

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
POWER GRID CORPORATION OF INDIA LIMITED
(A Government of India Enterprise)



केन्द्रीय कार्यालय : "सौदामिनी" प्लॉट सं. 2, सैक्टर-29, गुडगाँव-122 001, हरियाणा
फोन : 0124-2571700-719, फैक्स : 0124-2571760, 0124-2571761 तार 'नेटग्रिड'
Corporate Office : "Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001. Haryana
Tel. : 0124-2571700-719, Fax : 0124-2571760, 0124-2571761 Gram : 'NATGRID'

संदर्भ संख्या/Reference No. C/ENG/CTU/S/00/LTA

Date : 21 December 2012

To

As Per Distribution List

Subject: 15th meeting of Southern Region constituents regarding Connectivity & Long-term Access Applications of IPPs in Southern Region as per CERC Regulations, 2009.

Dear Sir,

The 15th meeting of Southern Region constituents regarding Connectivity & Long-term Access applications of IPPs in Southern Region as per CERC Regulations, 2009 shall be held after the 35th Meeting of the Standing Committee on Power System Planning of Southern Region.

In this regard the Connectivity agenda was circulated earlier vide letter dated 10.07.2012 and the Additional Agenda Note is enclosed. The agenda & additional agenda are also available at our website www.powergridindia.com >> Quick Links. The details of the venue are as below:

Time : 02:30 PM Date : 4th January 2013 (Friday)
Venue : Power Grid Corporation of India Ltd.
5th Floor Auditorium,
"Saudamini", Plot No.2, Sector-29,
Gurgaon – 122 001

Thanking You,

Yours faithfully

(Y K Sehgal)

Chief Operating Officer (CTU)

Copy to : ED (Commercial) / ED(SR-I) / ED (SR-II) / CEO (POSOCO)

Encl: Agenda

Distribution List – 1

1. Member (PS) Central Electricity Authority Sewa Bhawan, R.K.Puram, New Delhi-110 066. FAX : 011-26102045	2. Chief Engineer (SP & PA) Central Electricity Authority Sewa Bhawan, R.K.Puram, New Delhi-110 066. FAX : 011-26102045
3. Member Secretary Southern Regional Power Committee 29, Race Course Cross Road Bangalore 560 009. FAX : 080-22259343	4. Director (Transmission) Transmission Corp. of Andhra Pradesh Ltd. Vidyut Soudha Hyderabad – 500 082. FAX : 040-66665137
5. Member (Transmission) Karnataka State Power Transmission Corp.Ltd. Cauvery Bhawan Bangalore 560 009. FAX : 080 -22228367	6. Member (Transmission) Kerala State Electricity Board Vidyuthi Bhawanam, Pattom, P.B. No. 1028 Thiruvananthapuram – 695 004. FAX : 0471-2444738
7. Director (TANTRANSCO) Tamil Nadu electricity Board (TNEB) 6 th Floor, Eastern Wing, 800 Anna Salai, Chennai – 600 002. FAX : 044-28516362	8. Superintending Engineer –I First Floor, Electricity Department Gingy Salai Puducherry – 605 001. FAX : 0413-2334277/2331556
9. Director (Power) Corporate Office, Block – I Neyveli Lignite Corp. Ltd. Neyveli , Tamil Nadu – 607 801. FAX : 04142-252650	10. Director (Operations) Nuclear Power Corporation of India Ltd., 12 th Floor, Vikram Sarabhai Bhawan, Anushakti Nagar, Mumbai – 400 094. FAX : 022- 25991258
11. Director (Projects) National Thermal Power Corp. Ltd. (NTPC) NTPC Bhawan, Core-7, Scope Complex Lodhi Road, New Delhi-110003. FAX-011-24360912	

Distribution List – 2 (Connectivity/LTA Applicants)

<p>1. Shri Rakesh Kumar Gupta Chief Operating Officer Lanco Kondapalli Power Private Limited Plot #4, Software Units layout HITEC City, Madhapur Hyderabad – 500 081.</p>	<p>2. General Manager (Projects) Simhapuri Energy Private Limited Madhucon Greenlands, 6-3-866/2, 3rd Floor, Begumpet, Hyderabad – 500 016 (A.P.)</p>
<p>3. Shri N P Hanagodu Chief Executive Officer Meenakshi Energy Private Limited Meenakshi House, 8-2-418, Road #7 Banjara Hills, Hyderabad – 500 034.</p>	<p>4. Shri S Arounassalame Chief Operating Officer Empee Power & Infrastructure Private Limited “Empee Tower”, No. 59, Harris Road, Pudupet Chennai – 600 002.</p>
<p>5. Shri M Subramanyam Business Head Sindya Power Generating Co. Pvt. Ltd. 2nd Floor, 77-Potti pati Plaza Nunganbakkam High Road, Nunganbakkam, Chennai – 600 034.</p>	<p>6. Shri M. L. Jadhav Chief Engineer (Transmission) M/s Nuclear Power Corporation of India Limited VS Bhavan, Anushaktinagar Mumbai – 400 094</p>
<p>7. Sh. Dileep Mehta Director AES Naganadu Power Private Limited 9th Floor, DLF Bldg. No. 10 Cyber City, Phase-II Gurgaon - 122 002.</p>	<p>8. Shri S N Barde Executive Vice President GMR Rajahmundry Energy Limited 10th floor, D Block, IBC Knowledge, Bannerghatta Road, Bangalore – 560 029</p>
<p>9. Sh. S Narayanan Managing Director PPN Power Generating Company Private Ltd. Jhaver Plaza III Floor, 1-A, Nungambakkam High Road, Chennai - 600 034.</p>	<p>10. Sh. B. S. Rao General Manager M/s NSL Nagapatnam Power and Infratech Private Limited NSL ICON, 4th Floor, # 8-2-684/2/A, Road No. 12, Banjara Hills, Hyderabad – 500 034</p>
<p>11. Sh. Abhishek Dubey Manager (Commercial) Hinduja National Power Corporation Limited HNPC, Hinduja House, 171 Dr. Annie Besant Road, Mumbai – 400 018.</p>	<p>12. Sh. V Chandramoleeswaran Director Chettinad Power Corporation Private Limited 5th Floor, Rani Seethai Hall Building, 603 Anna Salai, Chennai – 600 006.</p>
<p>13. Shri K S N Murthy Vice President Samalkot Power Limited Camus Capri Apartments, 6-3-1090/A, Raj Bhavan Road, Somaijiguda Hyderabad - 500 082.</p>	<p>14. Shri B. Narasimha Rao, Vice President (Projects) East Coast Energy Private Limited, #7-1-24, B Block, 5th Floor, Roxana Towers, Green Lands, Begumpet, Hyderabad- 500 016</p>

Additional Agenda Note for 15th Meeting of Southern Region constituents regarding Connectivity/LTA Applications of IPPs in SR

1.0 AGENDA FOR THE MEETING

- 1.1 Common Transmission System associated with IPP Projects in Srikakulam Area of Andhra Pradesh
- 1.2 Implementation of Common Transmission System associated with IPPs in Vemagiri Area of Andhra Pradesh
- 1.3 Request of GMR Rajahmundry Energy Limited for Connectivity through LILO of Vijayawada – Gazuwaka 400 KV S/c Line as an interim arrangement till the commissioning of Vemagiri Pooling Station
- 1.4 Implementation of Common Transmission System Associated with IPPs in Nagapattinam/Cuddalore Area, Tamil Nadu
- 1.5 Request of LANCO Kondapalli Power Limited (LKPL) for reduction of Long-term Open Access granted from their Phase-II power plant from 250 MW to 75 MW.
- 1.6 Long-term Access of Simhapuri & Meenakshi Energy Private Limited.
- 1.7 Review of the Long Pending Connectivity & LTA applications which were discussed number of times in earlier meetings.

2.0 COMMON TRANSMISSION SYSTEM ASSOCIATED WITH IPP PROJECTS IN SRIKAKULAM AREA, ANDHRA PRADESH

The transmission system for evacuation of power from IPP projects in Srikakulam area was earlier planned to be developed under 2 phases viz. the 765/400 kV Srikakulam Pooling Station alongwith Srikakulam – Angul 765 kV D/c line to be initially charged at 400 kV under the “Common Transmission System Associated with IPP projects in Srikakulam Area Part – A” and subsequently upgraded to 765 kV level in “Common Transmission System Associated with IPP projects in Srikakulam Area Part – C”.

During the 33rd Meeting of Standing Committee on Power System Planning in Southern Region held on 20th October 2011, Srikakulam Pooling Station – Vemagiri Pooling Station 765 kV D/c line was approved to facilitate import of power by SR in view of the changed load generation scenario in Southern region due to uncertainty of generation additions in Southern region. Ministry of Power vide its notification dated 08.10.2012 has appointed Bid Process Co-ordinator for taking up the implementation of this line under Tariff Based Competitive Bidding.

In view of these developments it is prudent to establish 765 kV level at Srikakulam pooling station right at the beginning and accordingly charge the Srikakulam – Angul 765 kV D/c line also at its rated voltage of 765 kV from the beginning itself. This inter-alia would mean taking up Part – A and Part – C of the above mentioned transmission system together with suitable deletion of elements meant for initial charging the system at 400 kV from the scope of Part – A of the system.

POWERGRID is in the process of Land Acquisition for Srikakulam Pooling Station and it has been learnt from our site that locating suitable site avoiding physical factors like water bodies, wet land, small holding farmers, forest area, hillocks etc is extremely difficult. Further, there is lot of resistance from local people also. From about 20 nos. of sites surveyed, we have zeroed on one of the most suitable site but the same is not enough to accommodate normal 765/400 kV AIS substation. Taking above into consideration, it is proposed that Srikakulam Pooling Station may be constructed with 400 kV portion as AIS and 765 kV portion as GIS.

In this regard, CEA vide its letter dated 21-05-2012 has agreed in-principle clearance for constructing Srikakulam Part – A and Part – C together in the same time and Srikakulam Pooling Station with 400 kV portion as AIS and 765 kV portion as GIS subject to regularisation in the next Standing Committee Meeting.

Members may note.

3.0 IMPLEMENTATION OF COMMON TRANSMISSION SYSTEM ASSOCIATED WITH IPPS IN VEMAGIRI AREA, ANDHRA PRADESH

The Common Transmission System Associated with the IPPs in Vemagiri area, Andhra Pradesh inter-alia comprised of two nos. of 765kV D/c line from Vemagiri to Hyderabad via Khammam. Looking into the uncertainty of the availability of Gas only one 765kV D/c line was under taken for implementation through Tariff Based Competitive Bidding route, further this line was planned to be initially charged at 400kV.

In the recently held joint visit by CEA & POWERGRID, it has been gathered that GMR project of 768 MW is already commissioned and Samalkot project of 2400 MW is partially commissioned. Further as mentioned above at para-1.0 Srikakulam – Vemagiri 765kV D/c line has been planned to facilitate import of power from IPPs in Odisha.

Taking above into consideration it proposed to charge the Vemagiri – Khamma – Hyderabad 765kV D/c line at its rated voltage of 765kV right from the beginning.

CEA vide its letter dated 17 September, 2012 had conveyed its in-principle approval for charging of Vemagiri – Khammam – Hyderabad 765 kV D/c line at its rated voltage subject to regularisation in the next meeting of Standing Committee.

Further the Common Transmission System inter-alia also comprised of Hyderabad – Wardha 765kV D/c, which upon the decision of Empowered Committee on Transmission, POWERGRID is implementing this line. It has been learnt from the site that as per the preliminary survey the line length of this line is becoming more than 500 kms. The increase in line length is due to line routing, to avoid Hyderabad City limits and Forest stretches.

In view of the above, it is proposed to establish a 765/400 kV substation at Nirmal enroute Hyderabad-Wardha 765 kV D/c line making Hyderabad – Nirmal – Wardha 765 kV D/c line and the Nirmal 400kV substation shall be connected to Southern Grid which shall be decided later.

Members may kindly concur.

4.0 REQUEST OF GMR RAJAHMUNDRY ENERGY LIMITED FOR CONNECTIVITY THROUGH LILO OF VIJAYAWADA – GAZUWAKA 400 KV S/C LINE AS AN INTERIM ARRANGEMENT TILL THE COMMISSIONING OF VEMAGIRI POOLING STATION.

It was informed by GMR Rajahmundry Energy Limited (GREL) that the 368 MW Gas based power plant is ready; however there is no generation due to un-availability of Gas. Further they have indicated that they are implementing the connectivity line 400 kV quad line from their power plant to Vemagiri Pooling Station (POWERGRID) as per the revised intimation issued by POWERGRID based upon their request. The Vemagiri Pooling station is targeted for commissioning by April, 2015 matching with commissioning of TBCB lines. Considering the timeline of Vemagiri Pooling station, GREL have requested LILO of Gazuwaka-Vijayawada 400 kV S/c line at their power plant by joining their connectivity 400 kV line as an interim arrangement till the commissioning of Vemagiri Pooling station of POWERGRID.

Members may discuss.

5.0 IMPLEMENTATION OF COMMON TRANSMISSION SYSTEM ASSOCIATED WITH IPPS IN NAGAPATTINAM/CUDDALORE AREA, TAMIL NADU

The Common Transmission System Associated with the IPPs in Nagapattinam/Cuddalore area, Tamil Nadu inter-alia comprised of Nagapattinam Pooling Station – Salem 765kV D/c & Salem – Madhugiri 765 kV S/c lines under Tariff Based Competitive Bidding route. Looking into the uncertainty of the generation in Nagapattinam/Cuddalore area the above lines were planned to be initially charged at 400kV.

In the recently held hearing in CERC, one of the generation developer viz. IL&FS Tamil Nadu Power Company Ltd. informed that their 1200 MW generation project is progressing after a brief period of Environmental Clearance suspension. Looking into the operational/construction difficulties from converting 400 to 765 kV at later date, it was found prudent to charge the transmission system at its rated voltage 765kV level right from the beginning.

Taking above into consideration it proposed to charge the Nagapattinam – Salem 765kV D/c line & Salem – Madhugiri 765 kV S/c line at its rated voltage of 765kV right from the beginning. Further, under Tuticorin LTA System, Salem – Madhugiri 765 kV line charged at 400 kV is under construction. Since Salem-Madhugiri section is being charged at 765 kV line, therefore, the Salem – Madhugiri under implementation is also proposed to be charged at its rated voltage.

Members may note.

6.0 REQUEST OF LANCO KONDAPALLI POWER LIMITED (LKPL) FOR REDUCTION OF LONG-TERM OPEN ACCESS GRANTED FROM THEIR PHASE-II POWER PLANT FROM 250 MW TO 75 MW

6.1 LANCO Kondapalli Power Limited (LKPL) was granted Long-term Open Access (LTOA) for a quantum of 350 MW in June, 2009 for a period of 25 years and the same was to become effective from date of commissioning of the generation project. The LTOA was granted for target beneficiaries in WR – 200 MW and NR – 150 MW.

6.2 Subsequently, in January, 2012 LKPL submitted request for reduction of LTOA quantum by 100 MW. The above proposal was discussed and approved in the 33rd meeting of Standing Committee on Power System Planning in SR and 19th meeting of SRPC.

6.3 Vide letter ref. no. LKPL:PGCL:4489:2012 dated 14 August, 2012 and subsequent reminder dated 4 September, 2012, LKPL have requested for reduction of LTOA quantum from 250 MW to Zero MW.

➤ The major reasons mentioned by the LKPL for seeking reduction of LTOA quantum to Zero MW are as below:

- Non- availability of gas due to reduction of gas from KG D6 basin. CEA in its notification dated 20th March, 2012 have indicated that quote *“further reduction in KG D6 production is expected to be about 15 MMSCMD in 2012-13, 3.42 MMSCMD in 2013-14 and has not given any projection for the year 2014-15 and 2015-16. Considering the priority allocation from KG D6 field to fertilizer & CGD sector, **the net availability of gas to power sector from KG D6 filed is expected to be nil.**”*unquote.
- The entire power will be supplied to AP Discoms only, towards which LKPL has given undertaking that entire power to be generated on the available gas from its Phase-II will be supplied to AP only.
- In the present scenario of dwindling gas supplies from KG D6 basin, LKPL may not get qualified to participate in the medium/long term power procurement bids called by State utilities because of non-availability of FSA which is a pre-requisite for any generator to participate in the Case-I bids. Hence they are bound to sell electricity in Andhra Pradesh only and that too through short term route only.

6.4 The issue was deliberated during the 20th meeting of SRPC held on 28 September, 2012 in Hyderabad and the decision is reproduced as below:

“The Committee agreed with the recommendation of TCC that in view of the petition filed before Hon'ble CERC by POSOCO, status quo of present billing may be continued.”

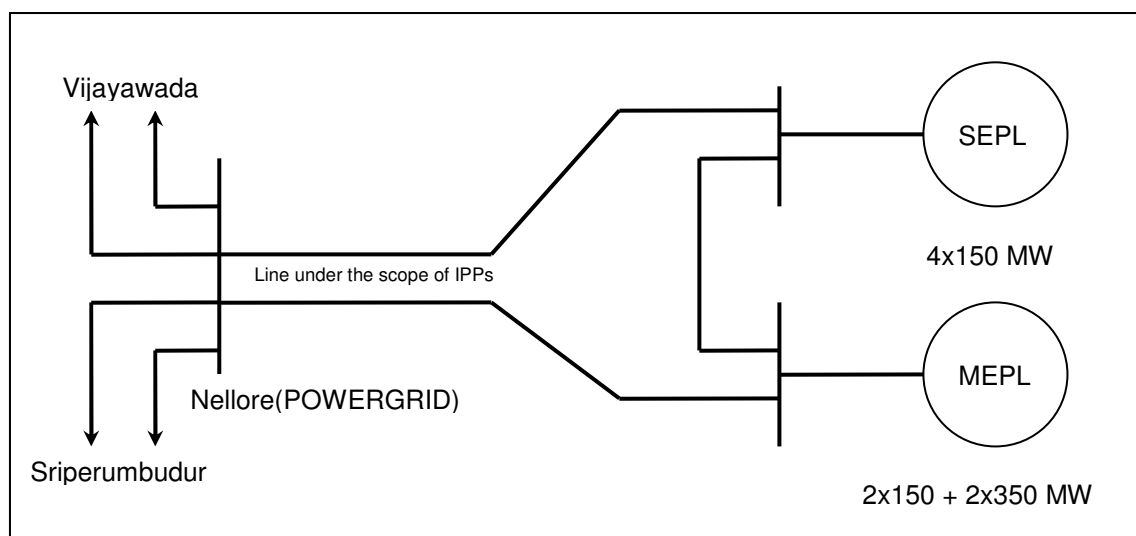
6.5 Recently LKPL vide their letter dated 29 November 2012 has requested for reduction of LTA from 250 MW to 75 MW and request for change in the target region from WR, NR to SR. Further vide above letter LKPL had indicated that reduction of LTA is sought due to the continuous reduction in the output of KG D-6 basin, Also vide above referred letter LKPL has indicated change in target region from WR & NR to SR because electricity supply to home state has been made a pre-condition for supply of gas.

Members may like to deliberate on the request of LKPL for reduction of LTOA quantum from 250 MW to 75 MW & change in target region from WR, NR to SR.

7.0 LONG-TERM ACCESS OF SIMHAPURI & MEENAKSHI ENERGY PRIVATE LIMITED.

7.1 POWERGRID had earlier granted Long-term Access (LTA) to Simhapuri Energy Private Limited (SEPL) for a quantum of 546 MW from their generation capacity of 600 MW (4x150 MW) in Krishnapatnam Area, Andhra Pradesh. In this area, POWERGRID has also granted Long-term Access to Meenakshi Energy Private Limited (MEPL) for a quantum of 910 MW from their generation capacity of 1000 MW (2x150 + 2x350 MW).

7.2 The above LTA was subject to dedicated line from SEPL/MEPL to Nellore 400 kV D/c (quad) line and strengthening of transmission system. The dedicated line to Nellore was proposed while granting LTA, keeping view the generation schedule, availability of bays at Nellore & conservation of the Right-of-way for the corridor (shown below). The transmission System for LTA is under implementation by POWERGRID and is expected to be commissioned by September, 2014. Under this system it was proposed to LILO both circuits of SEPL/MEPL-Nellore 400 kV D/c line at Nellore Pooling Station.



7.3 Both these generation projects SEPL & MEPL have commissioned their first unit and during the commissioning they faced difficulties in scheduling, dispatch, metering, energy accounting including UI etc. Therefore, MEPL has approached the Hon'ble CERC vide their petition no. 205/MP/2011 and while disposing the petition on 09.10.2012 the commission directed as below:

“The generating stations of the petitioner (MEPL) and Respondent No.5 (SEPL) shall be treated by SRLDC as separate and independent entities for the purpose of scheduling and dispatch, metering, energy accounting including UI computation by opening the inter-connection line between the generating stations and installing separate meters at the interconnection points at Nellore. We order accordingly.”

In view of the direction of CERC to open the interconnecting line between these generation projects, the generation projects are getting radially connecting to Nellore through 400 kV S/c (quad) line. This arrangement has led to failing in N-1 reliability criteria for both the generation projects.

- 7.4 However for meeting N-1 criteria, additional 400 kV D/c line to Nellore Pooling Station is proposed from any one of the power plant. Upon commissioning of proposed line the existing dedicated MEPL/SEPL – Nellore 400kV D/c line may be re-routed for emanating from one power plant only.

8.0 LONG PENDING CONNECTIVITY APPLICATIONS DUE TO NON-SATISFACTORY PROGRESS - DISCUSSED IN EARLIER MEETINGS.

- 8.1 The grant of Connectivity and LTA as per the CERC regulation, 2009 is a time bound activity (connectivity to be granted in 60 days and LTA in 120/180 days). Further it is directed by Hon’ble CERC that the transmission system development should be phased to avoid creation of any redundant transmission capacity. In the past, to facilitate project development activities POWERGRID had granted connectivity/LTA even to projects who had not achieved important milestones but in such cases it is seen that such IPPs are repeatedly delaying the signing of BPTA and furnishing Bank Guarantee. Such delay in the BPTA/BG complicates the matter, especially in the scenario of implementation of transmission system through competitive bidding, where the selected bidder is not liable to delay/advance the commissioning schedule to match with the generation progress.
- 8.2 In this regard, at present there are number of Connectivity & LTA applications pending for about 1 to 2½ years as per details given below. These applications had been taken up since last 3-4 meeting with not much progress observed in respect of project development. In view of the forgoing and to avoid unrealistic planning, it is proposed to close these applications and they may apply afresh whenever the projects have progressed in getting requisite clearances.

8.3 Connectivity & LTA applications (under consideration for grant)

Sl. No	Connectivity & LTA Applicant	Time frame	Applied for Connectivity & LTA Quantum	Date of Application	Pending since (months)
1.	Sindya Power Generating Company Pvt Ltd	June, 2014	Conn – 1320 MW LTA – 1060 MW	22.02.2010	33
2.	Empee Power & Infrastructure Pvt. Ltd.	April, 2013	Conn – 1241 MW LTA – 1241 MW	14.10.2010	24

8.4 Connectivity applications (under consideration for grant)

Sl. No	Applicant	Time frame	Applied for Connectivity Quantum (MW)	Date of Application	Pending since (months)
1.	NPCIL - Kudankulam-II	2016	2000	20.01.2011	22
2.	AES Naganadu Power Private Limited	December, 2016	1400	07.09.2011	13

8.5 LTA applications (under consideration for grant)

Sl. No	Connectivity & LTA Applicant	Time frame	Applied for LTA Quantum	Date of Application	Remarks
1.	Lanco Kondapalli Power Limited (Phase-III : 2x240 + 2x130 MW)	December, 2012	LTA – 550 MW	09.06.2011	Applicant requested to keep the application under hold till October, 2012

8.6 LTA applications (LTA granted but yet to sign LTA agreement)

Sl. No	Connectivity & LTA Applicant	Time frame	Applied for LTA Quantum	LTA granted on	Remarks
1.	Udupi Power Corporation Limited	Commissioned	939 MW	28.06.2007	In the special TCC meeting held on 8 th November, 2012, Special TCC requested to process the LTA for Punjab separately.

Sl. No	Connectivity & LTA Applicant	Time frame	Applied for LTA Quantum	LTA granted on	Remarks
2.	PPN Power Generating Company Limited	December, 2012	360 MW	17.08.2011	The applicant had requested to withdraw the application based upon the advisory of Gol
3.	NSL Nagapatnam Power & Infratech Private Limited	October, 2014	1240 MW	17.08.2011	Not responding
4.	Hinduja National Power Corporation Limited	January, 2013	725 MW	03.10.2011	Sought extension for signing of BPTA
5.	Chettinad Power Corporation Private Limited	December, 2013	1110 MW	27.12.2011	Sought extension for signing of BPTA due to revision in capacity

Members may discuss the above proposals and decide.

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