

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 92 of 2016

Date: 17 November, 2016

CORAM: Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member

Petition of M/s Grace Industries Ltd. for grant of special permission to conduct / declare Commercial Operation Date beyond stipulated period of six months by enhancing the period by one year in exceptional situation and permit it to transmit the energy up to 03 MW through Open Access to its own Unit situated at Butibori, Nagpur without the mandatory requirement of COD.

M/s Grace Industries LtdPetitioner

V/s.

1) Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL)
2) Maharashtra State load Dispatch Centre (MSLDC)Respondents

Appearance:

For the Petitioner : Shri Tushar Mandlekar (Adv)
For the Respondents : Shri. Ashish Singh (Adv) ,MSEDCL
Shri. A.V. Bute (Rep), MSEDCL
Shri A.P.Rewagad (Rep) , MSLDC

Daily Order

Heard the Advocates/ Representatives of the Petitioner and Respondents.

1. The Petitioner stated that:

- (i) The Petitioner had proposed two Units of Captive Power Plant (CPP), one of 8 MW and another of 25 MW, with a total capacity of 33 MW. The first Unit of 8 MW based on Waste Heat Boiler was synchronized on 24 March, 2015.

- (ii) The 8 MW CPP ought to have achieved COD within six months, but COD got delayed beyond six months from the date of synchronization of the Plant due to various reasons which were beyond the control of the Petitioner.
- (iii) Following are the reasons for the delay in COD:
- a) The State - level Appraisal Committee recommended to Ministry of Environment and Forests (MoEF) to grant Environmental Clearance (EC) to the CPP of the Petitioner. However, in January, 2010, MoEF issued a blanket moratorium on projects in the Chandrapur District and other areas due to critical levels of pollution. However, for the Chandrapur area, a moratorium was vacated on 20 May, 2016.
 - b) Due to delay in obtaining the EC, Coal linkages of WCL also got cancelled.
 - c) The Petitioner has four Waste Heat Boilers in its operational unit of 8 MW, and only two Boilers were in operation due to shortage of coal and raw material. Hence, the Petitioner could not generate up to the full operational capacity for all four Boilers and, therefore, could not achieve the COD.
- (iv) Regulation 8.6 of the Transmission Open Access Regulations, 2014 stipulates that the Commission may allow extension of the period for testing, including full load test, and consequent injection of infirm power by the Unit, beyond six months, in exceptional circumstances on an application made by the Generating Company at least two months in advance of the completion of six months period.
- (v) The Commission may allow the Petitioner to use the energy up to 3 MW through Open Access for its own Unit situated at Butibori, Nagpur, till COD.
- (vi) The Petitioner has signed Energy Purchase Agreement with MSEDCL on 13 May, 2015 for the period 01.04.2015 to 31.03.2016.
2. MSEDCL stated that issues of adjustment of units, and scheduling of power may arise due to grant of Open Access for self use till COD, which needs to be addressed.
 3. The Petitioner, MSEDCL and MSLDC agreed to sit together and discuss the issue of permission of Open Access for self use, till the COD.
 4. The Commission directs MSEDCL to submit the outcome of the above discussion within three weeks.

The Secretariat of the Commission will communicate the next date of hearing.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**