

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

WEST BENGAL

Petition No. OA-349/20-21

Date of hearing: 17th March, 2021

Time of hearing: 14.30 hours

Quorum:

**Shri Sutirtha Bhattacharya, Chairperson
Shri Durgadas Goswami, Member
Shri Pulak Kumar Tewari, Member**

In the matter of

Application by Ultratech Cement Limited seeking intervention of the Commission in regard to release of NOC by WBSEDCL for wheeling of 7.425 MW and 10.00 MW of power by Ultratech Cement Limited from their captive power plant at Bhatapara - Baloda Bazar, Chhattisgarh to their works at Dankuni, West Bengal and Raghunathganj, District: Murshidabad, West Bengal, respectively.

And

In the matter of

Ultratech Cement Limited
Dankuni Cement Works
JL-80, Vill. Panchghara P.O.: Panchghara Bazar
P.S. Chanditala
Dist. Hooghly,
West Bengal
PIN 712 306.

Ultratech Cement Limited
(Sonar Bangla Cement Works)
Vill: Dhalo, P.O. Gankar, P.S. Raghunathganj
Dist. Murshidabad,
West Bengal, PIN: 742 227

Petitioner

And



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State Load Despatch Centre
West Bengal State Electricity Transmission Co. Limited
Andul Road
Danesh Sheikh Lane
Howrah 711109.

Respondent

And

West Bengal State Electricity Distribution Company Limited
Vidyut Bhavan
Block DJ, Sector - II
Salt Lake City
Kolkata 700 091.

Respondent

Representatives attended:

Ultratech Cement Limited, Dankuni Cement Works, Dankuni (Petitioner)

1. Om Narayan Rai, Advocate
2. Sri Pankaj Gupta.

Ultratech Cement Limited, Sonar Bangla Cement Works, Raghunathganj, Murshidabad (Petitioner)

3. Sri Pankaj Sil.

West Bengal State Electricity Distribution Company Limited (WBSEDCL)
[Respondent]

1. Sri Shiv Shankar Banerjee, Advocate
2. Sri Santanu Sarkar, CE

State Load Despatch Centre, West Bengal State Electricity
Transmission Company Limited (WBSETCL) [Respondent]

1. Sri C. K. Haldar, CE,
2. Sri D. Bhattacharyya, ACE,

CASE IN BRIEF

The petitions of Ultratech Cement Limited, Dankuni Cement Works at Dankuni and Sonar Bangla Cement Works at Raghunathganj, Murshidabad for wheeling of 7.425 MW and 10.00 MW of power by Ultratech Cement Limited from their captive power plant at Bhatapara - Baloda Bazar, Chhattisgarh to their works at Dankuni, West Bengal and Raghunathganj, District: Murshidabad, West Bengal, respectively were heard by the Commission on 17th March, 2021 as scheduled.



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SUBMISSION DURING HEARING

At the outset, Sri Sutirtha Bhattacharya, Chairperson of the Commission, enquired as to whether Ultratech Cement provided all the details to WBSEDCL in regard to compliance of the requirements of Captive Generating Plant as per the provisions prescribed in rule 3 of the Electricity Rules, 2005 issued by the Ministry of Power, Government of India vide its Notification dated 8th June, 2005. This is required as Ultratech Cement has submitted in their petition the generation as a captive generation, a part of which they are contemplating to use as captive consumer for their cement plants at Dankuni and Raghunathganj in Murshidabad District. In reply, Sri Pankaj Gupta, on behalf of Ultratech Cement, said that they have very clearly mentioned in their application to WBSEDCL in prescribed format that the generating plant at Chhattisgarh is a captive power plant.

During the hearing, Om Narayan Rai, Ld. Advocate, on behalf of Ultratech Cement Limited (in short 'Ultratech Cement') stated that, they have applied in December, 2019 to SLDC and WBSEDCL for wheeling of powers from their captive power plant at Chhattisgarh to their units at Dankuni and Raghunathganj, Murshidabad. While the NOC from SLDC has been received in this regard, the clearance of WBSEDCL is yet to be received. Since it is a long pending case, they have been getting the NOC renewed from time to time on payment of requisite fees and the latest renewal of NOC is valid till 23rd May, 2021. While SLDC has complied the responsibility on their part, the approval of Agreement and ABT meters, etc. required for open access are still awaited from WBSEDCL.

Sri Shiv Shankar Banerjee, Advocate, on behalf of WBSEDCL, submitted that as per the rule 3 of Electricity Rules, 2005, Ultratech Cement is firstly required to satisfy WBSEDCL that the cement plants at Dankuni and Raghunathganj, for which the power will be wheeled from the captive generating plant at Chhattisgarh, have twenty six percent ownership of the captive generating plant at Chhattisgarh and that not less than fifty one percent of the aggregate electricity generating in such plant, determined on an annual basis, is consumed for the captive user. In fact, Ultratech Cement is only claiming to be captive consumer, but no valid evidence or documents in this regard are submitted along with their application. Therefore, unless the WBSEDCL is satisfied with the status of captive consumers as per the provisions of the Electricity Rules, 2005, they are unable to proceed further. Sri Banerjee urged the Commission to direct Ultratech Cement to swear an affidavit explaining that Ultratech cement fulfills the criteria of rule 3 of the



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Electricity Rules, 2005. within the purview of captive consumer.

Upon submission of Ld. Counsel Sri Banerjee, Sri Rai, Ld. Counsel on behalf of Ultratech Cement drew the notice of the Commission to a letter dated 13.02.2020 addressed to WBSEDCL wherein the details of the ownership of the captive plant was mentioned. It was revealed from the letter that the contention as laid down in the letter does not satisfy the compliance of process of the criteria as specified in the Electricity Rules, 2005.

Sri Durgadas Goswami, Member of the Commission commented that Ultratech Cement has stated to have clarified about the ownership of the captive plant but the percentage of utilization of the electricity generated from the captive generating plant is yet to be clarified. He also asked the Ld. Counsel of WBSEDCL as to whether they have asked Ultratech Cement to provide specific documents/evidences in support of their claim to be a captive consumer. In reply, the Ld. Counsel of WBSEDCL said that they have not specifically asked for the documents, but an indication has been given in their letter in this respect.

Sri Pulak Tewari, Member of the Commission endorsed the submission of Ld. Counsel on the behalf of the WBSEDCL that Ultratech Cement should file an affidavit satisfying the fulfilment of the conditions as laid down in rule 3 of the Electricity Rules, 2005.

ORDER

Upon hearing, the Commission directed that -

- a) Ultratech Cement Limited shall submit an affidavit to the Commission satisfying fulfilment of the conditions as specified in rule 3 of the Electricity Rules, 2005 with proper documents/evidences within two weeks from the date of receipt of the order, with a copy to WBSEDCL.
- b) Upon receipt of the affidavit, the next date of hearing will be fixed.

sd/-
(PULAK KUMAR TEWARI)
MEMBER

sd/-
(DURGADAS GOSWAMI)
MEMBER

sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

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DATE: 23.04.2021



M Guha Roy
(M. Guha Roy)
Secretary