



**Chhattisgarh State Electricity Regulatory Commission**  
Civil Lines, G.E. Road, Raipur – 492001  
Tel: 0771-4073555, Fax-4073553

**Petition No.02 of 2007(M)**

**In the matter of Review against the order passed on 02/02/2006 in respect of petition No. 32 (M) of 2006 regarding application of tariff for 2000 KVA connection for captive power plant..**

Monnet Ispat & Energy Ltd  
Raipur.

.... Petitioner

**V/s**

Chhattisgarh State Electricity Board  
Raipur

.... Respondent

Present : S.K. Misra, Chairman  
Sarat Chandra, Member

**ORDER**

(Passed on 20/04/2007)

The petitioner M/s Monnet Ispat & Energy Ltd., has filed a petition in the nature of review petition, against the order dated 02/12/06 passed in Petition No. 32 of 2006 (M). The matter has arisen out of a petition filed by the same petitioner which was registered as No. 21 of 2006 (M), in respect of categorization of tariff for his intake well pump. The Commission vide order dated 28/06/2006 allowed the tariff HV-5 from 01/07/05 but specified that the petitioner can not have two different connections in the same premises as it is not permissible under the Chhattisgarh State Electricity Supply Code. The petitioner then filed a review petition which was registered as petition No. 32 of 2006 (M), against this order and the Commission allowed the petition by order passed on 02/12/06 and ordered that the petitioner may retain two different connections. In the same order it has also been directed that the petitioner can not avail of start-up tariff for its power plant because the power availed by the petitioner can not be guaranteed to be used exclusively for the purpose of start-up of the power plant only not for running his industry. Being aggrieved by this order, the petitioner has preferred this review petition.

2. The petitioner has stated that the Commission, vide order dated 06/02/2006 in petition No. 17 of 2005 (M) in the matter of captive power plants, had permitted start-up power for CPPs and vide order dated 17/02/2006 had already allowed start-up power tariff to the petitioner's CPP. The petitioner avers that it is technically not possible to feed 132 KV CSEB supply to Ferro Alloys Furnaces or to any other industrial units located near the power plant when they are continuously exporting power to the 132 KV grid. In support of this, the petitioner has submitted a statement showing the drawal of power on 132 KV from July 2005 to November 2006.

3. The Chhattisgarh State Electricity Board (CSEB, for short), respondent in this case, has raised the issue of maintainability of this petition as it seeks review of the earlier review petition. The Commission has observed that the relief sought by the petitioner is only a part of the order, which was not a matter in the earlier petition. Hence the petition was admitted by the Commission for hearing and has been considered. The CSEB further submitted that the averments made by the petitioner before the Commission are contrary to their own submission to the Commission. The actual power and energy consumption chart on 132 KV connection indicates power consumption up to 5025 KVA against a contract demand of 2000 KVA. Thus, a 5 MVA furnace could be supplied power from this source even if only intermittently. Further, it is also pointed out by the Board that the petitioner exceeded the demand beyond 3700 KVA i.e. 10% of highest capacity of the generator, twice during the period of four months from June 2006 to September 2006. Condition No. 6 (ii) of HV-6 tariff which is for start-up purposes, stipulates that the contract demand should not exceed 10% of the capacity of the highest capacity unit of the generating station. The petitioner did not restrict its demand up to 10% of highest capacity generator. Further, start-up tariff is not applicable for the mixed use of electricity, which attracts higher tariff.

4. The Commission has heard both the parties. In course of hearing it was observed that the only issue for consideration is whether the connection on the 132 KV line provided to the power plant can also be used for supply to the co-located ferro-alloys unit. This question is relevant in the context of the fact that the power plant is captive to the ferro alloys unit and these two units are in the same premises. The petitioner pleaded that technically it is not possible to use the connection to the power plant for supply of power to the ferro-alloys unit. The consumption data provided by the petitioner does not indicate such a position. Respondent CSEB has, however, contended that it is liable for such use. To assess the position on the ground the Commission constituted a committee of officers of the Commission and the CSEB to carry out technical inspection, to find out if use of power as above is technically feasible. The Committee made a spot inspection in the presence of representative of the petitioner and submitted its finding on 15/03/07. The Committee has reported that it is technically possible for the connection to the generating plant purportedly for availing start-up power, for being used for supply of electricity to the ferro-alloys unit. The petitioner while agreeing with this contends that he has taken steps and has installed devices, which would not allow flow of power from the 132 KV connection to the generating plant to the ferro-alloys unit, although theoretically it appears feasible. The petitioner made a detailed written submission with technical details to establish what technical arrangements have been put in place by him to prevent the possible use of power availed for start-up purpose by the ferro-alloys unit which has been examined. The petitioner has stated that the ferro-alloys unit is connected to the bus-bar of the generator through 11 KV breakers. Since the generators are synchronized with the grid, naturally the grid, the generators and the ferro-alloys unit are connected to a common bus-bar. Under normal conditions the generators are working in parallel with the grid and the power is being continuously exported to the grid. As it is single bay operation electricity can not be imported when it is being exported. Further, inter-locking arrangement has been provided in the system to prevent flow of start-up power meant for their generators to the ferro- alloys unit. As per this arrangement in the event of tripping of the generator, the 11 KV breaker for ferro-alloys unit trips automatically and instantly

due to strong and effective system of inter-locking provided. As such whatever power is imported is being utilized only for running the auxiliaries of generator to save the power plant equipments from damage and the power imported under such condition is only utilized for normalizing and starting the power plant. In the event any generator trips, the prime concern of the company is to save the power plant equipments from damage by drawing the 132 KV power to be consumed by power plant auxiliaries, and not for running the ferro-alloys unit. In case of tripping of generators their main aim is also to start the generator as early as possible so that local power is immediately made available to the ferro-alloys unit. They have further stated that running of ferro-alloys unit is not a priority over reviving a power plant.

5. The Commission has also observed that from the consumption pattern of the power taken from the Board during January 06 to February 07 also corroborates that the power was not used for ferro- alloys unit even though the recorded MD shot up above the contact demand six times in 14 months. It is noted that the average load factor remained much below 2% as against 10% permitted for start-up power. The Commission feels that although electrical connectivity exists between 132 KV supply meant for start-up purpose with the ferro-alloys unit, the petitioner obviously has not availed this power for the ferro-alloys unit looking to the meagre energy consumption recorded during the last 14 months. Ofcourse, the possibility of use of start-up power for ferro-alloys unit can not be ruled out all together. In that case, if the load factor goes beyond 10% which it will if electricity is used for running the ferro-alloys unit, the petitioner is required to pay demand charge at double the normal rate as provided in the tariff order for the year 2006-07. The Commission, therefore, allows the petitioner to have both the connections i.e. start-up power connection at 132 KV and power at 33 KV for the ferro-alloys unit at the respective tariffs. However, the Commission feels that clear demarcation of start-up power connection from connection to industry should be made in the tariff scheme. This would be addressed by the Commission in the next tariff order.

Copy of this order be given to both the parties.

sd/-  
**Member**

sd/-  
**Chairman**