

**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**  
**(Constituted under Section 82 (1) of the Electricity Act 2003**  
**Central Act 36 of 2003)**

**PRESENT:-**

Thiru.K.Venugopal ..... Member  
and  
Thiru.S.Nagalsamy ..... Member

**M.P.No.40 of 2012**

Tamil Nadu Generation & Distribution  
Corporation Limited  
Represented by Chief Engineer /  
Private Power Projects  
144, Anna Salai  
Chennai – 600 002.

..... Petitioner  
(Thiru P.H.Vinod Pandian,  
Advocate for Petitioner)

Vs

Nil ..... Respondent

**Date of hearing** : 16-11-2012

**Date of Order** : 18-12-2012

M.P.No.40 of 2012 along with I.A.No.1 of 2012 came up for hearing before the Commission on 16-11-2012. The Commission upon perusing the above petition, the connected records and upon hearing the Petitioner passes the following order:-

**ORDER**

**1. Prayer of the Petitioner in M.P.No.40 of 2012:-**

The prayer of the Petitioner in M.P.No.40 of 2012 is to -

(a) ratify and approve the dispatch of power from the high cost Independent Power Producers outside the merit order for the month of September 2012 as mentioned in para 8 (column 4).

(b) condone the delay in filing this petition within one week, as directed in clause 7.1.20 of the Tariff Order No.1 of 2012 dated 30-03-2012.

**2. Hearing held on 16-11-2012:-**

The above M.P.No.40 of 2012 was heard on 16-11-2012. The Commission held as follows:-

*TANGEDCO prayed for condonation of delay in filing this petition. The delay was condoned and the petition is admitted. TANGEDCO further explained that these stations have to be operated outside the merit order in view of the prevailing power shortage. TANGEDCO shall also amend para 8 of the petition suitably so as to omit column (3) which relates to the energy disallowed, since the same is not the subject of the petition. TANGEDCO was asked to clarify as to how the additional expenditure incurred will be met while taking up the issue for the month of October 2012. Orders reserved”.*

**3. Contentions as set out in M.P.No.40 of 2012:-**

(a) In clause 7.1.20, for the year 2012-13, with respect to M/s.G.M.R.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, 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 this Commission within a week of such action along with the reasons for such action.

(b) In complying with the Commission's Tariff Order No.1 dated 30-03-2012, the zero dispatch to high cost IPPs were given by TANGEDCO, based on the grid operation condition.

(c) In view of the failure of South West monsoon and very poor storage in the Hydro Reservoirs the hydro inflows to the power plants of Tamil Nadu is very less compared to the previous year.

(d) The state owned EPC projects, joint venture projects and central sector projects have also been delayed.

(e) The forecasted demand for the month of September 2012 during peak hours is 12,160 MW. However, the forecast availability from all the sources is only 9,344 MW, leaving a deficit of 2,816 MW.

(f) Due to delay in commissioning of various ongoing projects, continuing restriction and control measures, prevailing load shedding, failure of monsoon and reduced Hydro Generation etc. the high cost IPPs are operated based on the grid conditions, judiciously.

#### **4. Interlocutory Application filed by the Petitioner:-**

Pursuant to the directions of the Commission in the hearing held on 16-11-2012 as referred to in paragraph 2 above, the Petitioner filed an Interlocutory

Application on 27<sup>th</sup> November, 2012. Para 8 of the petition as amended by the Petitioner is as follows:-

*“It is respectfully submitted that as directed by the Hon’ble Commission the quantity purchased from the IPPs namely M/s.GMR, M/s.SPCL, M/s.MPCL and M/s.PPN in para 8 of the M.P.No.40 of 2012 for the month of September 2012 is amended as follows:-*

Name of the IPP	Energy purchased in MU for the month of September 2012
(1)	(2)
M/s.GMR	49.648
M/s.SPIC	16.702
M/s.MPC	21.09
M/s.PPN	97.052
TOTAL	184.492

#### **5. Finding of the Commission:-**

(a) This petition is filed by TANGEDCO for approval and ratification for operating of power stations of M/s. GMR, M/s. SPCL, M/s. MPCL and M/s. PPN for dispatching outside the merit order for the month of September 2012.

(b) This petition has been filed by TANGEDCO consequent to the direction of this Commission in the tariff order dated 30<sup>th</sup> March 2012. This petition seeks the approval of the Commission for dispatch outside the merit order of the above referred 4 power stations aggregating to 173.863 million units as given below:-

Name of IPP	Energy injected into the grid in M.U. (from 01.09.2012 to 28.09.2012) provisional
M/s. GMR	49.226
M/s. SPC	17.055
M/s. MPC	21.926
M/s. PPN	85.656
Total	173.863

(c) The reasons for dispatching these units are explained by the petitioner as given below:-

- 1) Failure of South West Monsoon and very poor storage in the Hydro Reservoirs and the very low inflows to the Hydro power plants in Tamil Nadu as compared to the previous year.
- 2) There is delay in commissioning of the State owned EPC projects, joint venture projects and central sector projects.
- 3) The forecast demand for September 2012 during peak hours is 12,160 MW whereas the forecast availability from all the sources is 9,344 MW.

(d) In view of these reasons, TANGEDCO has prayed for approval of dispatch outside the merit order aggregating to 184.492 Million units from the above referred 4 projects. After hearing the petitioner and after taking into account the position obtaining in the month of September 2012, the Commission has no other option than approving the dispatch from these 4 power stations aggregating to 184.492 MUs. During the hearing the Chief Engineer, PPP of TANGEDCO agreed to withdraw the energy disallowed indicated in the table, when a question was raised by the Commission regarding the directions given by the Commission being only regarding merit order dispatch and therefore the scope of the petition cannot be enlarged. The same has been taken on record and consequently the Commission passes this order permitting the energy stated to have been injected into the grid to the tune of 184.492 MUs..

**6. APPEAL:**

An appeal against this Order lies to the Appellate Tribunal for Electricity under Section 111 of the Electricity Act 2003, within a period of 45 days from the date of receipt of the copy of this order by the aggrieved person.

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

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

/ True Copy /

Secretary  
Tamil Nadu Electricity  
Regulatory Commission