

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION, BHOPAL**

**Sub :- In the matter of permission under Section 86(1)(e) of the Electricity Act, 2003 for wheeling the energy generated by the WEGs to the place of consumption for captive use and execution of fresh Power Purchase and Wheeling Agreement for the balance period of project life for 4 Nos. of WEGs (Location No. 3, 4, 5 and 6) of M/s Rajaratan Global Wires Ltd.**

**Petition No. 84 of 2010**

**ORDER**

**(Date of Hearing 4<sup>th</sup> January, 2011)  
(Date of Order 14<sup>th</sup> January, 2011)**

M/s Rajratan Global Wire Ltd.,  
Rajratan House,  
11/2, Meera Path, Dhenu Market,  
Indore – 3 (M.P.) - Petitioner

V/s

MP Power Trading Co. Ltd.,  
Shakti Bhawan, Rampur,  
Jabalpur. (Tradeco.) - Respondent No.1

M. P. Power Transmission Co. Ltd.,  
Shakti Bhawan, Rampur, Jabalpur.  
(Transco.) - Respondent No. 2

MP Paschim Kshetra Vidyut Co. Ltd.,  
GPH Compound, Pologround,  
Indore . - Respondent No. 3

Shri H.D.Motiramani, Sr. Consultant, CECL appeared on behalf of Petitioner.

Ms. Parul Dangi, Legal Executive appeared on behalf of Respondent No.1.

Shri S.S.Nigam, SE (PS) appeared on behalf of the Respondent No.2.

Shri Gajra Mehta, ACE and Shri P.K.Jain, EE appeared on behalf of the Respondent No.3.

2. The petition is in the matter of permission under Section 86(1)(e) of the Electricity Act, 2003 for wheeling the energy generated from WEGs to the place of consumption for captive use and execution of fresh Power Purchase and Wheeling Agreement for the balance period of project life for 4 Nos. of WEGs (Location No. 3, 4, 5 and 6 of M/s Rajratan Global Wire Ltd.).

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3. The Petitioner is the owner of 4 Nos. of WEGs each of 225 KW rating installed in the windfarm at Jamgodrani, Dist. Dewas at location No. 3, 4, 5 and 6 (Hill-A). These WEGs were commissioned on 26.09.1995. M/s Steel Tubes of India Ltd. previously owned these WEGs. The ownership of the above WEGs was transferred to M/s Rajaratan Global Wires Ltd. (Petitioner) w.e.f. 01.03.2006 with the permission of the Commission vide its Order dated 18.04.2006. An agreement was executed in 2006 with MP Paschim Kshetra Vidyut Vitaran Co. Ltd., Indore for wheeling of power provided by these WEGs from M/s Steel Tubes of India Ltd. The period of this agreement is due to expire on 28.02.2011. Hence, the Petitioner proposes to operate these WEGs for the period remaining out of the 20 years period of project life commencing from 26.09.1995. Energy generated and provided by these WEGs in the balance period will be consumed for captive use in their works at Pithampur.

4. The Petitioner agrees to :

- (a) Sign a fresh power purchase and wheeling agreement as per the draft approved by the Commission under tariff order dated 21.11.2007 with Respondent No.1.
- (b) Pay monthly line rent, reactive energy charges, wheeling charges, etc. as per tariff order dated 21.11.2007.

5. The Petitioner has therefore prayed to the Commission to grant permission for

- (a) Wheeling of energy from his above 4 Nos. of WEGs in the windfarm at Jamgodrani, Dist. Dewas to his works at Pithampur for captive consumption through the HT connection provided to the premises.
- (b) Execution of fresh Power Purchase and Wheeling Agreement with Respondent No.1 for a period of project life which is from 01.03.2006 to 25.09.2015 for the above WEGs.
- (c) Payment for surplus energy (energy delivered by his WEGs to the grid but not consumed) at the rate of Rs. 2.87/unit as specified in the above tariff order.

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(d) For continuation of wheeling of energy to the place of consumption and adjustment of the wheeled energy in the monthly electricity bills of the consumer till the date of execution of fresh agreement.

6. The case was listed for hearing on 04.01.2011.

7. The Respondent No.1 in its written submission requested the Commission to direct the Petitioner to approach the MP Power Trading Co. Ltd. for sale of inadvertent flow of power, if any. The representative of Respondent No.2 made a submission that the Petitioner may be directed to submit a fresh application to Nodal Officer to Intra-State Long Term Open Access in accordance with the "Guidelines & Procedure of Open Access for Long Term Open Access Customer" approved by the Commission. The representative of the Respondent No. 3 made written submission that they have no objection in granting permission by the Commission to the Petitioner.

8. The representative of Respondent No.1 made submission that the Commission has already notified Regulations for procurement of power from renewable sources of energy vide notification dated 19.11.2010. The Commission has also issued tariff Order on 14.05.2010 wherein the rates, terms and conditions for procurement of power has been specified. There is no specific provision in the said Regulation that the Commission may direct the Respondent to enter into Power Purchase Agreement (PPA) with any particular power generator / developer. As such the WEG owner i.e. the Petitioner should have approached the Respondent No.1 with proposal for sale of power from their WEGs. The WEGs Company should also indicate its financial tie-up, technology used and all other details as required for sale of power. In the instant case, the Petitioner has not approached the Respondent No.1 for sale of power.

9. The representative of the Petitioner made a submission that the petition was filed as per the procedure being followed by the Commission so far.

10. The Commission noted that the tariff order provides rates and other terms &

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conditions. The order does not have any specific provision to direct the Respondent No.1 as provided in the Regulations. However, as per Clause 6.2 of the Regulations, the Developers are required to get all the required statutory consents including permission from the Commission before entering PPA. The procedure of getting permission from the Commission was being followed to avoid the delay in execution of PPA, commissioning of WEGs, etc.

11. On hearing the Petitioner and the Respondents, the Commission directs to follow the existing procedure till the Commission decides a new procedure. The Commission also directs that WEG Companies/Developers are not required to indicate financial tie-up, technology used, etc. to Respondent No.1 before execution of PPA. Accordingly, the Commission grants permission to the Petitioner for wheeling of energy from the 4 Nos. of WEGs at location No. 3, 4, 5 and 6 (Hill-A) in the windfarm at Jamgodrani, District Dewas to the works of the Petitioner at Pithampur for captive consumption from 01.03.2011 to 25.09.2015 on the terms and conditions as per Tariff Order dated 14.05.2010. The Commission further directs Respondent No.1 to execute Power Purchase and Wheeling Agreement with the Petitioner within 21 days of issue this order complying with specified requirements. The Commission also directs the Commission Secretary to issue detailed procedure separately to be followed henceforth for dealing with execution of PPA and sale of power to the Respondent No. 1 specifying the time limits for each activity to be performed by MP Power Trading Co. Ltd., Distribution Licensees and MP Power Transmission Co. Ltd. to avoid any delay.

12. With the above directions, the Petition No. 84 of 2010 stands disposed off.

Ordered accordingly,

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

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

**(Rakesh Sahni)**  
**Chairman**

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A hearing was held on 04.01.2011. Accordingly, a draft order is placed on the file for favour of kind perusal and approval please.

**Director (L&R)**

**Member (Eco.)**

**Member (Engg.)**

**Chairman**