



## Chhattisgarh State Electricity Regulatory Commission

Civil Lines, G.E. Road, Raipur – 492001

Tel: 0771-5073555, Fax-5073553

### Petition No. PL-4 of 2005

#### **In the matter of application for distribution licence by Bhilai Steel Plant (BSP)**

Bhilai Steel Plant (BSP)  
Bhilai (C.G)

..... Applicant

#### **ORDER (Passed on 09.11.2005)**

Bhilai Steel Plant (BSP), a unit of the Steel Authority of India Ltd., (the applicant, for short) has submitted an application under Sec. 14 of the Electricity Act, 2003 (the Act, for short) to the Commission on 10.2.05 for a licence for distribution of electricity in the following area:

- (1) Bhilai Township, Distt. Durg
- (2) Dalli-Rajahara and Mahamaya Township, Distt. Durg.
- (3) Nandini Township, Distt. Durg
- (4) Hirri Mines Township, Distt. Bilaspur

The application has been submitted in compliance with the procedure laid down in the CSERC (Licence) Regulations, 2004 (the Regulations, for short). The applicant is a major steel plant in Bhilai and maintains townships at Bhilai, Rajhara, Nandini and Hirri in the State mainly for residential purpose for its employees. The applicant is already distributing electricity in the townships as a non-licensee under Sec. 28 of the now repealed Indian Electricity Act, 1910 since 1978. The BSP has been permitted to supply electricity vide the Govt. of undivided M.P's letter No. F-7/1/13/77 dated 6.6.1978 and subsequent amendment issued vide letter No.3116/F-16/3/13/92 dated 27.6.1992. Supply of electricity to the townships is being made through BSP's own distribution network. Although, the above authorization by the State Government for distribution of electricity under the Electricity Act, 1910 is saved under Sec. 185 of the Act, in view of the fact that certain modifications which are now desired in the area of the licence and also the fact that with the bifurcation of the erstwhile Madhya Pradesh and the creation of Chhattisgarh State a new Board i.e. Chhattisgarh State Electricity Board (CSEB) has been constituted, the applicant has sought a new licence under Sec. 14 of the Act. The applicant is thus already engaged in distribution of electricity in the area through his own distribution network, for which this application for a fresh licence has been preferred.

2. In course of its consideration the applicant requested for modification of the application seeking exemption of licence for distribution of electricity under Clause 27 of the CSERC (Conduct of Business) Regulations, 2004 in the following areas: -

- (1) Dalli-Rajahara and Mahamaya Township, Distt. Durg.
- (2) Nandini Township, Distt. Durg
- (3) Hirri Mines Township, Distt. Bilaspur

On the ground that these three are areas in which only the employees of the applicant reside, the Commission has accepted this request for amendment of the original application for licence and has considered the application for distribution of licence for Bhilai township only.

3. In pursuance of the provision of Clause VIII of the CSERC (Conduct of Business) Regulations, 2004 notice was published by the applicant on the following dates in the following newspapers, inviting objection/suggestion from any person desirous of doing so within 30 days from the date of publication of the notice:

1. Nav Bhavat (Hindi), Bilaspur 24.2.05
2. Nav Bharat (Hindi), Raipur 26.2.05
3. Hitvada (English) 24.2.05

No objection was received against the petition within the stipulated period of 30 days. The CSEB was also provided with a copy of application; but they have also not submitted any comment or suggestion on this application for licence.

4. The case was heard on 7th May, 2005 as per the provisions of clause 11 of the Regulations and during the hearing also neither any objection was filed against the application nor any objector appeared before the Commission. The Commission did not consider any local enquiry under clause 11(4) of the Regulations necessary (i) because of the position of the applicant as the present supplier of electricity in the area covered by the application, and (ii) since no objection or suggestion for local enquiry on the application was received from any quarter.

5. Taking an overall view and considering the fact that BSP is already distributing electricity in the Bhilai township area, which includes the residential colony of its employees, since many years, the Commission decides to issue licence for distribution of electricity to BSP in the designated area bounded by green coloured line in the map submitted except for HUDCO area (identified in the map) and also except for the points where CSEB is supplying power to its consumers or is using it for its own purposes in the area on the date of licence.

6. The proposed licence shall be subject to the following conditions:

- (i) The distribution licence shall be for a period of 25 years as provided in Sec. 15(8) of the Act from the date of issue unless it is revoked earlier.
- (ii) The distribution licensee shall abide by all the provisions of the Act, the general conditions of the licence laid down in Chapter III specific conditions applicable to a distribution licensee in Chapter V of the Regulations and other relevant provisions of other Regulations issued by the Commission from time to time.
- (iii) The distribution licensee shall, within a period of one year from the date of issue of licence, set up a separate feeder for receiving power from the CSEB or any

other source, separate from its present feeder which caters for supply of power both to the steel plant and also to the township. Till a separate feeder is set up for the township, BSP may use the present feeder by providing separate meters for the township, to the satisfaction of the CSEB, in order to ensure that the supply to the township is separate from the supply to the plant.

- (iv) The distribution licensee shall construct/establish necessary LT & HT distribution lines and sub-stations in the designated area at his own cost to ensure supply to the existing HT, LT, domestic, commercial and agricultural consumers and also to all persons who may apply for the supply in the designated area.
- (v) The distribution licensee shall abide by the safety rules and safety standards issued by Central Electricity Authority, Ministry of Power, Govt. of India from time to time.

7. In pursuance of the provisions of Section 15 (5) of Electricity Act, 2005 and clause 13(1) of the Regulations notice be issued in two news papers having large circulation in Durg-Bhilai area regarding the proposal to issue a distribution licence to Bhilai Steel plant in the designated area. The Commission shall consider any suggestion which may be received within 15 days of the publication of the notice before issuing the licence. In the meantime the applicant may also be asked, in terms of the provision of clause 13(2) of the Regulations, if he is willing to accept the licence in the form proposed.

A copy of the order be given to the applicant and the CSEB.

Sd/-  
**Member**

Sd/-  
**Chairman**

**True Copy**

**(N.K. Rupwani)**  
**Secretary**