

Sub : In the matter of request for the permission under Section 86(1)(e) of Electricity Act, 2003 for Grid Connectivity at 11 KV.

ORDER

(Date of hearing 20th September, 2011)

(Date of order 30th September, 2011)

M/s Pragya Energy Pvt. Ltd.,
3A, Industrial Area,
Richhai, Jabalpur (MP). - Petitioner

V/s

M.P.Poorv Kshetra Vidyut Vitaran Co. Ltd.,
Shakti Bhawan, Vidyut Nagar,
Jabalpur. - Respondent No. 1

M.P.Power Trading Co. Ltd.,
Shakti Bhawan, Vidyut Nagar,
Jabalpur. - Respondent No. 2

Shri Ravi Vaishya, Managing Director appeared on behalf of Petitioner.

Shri Sanjay Okhade, EE (Comm.) appeared on behalf of Respondent No. 1.

Ms Parul Dangi, Legal Executive appeared on behalf of Respondent No. 2.

2. Petitioner has filed the present petition seeking permission under Section 86(1)(e) of the Electricity Act, 2003 for grid connectivity at 11 KV.

3. Petitioner has submitted that earlier a petition (No. 12/2011) was filed before the Commission for seeking approval for grid connectivity and sale of energy generated from this 1.2 MW biomass gasification based power plant. The Commission vide order dated 16.03.2011 had granted permission for sale of power at 33 KV from 1.2 MW biomass gasification based power project to Respondent No.1 at the rate and on the terms and conditions prescribed in the tariff order dated 07.08.2007. Subsequently, a letter was sent by Petitioner to the Ministry of New and Renewable Energy for seeking Central Financial Assistance (CFA) for installation of 1.2 MW biomass gasifier systems at Industrial Area, Richhai, Jabalpur. The Ministry of New and Renewable

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Energy, New Delhi vide their letter dated 24.05.2011 has informed that the eligible CFA could be provided with conditions that the promoter would obtain permission from the utilities to connect the said power plant of 1.2 MW to the nearest 11 KV substation at Richhai Industrial Area for injecting the power. Hence, present petition is filed before the Commission for availing grid connectivity at 11 KV instead of 33 KV. In this regard, Petitioner has also sent a letter to Respondent No.1 to allow to inject the generated power at 11 KV side instead of 33 KV side of Richhai 33/11 KV substation.

4. In view of the submissions made above, Petitioner has prayed to the Commission as under :

- (a) Permission may be granted for grid connectivity at 11 KV substation at Richhai Industrial Area.
- (b) That the order dated 16.03.2011 passed by the Commission in Petition No. 12/2011 may suitably be modified

5. The case was listed for hearing on 09.08.2011.

6. During the hearing, Petitioner has submitted that the MNRE vide their letter dated 24.05.2011 informed Petitioner on the CFA for installation of 1.2 MW biomass gasifier system shall be provided on the conditions that the promoter would obtain permission from the utilities to connect the said power plant to the nearest 11 KV substation at Richhai Industrial Area for injecting the power. Petitioner, therefore, requested the Commission to allow to inject power at 11 KV side of Richhai 33/11 KV substation. The Commission then enquired from Petitioner under what provision of the Electricity Act, 2003, MNRE has given this letter. Petitioner was also asked whether 11 KV side of 33/11 KV substation at Richhai Industrial Area is mentioned in the letter issued by MNRE. Petitioner could not reply to the above query.

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7. During the hearing, the representative of Respondent No.1 submitted that it is technically feasible to connect 1.2 MW power plant of Petitioner at 11 KV from 33/11 KV substation Richhai by laying 0.40 Kms of 11 KV line on raccoon conductor with additional 11 KV bay and shifting existing feeder bay. The Commission then enquired from Respondent No.1 whether 1.2 MW at 11 KV can be handled by the Discom at 11 KV side and whether more losses will occur if power is injected at 11 KV instead of 33 KV. The representative of Respondent No. 1 submitted that there would be more losses if the power is injected at 11 KV. Respondent No.2 submitted that grid connectivity at 11 KV at Richhai Industrial Area is not under their purview and therefore they have nothing to say on this issue.

8. On hearing Petitioner and Respondents, the Commission was of the view that there is a lack of clarity in the letter issued by MNRE. Normally, the substations are mentioned with step-up/step-down voltage levels. The Commission, therefore, directed Petitioner and Respondent No.1 to obtain clear position and their intent behind specifying this voltage level from MNRE. The case was listed for hearing on 20.9.2011.

9. During the hearing on 20.9.2011, the representatives of Petitioner filed written submission and informed that MNRE vide its letter dated 12.9.2011 clarified that the Ministry is promoting biomass based small power projects (up to 2 MW capacity) connected with tail end of the grid and requested that permission for power evacuation from 1.2 MW biomass power plant may be considered and permission to be granted for power evacuation at 11 kV side at suitable location near the power plant. Petitioner has further submitted that MNRE is providing Central Financial Assistance to this project and therefore requested the Commission to grant permission to connect the plant on 11 kV bay of 33/11 kV s/s, Richhai by laying 0.4 kM. of 11 kV line.

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10. During the hearing on 20.9.2011, the Commission enquired from Respondent No.1, whether 33/11 kV s/s at Richhai is at tail end. The representative of Respondent No. 1 informed that Petitioner would lay 0.4 km. 11 kV line and the same shall be connected to 11 kV Bay at 33/11 kV s/s at Richhai.

11. In response to the letter dated 20.8.2011 written by Respondent No. 1 to the Ministry of New and Renewable Energy (MNRE), New Delhi, the MNRE vide letter dated 12.09.2011 has clarified as under :--

“As you are aware that the Ministry is promoting biomass based small power projects (up to 2 MW capacities) connected at the tail end of the grid through biomass gasification with 100% producer gas engines. MNRE is providing Central Finance Assistance of Rs. 15,000 per kW mainly because of the following facts:

- (i) The emphasis is given on generating power near to the biomass production site as well as electricity consumption point.
- (ii) That small power plants, if connected at tail end of the grid, would help in providing electricity to the rural areas.
- (iii) Help in reducing T&D losses and improving the voltage level at the tail end of the grid. It has been estimated that the T&D losses is about 8-9% if electricity is flown from 33 kV to 11 kV.”

12. On hearing Petitioner and Respondents and considering the clarification dated 12.9.2011 from MNRE, the Commission is of the view that the issue of location of the generating plant near to the biomass production site is not within its purview and has to be dealt by the concerned agencies. The Commission, however, support the need to promote biomass based small power projects (up to 2 MW) in rural areas. Respondent No. 1 has confirmed that there is no technical constraint in connectivity at 11 kV side of 33/11 kV sub-station. The Commission, therefore, revises the permission earlier

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granted vide order dated 16.03.2011 and allows to connect aforesaid 1.2 MW biomass based power plant with 11 kV bay of 33/11 kV s/s at Richhai by laying 11 kV line at the cost of Petitioner.

13. With the above directions, the petition no. 48/2011 stands disposed of.

Ordered accordingly,

sd/-
(C.S.Sharma)
Member (Eco.)

sd/-
(K.K.Garg)
Member (Engg.)

sd/-
(Rakesh Sahni)
Chairman