

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL**

**Sub : In the matter of determination of Parallel Operation Charges in case of Intra-State Generating Units.**

**Petition No. 50 of 2010**

**ORDER**

**(Date of Hearing : 19<sup>th</sup> August, 2010)**

**(Date of Order : 10<sup>th</sup> September, 2010)**

MP Power Transmission Co. Ltd., (MPPTCL), Shakti Bhawan, Jabalpur (MP)	-	Petitioner
V/s		
M.P.Poorv Kshetra Vidyut Vitaran Co. Ltd., Jabalpur.	-	Respondent No.1
M.P.Madhya Kshetra Vidyut Vitaran Co. Ltd., Bhopal.	-	Respondent No.2
M.P.Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore.	-	Respondent No.3
M.P.Audyogik Kendra Vikas Nigam, Indore (SEZ-Pithampur).	-	Respondent No.4
M.P.Power Generating Co. Ltd., Jabalpur.	-	Respondent No.5
M.P.Power Trading Co. Ltd., Jabalpur.	-	Respondent No.6

The following officers appeared on behalf of the Petitioner :

Shri O.P.Jaiswal, C.E. (PS), MPPTCL, Jabalpur  
Shri S.K.Nagesh, ACE, CRA Cell, MPPTCL, Jabalpur  
Shri V.D'Souza, EE, CRA Cell, MPPTCL, Jabalpur  
Shri D.Chakraborty, EE, CRA Cell, MPPTCL, Bhopal

2. The petition is in the matter of determination of Parallel Operation Charges in case of Intra-State Generating Units. The case was listed for motion hearing on 19.08.2010.

3. During the motion hearing, the representatives of the Petitioner submitted that the above petition is filed under Section 62, 86 and 181 of the Electricity Act, 2003. The Petitioner has also submitted that the Commission has prescribed charges for open access consumer where as no charges have been prescribed till date for providing system support to the generators when their generating sets run in parallel to the grid system. The Petitioner has also mentioned about

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studies undertaken in Gujarat and Chhattisgarh and charging of parallel operation charges in these States. The Petitioner has, therefore, requested to levy telescopic rate of parallel operation charges on monthly basis.

4. On referring to the issue of levy of parallel operation charges by Chhattisgarh Commission, it emerged that an appeal was filed before ATE against Order issued by CSERC fixing parallel operation charges. The Hon'ble ATE in their judgment dated 12.09.2006 in para 12 and 18 has observed as under :

*"12. The contention that no charges at all is payable for parallel operation or transmission system cannot be sustained and such a claim is contrary to factual position. There is no escape of CPP to pay charges for parallel operation by which the CPP gains while the transmission system of the second Respondent CSEB is affected apart from the admitted fact the transmission grid is strengthened by the power injected by CPP....."*

*18. However, we make it clear that in the tariff petition which is pending consideration, the Commission may fix the charges for parallel operation on the basis of the data, materials and scientific inputs relating to parallel operation charges already placed by the parties or that may be placed by the parties before the conclusion of hearing and such exercise shall be carried out by the first respondent Regulatory Commission independently and without in any manner being influenced by this judgment."*

In pursuance to these directions, Chhattisgarh SERC got a detailed technical study conducted through M/s ERDA, Vadodara, an organization accredited by the Government of India and thereafter determined the parallel operation charges.

5. The Commission is of the view that a similar study needs to be got conducted by the Commission through an independent agency and thereafter, following the procedure parallel operation charges to be levied in the State of Madhya Pradesh be determined. The Commission directs the Commission Secretary to initiate appropriate action accordingly.

6. In view of the above, the Petition No. 50 of 2010 stands disposed off.

Ordered accordingly,

**(C.S.Sharma)**  
**Member (Eco.)**

**(K.K.Garg)**  
**Member (Engg.)**