

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

WEST BENGAL

Petition No. OA-302/18-19

Date of hearing: 25th April, 2019

Time of hearing: 14.30 hours

Coram:

Shri Sutirtha Bhattacharya, Chairperson

Shri Durgadas Goswami, Member

In the matter of

Application by OCL Bengal Cement Works, a unit of OCL India Limited (OCL) seeking clarification on DSM mechanism under WBERC (Open Access) Regulations, 2007 as urged upon by SLDC, WBSETCL on OCL's application for inter-state Short Term Open Access for 7 MW power from OCL's Captive Power Plant at Rajgangpur, Odisha to their works at Godapiasal, Salboni, West Medinipur.

And

In the matter of

OCL Bengal Cement Works
A unit of OCL India Limited
Sangam Garden, Saraswati Block
Tantigeria
P.O. Vidyasagar University
P.S. Medinipur Kotwali
Dist. West Medinipur.

..... Petitioner

And

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

..... Respondent

Representatives attended:

OCL Bengal Cement Works (OCL) [Petitioner]

1. Sri Manoranjan Sahoo, Deputy Executive Director.

West Bengal State Electricity Transmission Company Limited (WBSETCL)

[Respondent]

1. Sri Prabir Kumar Kundu, CE, SLDC

CASE IN BRIEF

OCL has submitted a petition on 7th March, 2019 praying before the Commission to clarify provision for DSM mechanism under the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2007. As per WBSETCL and WBSEDCL, this DSM mechanism is required for issuance of no objection on their application for grant of Inter-state Short Term Open Access (STOA) for 07 MW power from their captive power plant at Rajgangpur, Odisha to their works at Salboni, West Medinipur. OCL has a cement manufacturing unit at Salboni, West Medinipur. OCL is also having a coal based Captive Power Plant (CPP) of 54 MW and a waste heat recovery based CPP of 9.5 MW at Rajgangpur, Odisha. OCL wants to import 07 MW power through inter-state STOA from Rajgangpur to Salboni. Accordingly they applied for grant of prior standing clearance for bilateral transactions through inter-State open access for the period of three months i.e., from 1.4.2015 to 30.06.2015 in accordance with regulation 8 of the CERC (Open Access in inter-State Transmission) Regulations, 2008 which has been denied by WBSLDC on the ground of non-satisfaction of n-1 criteria. Since then, they have applied several times for obtaining no-objection from WBSLDC, but in vein, resting the sixth application made on 05.11.2018 for open access from November 2018 to February, 2019 when WBSLDC and WBSEDCL informed that there is no provision for DSM mechanism in WBERC (Open Access) Regulations, 2007 and that the application of OCL can be considered only after resolution of the DSM mechanism by the Commission. Hence, OCL has approached before the Commission for redressal of the issue.

On perusal of the petition along with the documents submitted by OCL, the Commission admitted the matter and decided to hear it. Accordingly, notices upon both OCL and WBSLDC were served vide letter dated the 4th April, 2019 intimating that the hearing would take place on 25.04.2019 at 14.30 hours at the office of the Commission. The Commission took up the hearing on 25.04.2019 as scheduled.

SUBMISSION DURING HEARING

Sri Manoranjan Sahoo, on behalf of OCL, has submitted, inter-alia that OCL had applied on 09.03.2015 for clearance of inter-State Short Term Open Access from WBSETCL for import of 10 MW power from OCL's CPP at Rajgangpur, Odisha to OCL's Bengal Cement Works at Salboni, West Medinipur for the period April, 2015 to June, 2015. But, the said application was rejected by WBSETCL with the reasons that the capability of WBSETCL transmission system is insufficient for wheeling the power from Rajgangpur to Salboni and that it is not being satisfied under N-1 criteria. Subsequently, the petitioner applied for clearance for wheeling of electricity from its captive power plant in Odisha to west Bengal. WBSETCL denied no objection on the ground of non-availability of room in CTU-STU corridor and non-receipt of clearance from PTP, WBSEDCL. The petitioner also submitted that OCL has approached PTP-WBSEDCL for entering into necessary agreement but the same was rejected by PTP-WBSEDCL. In the above background, OCL filed a petition before the Central Electricity Regulatory Commission (CERC) against the denial of STOA by the WBSETCL. CERC, after hearing both OCL and WBSETCL directed that OCL's application for open access for 10 MW power cannot be rejected by WBSETCL on the ground of the non-availability of room in CTU-STU corridor and non-receipt of clearance from PTP, WBSEDCL to see that OCL's requirement is accommodated within existing transmission and distribution capacity of WBSETCL and WBSEDCL. Instead of acceding to the direction of the CERC, WBSETCL preferred to file a petition in the Appellate Tribunal for Electricity to CERC's judgement. The petition was taken up by the Appellate Tribunal on 23.07.2018 and 30.07.2018, but no one appeared on behalf of WBSETCL on the above dates of hearing. Hence, the petition of WBSETCL was dismissed on default. In view of above directions by CERC and Appellate Tribunal for Electricity, OCL again applied on 05.11.2018 to WBSETCL for wheeling of 7 MW power from its CPP at Odisha to Cement Plant at Salboni, West Bengal for the period of November, 2018 to February, 2019. This time,

both WBSEDCL and WBSETCL informed that due to absence of provisions for DSM mechanism in WBERC (Open Access) Regulations, 2007, they are unable to consider this case. However, the application can be considered once the issue of DSM mechanism is settled by the Commission.

Sri P. K. Kundu, on behalf of WBSETCL stated inter-alia that -

- a) At the time of initial application, there was no availability of room at CTU-STU corridor. However, presently, there is no constraint to import 7 MW power from Odisha to West Bengal;
- b) Availability in distribution system is also required to be confirmed by WBSEDCL and therefore WBSETCL wrote to WBSEDCL on 14.11.2018 to confirm as to whether the distribution capacity of WBSEDCL is there to accommodate 7 MW power;
- c) WBSEDCL informed that the DSM mechanism to deal with real time energy deviation from drawal schedule by open access consumers is essential for maintaining system security of West Bengal as a whole. But, the provision of DSM mechanism is not there in the Open Access Regulations of the Commission. WBSEDCL has already taken up the issue with the Commission, who in turn communicated that the matter is being looked into during the amendment of relevant Regulations;

Upon submission of WBSETCL, Sri Sahoo of OCL further submitted that the judgement of CERC clearly specified the parameters of DSM mechanism which includes meter and availability. OCL submitted that OCL has already procured ABT meters and real time data communication system which are installed at its sub-station and the import of 7 MW power is well within the contract load and accommodative within existing transmission and distribution capacity of WBSETCL and WBSEDCL as per CERC judgement.

OBSERVATIONS OF THE COMMISSION

The Commission observed that –

- a) Although the Commission is yet to frame Regulations on Deviation Settlement Mechanism (DSM), but under the regulation 6.5 of the WBERC (Terms and Conditions of Tariff) Regulations, 2011, as amended, UI mechanism is clearly specified for inter-State and intra-State transmission and distribution system which may be followed in the present case.

- b) Moreover, clause 25 of the CERC's order dated 31st July, 2017 clearly specifies that – “the petitioner's application for open access for 10 MW power cannot be rejected by WBSLDC on the ground of the non-availability of room in CTU-STU corridor and non – receipt of clearance from PTP, WBSEDCL as the Petitioner's requirement is accommodated within existing transmission and distribution capacity of WBSETCL and WBSEDCL”.
- c) The order of the CERC was appealed against in the APTEL by WBSETCL among others, but on the dates of hearing they remained unrepresented and thus the appeal stood dismissed.

ORDER

Upon hearing the parties present and based on the observations made by the Commission, the Commission directs that:

- a) The WBSEDCL be issued notice to be present on the next date of hearing and for making their written submission by 29th May, 2019;
- b) WBSETCL shall make their written submissions on the prayer for importing 7 MW power from Odisha to West Bengal by OCL, to the Commission within 29th May, 2019;
- c) Next date of hearing is fixed on 10th June, 2019 at 14.30 hours.

Sd/-
(DURGADAS GOSWAMI)
MEMBER

Sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

DATE: 20.05.2019

sd/-
(T. K. MUKHERJEE)
SECRETARY

