

## Madhya Pradesh Electricity Regulatory Commission

5<sup>th</sup> Floor, Metro Plaza, Arera Colony, Bittan Market, Bhopal 462 016

## **Petition No. 74/2006**

Subject: In the matter of direction to the Distribution Licensee under section 86(1) (e) & 61(h) of the Act 2003 for the installation of billing meter for wind power projects at project site.

M/s M.P. Wind farms Ltd.,
162, MP Nagar, Zone II
Bhopal -- Petitioners
Versus
M.P. Paschim Kshetra Vidyut Vitaran Co. Ltd.,
GPH Compound, Indore 452 015 -- Respondent

## ORDER (Passed on this day 05<sup>th</sup> September'06)

Shri M.K. Deb, Managing Director and Shri S.R. Ramanujam appear on behalf of the petitioners. Shri D.K. Ojha appears on behalf of MP Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore.

- 2. The petitioner has filed this petition in the matter of direction to the Distribution Licensee under section 80(I0) (c) & 61 (h) of the Act 2003 for the installation of billing meter for Wind Power Projects at Project site.
- 3. During the course of hearing, the petitioner submitted that the 33 KV transmission line interconnecting the project site (15 MW Windfarm Project at Nadga Hill, Dist. Dewas) to the 220 KV grid s/s of the Utility at Dewas and the 33 KV switch yard at the project site have been erected and energized. Internal 33 KV distribution line and unit transformer sub-stations were also erected and subsequently made the payment as per the estimate projected by the Respondent towards cost of HT metering installation (Billing Meter). Petitioner prays to the Commission to direct the Respondent to install the Billing Meter at the project site instead of 220 sub-stations at Dewas and also to maintain the 33 KV line connecting the wind farm project in the grid sub-station at his cost as it is part of this power systems.
- 4. The Commission heard the parties today. As directed during the course of hearing the parties and the Director (Tariff) had a discussion on the issues involved. Having considered the facts and circumstances and the discussion of the parties with Director (T) the Commission passes the following order:
- (i) As per the order of the Commission dated 11th June 2004, the Wind Generators shall bear the cost of project switchyard and the interconnection facilities at the project site upto the point of metering. Initially, 100% of the cost of transmission lines and associated facilities beyond the point of energy metering for the evacuation of power will be borne by the developer. Out of this total cost, 50% will be treated as interest free loan to the utility. The utility shall refund the interest free loan to the developer in five equal installments spread over a period of five years.

The billing has to be done for the energy supplied at the interface point. From the above it is clear that the Commission has identified the interface point as a point, which lies between the project switchyard and the evacuation system of the utility. The Commission while identifying this point considered the change in the ownership of the assets. The ownership of the project switchyard and the interconnection facilities lies with the developer while the ownership of the evacuation system lies with the utility. The interface point shall be constituted accordingly.

- (ii) The Commission while computing the price payable to Wind Generators by the Distribution Companies for the wind energy supplied to them has not considered the O&M cost to be incurred on the evacuation system. This cost was not considered as the ownership of the evacuation system was to lie with the concerned Distribution Company and the imposition of the cost of maintenance of evacuation system on the developer would have meant its inclusion in the price payable by Discoms. Ultimately the Discoms would have borne this O&M cost and to avoid double counting it was not included in the cost.
- 6. The Commission directs that this decision may be made applicable to any new developer who wishes to sell entire wind energy generated from its plant exclusively to the Discoms.

Therefore, in view of aforesaid, the Commission decides to close the case.

Ordered accordingly.

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