producers Association is a registered Association under the Societies Registration Act, 1860 and represents the interests of a large number of members that have setup power plants in the State and are engaged in various production activities besides generation and sell of power.

2. The respondent Chhattisgarh State Power Distribution Company Limited (CSPDCL) is a distribution licensee in the State and a successor company of Chhattisgarh State Electricity Board (CSEB). The Commission has authorized the respondent CSPDCL to levy

and collect Parallel Operation Charges (POC) from various captive power plants (CPPs) operating in parallel with the respondent Grid.

- 3.** The petitioner has filed the present petition, in the matter of implementation and compliance of the order dated 30.04.2016 in Suo-Motu petition No. 56 of 2015(M) passed by this Commission in the matter of methodology for billing of Parallel Operation Charges by CSPDCL.
- 4.** In that order, the Commission held that the then existing format for calculation of POC did not capture the actual captive load/non captive load and was based on theoretical parameters. The Commission was of the view that, it would be proper to establish grid support by industrial load, based on the actual measured values rather than theoretical parameters and assumptions and therefore, the Commission has initiated the above referred suo-motu petition for this purpose.
- 5.** The Commission after following due regulatory process has formulated a formula for billing of parallel operation charges, which is mentioned below:-

POC=*Max difference in KVA in a 15 min time block in a month x
Rate of POC (Rs./KVA)

*Maximum difference = Max Σ (Average Gross generation in KVA in 15 min time block – Aux consumption in KVA in the same 15 min time block – Average power exported to grid in KVA in the same 15 min time block)

- 6.** The petitioner submits that, through that order dated 30.04.2016, the CSPDCL was directed to ensure that, all the generation points and auxiliary consumption points are properly metered to indicate exact generation in terms of KVA. Installation of KVA recording (in 15 min time block) meters may be carried out either by generator or by Licensee, but invariably tested and sealed by the Licensees at the generators cost.
- 7.** The order was to be effective from 01.05.2016, but the respondent CSPDCL has failed to comply with the order and also to implement the revised methodology determined by the Commission for billing of POC to the CPPs till date.
- 8.** Despite several representations made by the Association and its members, the respondent could not implement the order dated 30.04.2016 and continue to recover POC based on the old formula, which is no longer in force. Therefore, this petition is filed.
- 9.** The respondent was served with notice for hearing on admission of the case. After receiving notice, the respondent has filed a statement of the objection to the admissibility of the petition. The respondent submits that, it comes out in most of the cases that, power producers have not procured and installed the requisite type of meters at the generation and auxiliary consumption points and is the main cause of non implementation of the said order. Thus, the power producers have not met with the part of their responsibility for implementation of the order hence, no cause of action is set out against the respondent. No list of the members is filed by the association.

- 10.** The Commission, in order dated 08.02.2017 in petition no. 51 of 2016(M), has issued detailed guidelines, in relation with implementation of the order dated 30.04.2016 and it is also mentioned in that order that, the observations in that order will apply to all such cases in the State, where metering is not carried out as per order dated 30.04.2016.
- 11.** The respondent submits that, the petition filed by the petitioner deserves to be dismissed and the prayer for interim relief ought to be rejected as well.
- 12.** We have heard both the parties on admissibility of the petition.
- 13.** We have also gone through our order dated 30.04.2016 in suo-motu petition no. 56 of 2015(M) and order dated 08.02.2017 in petition no. 51 of 2016(M). In order dated 08.02.2017, we have ruled that:-

15. After hearing the parties in length, considering the submission and counter submissions, it is clear that the meters installed to record generations and aux. consumptions are not capable of recording KVA to comply the Order dated 30.04.2016 in Suo-motu P No 56 of 2015.

The Commission's intent in Order dated 30.04.2016 in Suo-motu P No 56 of 2015 is very clear that KVA recordings meters to be arranged by the generators for metering of generation and auxiliary consumption points and can either be installed by Generator or licensee at the cost of generator. However it is to be essentially tested and sealed by licensee.

It is surprising to note that despite lapse of considerable time, efforts have not been made to ensure metering system as per Order dated 30.04.2016. Petitioner should have arranged appropriate meters which would have been tested by the licensee and installed at appropriate metering points by generator. Parties need to ensure that the action for providing suitable metering is taken immediately so that billing is done as per the Order dated 30.04.2016.

Under these circumstances, the Commission feels that billing is to be carried out in line with old prevailing formula i.e. prevailing prior to Order dated 30.04.2016 till the time meters according to Order dated 30.04.2016 are installed.

Petitioner need to ensure that the initiative for suitable metering is done immediately so that billing is done as per the Order dated 30.04.2016.

16. These observations as mentioned above apply to all such cases in the State, where metering is not carried out as per Order dated 30.04.2016. CSPDCL is directed to implement the same without any discrimination among the generators.

15. Since, we have already clarified in the above mentioned order that the observations of order dated 08.02.2017 will apply to all such other cases and this case is also similar, we feel no need to proceed again with the same process in this case also. It is argued by the counsel of the petitioner that this case is filed

before the decision of petition no. 51 of 2016(M), but we observe no difference in the factual position in both the cases.

- 16.** As we have already ordered that KVA recording meters are to be arranged by the generators for metering of generation and auxiliary consumption points and can either be installed by Generator or licensee at the cost of generator and this order will be applicable to other similar cases, we dismiss this petition at the stage of admission only. Both parties shall bear their own cost.

Sd/-
(ARUN KUMAR SHARMA)
MEMBER

Sd/-
(NARAYAN SINGH)
CHAIRMAN