



## **2. Contention as set out in M.P.No.30 of 2012:-**

(a) In Clause 7.1.20 of the Tariff Order dated 30-03-2012, with respect to M/s.GMR Power Corporation Limited, M/s.Samalpatti Power Corporation (P) Limited (M/s.SPCL), M/s.Madurai Power Corporation (P) Limited (M/s.MPCL) and M/s.PPN Power Generating Company (P) Limited (M/s.PPN), the Commission has approved only the fixed charge payable to the above companies and ordered that wherever the above power stations are to be dispatched outside merit order, the Petitioner should get the approval of the Commission. The Commission has further observed that TANGEDCO shall obtain approval of the Commission in advance by furnishing reasons for such action. In case of emergencies TANGEDCO is permitted to resort to such a practice but will approach the Commission within a week of such action along with the reasons for such action.

(b) In view of the failure of South West monsoon and very poor storage in the Hydro Reservoirs, the hydro inflows in the power plants of Tamil Nadu is only 282 MU during the month of August 2012, 579 MU during the same month in the previous year.

(c) The State owned EPC projects, joint venture projects and central sector projects have been delayed.

(d) The date of commissioning assumed by the Commission in its Tariff Order No.1 of 2012 dated 30-03-2012 has not happened and hence the short fall of the quantity has to be purchased from high cost IPPs as well as purchase from the traders / generators.

(e) Similarly, the Commission has assessed capacity addition by TANGEDCO as follows:-

Sl.No.	Projects	MU	Date of Commissioning
1	NCTPS Phase – II Unit – II	3030	15-06-2012
2	MTPS Stage – II 300 MWq	1913	31-03-2013
3	MTPS Stage – III	1515	15-06-2012

As the above date of commissioning of the projects under this segment has not happened on the dates indicated by the Commission, shortfall of the above quantum is to be met from other sources.

(f) The raw water problem for Tuticorin Thermal Power Station has led to decreased power generation from the power plant. Due to ageing of ETPS, only a meagre generation of around 60 to 100 MW is only being realised.

(g) The shortfall in TNEB's share from Central Generating Stations in the order of 1000 MW to 1140 MW has led to further shortage of power for the month of August 2012.

(h) The forecasted demand for the month of August 2012 during peak hours is 11500 MW. However, the forecast availability from all the sources is only 9486 MW, leaving a deficit of 2014 MW.

(i) M/s..PPN was dispatched outside the merit order from 09-08-2012 to 11-08-2012, 15-08-2012 to 17-08-2012 and from 22-08-2012 to 24-08-2012, due to the work-over operation taken up by the gas supplier to the power station. On completion of work over, M/s.PPN was kept standby from 25-08-2012.

(j) Complying this Commission's Tariff Order No.1 dated 30-03-2012, the Zero dispatch to high cost IPPs were given by TANGEDCO (Annexure III).

(k) M/s.GMR Power Plant is dispatched outside merit order to meet out the city loads till Mylapore 230 KV SS is provided with an alternate 230 KV supply from Taramani. This was already submitted to the Commission vide Director / Operation / TANTRANSCO letter dated 10-08-2012.

(l) Due to the deficit as explained above the high cost IPPs were given dispatch instructions considering the situation judiciously from 01-08-2012 to 31-08-2012:-

Name of the IPP	Actual power dispatched in the month of August 2012 in MU
M/s.GMR	46.239
M/s.SPC	15.340
M/s.MPC	14.242
M/s.PPN	140.915
Total	216.736

### **3. Findings of the Commission:-**

3.1. This Petition is filed by M/s. TANGEDCO for approval / ratification of operating of Power Stations of M/s. GMR, M/s. SPCL, M/s. MPCL and M/s. PPN for dispatching power outside the Merit Order for the month of August 2012.

3.2. This Petition is filed consequent to the direction contained in the Tariff Order dated 30.3.2012 for the year 2012-13 in Clause 7.1.20 wherein the Commission had approved the payment of Fixed Charges alone to the above referred projects and if these power stations are to be dispatched outside the Merit Order, TANGEDCO shall obtain approval of the Commission in advance by furnishing the reasons for such

action. TANGEDCO has now filed this Petition for having dispatched these plants beyond the Merit Order during August 2012 as per the following table.

Name of the IPP	Actual power dispatched in the month of August 2012 in MU
M/s. GMR	46.239
M/s. SPC	15.340
Ms. MPC	14.242
M/s. PPN	140.915
Total	216.736

3.3. The Commission had dealt with the issue of dispatches outside the Merit Order for the months of April to June 2012 in its Order dated 21<sup>st</sup> June 2012 in M.P. No.11 of 2012. For the month of July 2012, this issue was dealt by the Commission in its Order dated 28.9.2012 in M.P. No.23 of 2012. The present Petition seeks ratification of dispatches beyond the Merit Order for the month of August 2012 aggregating to 216.736 MUs.

3.4. The Commission had perused the reasons given in the Petition as well as the arguments of the Petitioner during the hearing held on 18.10.2012. Following are the observations of the Commission.

1. None of the on-going projects which were expected to be available during this year, as envisaged at the time of issuing Tariff Order dated 31.3.2012 have actually been commissioned. This avoidable delay has caused the shortage of power.
2. It is true that the failure of the North-East monsoon had to an extent adversely affected the hydro generation.
3. Generation in Tuticorin Thermal Power Station was stated to be low due to raw water problem. This is purely a management problem for which TANGEDCO has to take responsibility.

4. Lower availability of share from Central Generating Stations to the tune of 1000 MW to 1140 MW during the month of August 2012.

3.5. All these things, according to TANGEDCO has resulted in a deficit of 2014 MW. TANGEDCO has stated that the Zero Dispatch to high cost IPPs were given by TANGEDCO and the details are enclosed in Annexure III. But, to certain extent TANGEDCO also has to take responsibility for delay in Commissioning of new projects and reduced generation in Tuticorin(TTPS).

3.6. As regards M/s. GMR Power Plant being dispatched outside the Merit Order to meet out the city loads till Mylapore 230 KV sub-station is provided with an alternate 230 KV supply from Taramani, reference to a letter from Director (Operations), TANGEDCO dated 10.8.2012 has been made by TANGEDCO. TANGEDCO should note that such communications in the form of letters when specific Petitions are being handled shall be avoided. Whatever the Petitioner wants to say should be brought out in the Petition itself. Nevertheless, the Commission observes that providing of second supply to Mylapore 230 KV sub-station is being talked about for some time but the same is yet to materialize. TANGEDCO is directed to obtain necessary details from TANTRANSCO and file the same as to the time frame by which the alternate 230 KV supply from Taramani would be provided to Mylapore. The Commission has already indicated in its earlier order that the State Load Dispatch Centre shall be responsible for optimum scheduling and dispatch of electricity within the State in accordance with the contracts entered into with the Licensees or generating companies operating in their State in accordance with section 32(2)(a) of the Electricity Act 2003. The same shall be ensured by the State Load Dispatch Centre. TANGEDCO may accordingly co-ordinate this issue with the State Load Dispatch Centre.

3.7. The affidavit filed by the Petitioner on 11<sup>th</sup> October 2012 in M.P. No.23 of 2012 was also perused. The said affidavit is in response to the direction of the Commission in its Order dated 28.9.2012 in M.P. No.23 of 2012. The salient part of this affidavit is that the statement of M/s. HOEC vide letter dated 30.8.2012 that well bore damage is irreversible and they will not be able to get the damaged two wells to a productivity level. HOEC also further stated that the anticipated schedule for completion of the new well "Surya" is mid October 2012. Under these circumstances 17,000 MBTU per day of gas was available during the earlier period and PPN Plant was run with mixed fuel of natural gas and naphtha. The actual position in this case since mid October 2012 shall be filed by M/s. TANGEDCO.

3.6. In view of the above discussions the Commission after much thought approves the dispatch of these four stations for the month of August 2012 as follows.

Name of the IPP	Actual power dispatched in the month of August 2012 in MU
M/s. GMR	46.239
M/s. SPC	15.340
Ms. MPC	14.242
M/s. PPN	140.915
Total	216.736

**4. Appeal:-**

An appeal under section 111 of the Electricity Act, 2003 against this order shall lie to the Appellate Tribunal for electricity within a period of 45 days from the date of receipt of this order by the aggrieved person.

Ordered accordingly.

(Sd.....)  
**(S.Nagalsamy)**  
Member

(Sd.....)  
**(K.Venugopal)**  
Member

/ True Copy /

Secretary  
Tamil Nadu Electricity  
Regulatory Commission