

## **Eastern Regional Power Committee, Kolkata**

### **Minutes of Special Meeting on “Issues related to Vedanta Limited” held on 14<sup>th</sup> October, 2016 at ERPC, Kolkata**

List of participants is at **Annexure-A**. Member Secretary, ERPC welcomed CEA, CTU, Vedanta, OPTCL, GRIDCO, ERLDC and all other participants to the special meeting. He informed that this special meeting was convened on short notice to deliberate the issues related to Vedanta Limited.

He briefed the house that in the 125<sup>th</sup> OCC meeting held on 20.09.16 the Vedanta related issues were raised and OCC in its capacity deliberated in detail and decided the following:

- i) Vedanta has to get a fresh connectivity from CTU for their CPP units #1, 3 & 4 (as these units were converted from IPPs to CPPs) as per the decision of 11<sup>th</sup> Connectivity and LTA meeting of ER held on 13.06.2016.
- ii) Vedanta has to get NOC from SLDC Odisha for scheduling of their units through ERLDC.
- iii) Vedanta will be allowed to connect to CTU system only after submission of the above two documents.
- iv) ERLDC will start scheduling Vedanta CPP Units #1,3,& 4 only after getting a fresh NOC from SLDC Odisha and with grant of fresh connectivity by CTU.
- v) Till then Vedanta would be treated as an embedded customer under the jurisdiction of SLDC Odisha and may remain connected to grid through STU system only (as presently its units are connected to OPTCL system) and do their STOA transaction through SLDC Odisha.
- vi) In view of all of above, the NOC granted to Vedanta would stand revoked and fresh NOC could be issued subject to fulfillment of the stated conditions
- vii) Vedanta has to complete the dedicated line within the schedule (i.e. November, 2016) otherwise the LILO may be removed as per the decision of 33<sup>rd</sup> ERPC and the meeting convened by CEA held on 16.09.2016.

#### **Deliberation in the meeting**

Vedanta informed that they are actively perusing for the NOC from Odisha for the purpose of getting connectivity from CTU. Rounds of discussions were going on for with GRIDCO/ OPTCL officials on the terms and conditions for the NOC and it will be finalized within 2-3 days.

Further, Vedanta clarified that their present requirement is as follows:

- Getting connectivity for their 3x600 MW CPPs along with smelter load (Maximum of 2000 MW) from CTU, with provision to draw power upto 1000 MW (maximum).
- To meet their 900 MW (approx) smelter load from the CPPs.
- To supply 550 MW power to Odisha through STU network.
- Shifting of units from ISTS to STU system and vice versa are being done as per their convenience for supply of smelter load and power supply to Odisha.

Therefore, to meet their own requirement along with their commitment to supply Odisha as per terms of PPA between them, Vedanta is compelled to connect their three (3) units to STU network, keeping one unit as standby.

GRIDCO informed that several meetings are going on with Vedanta to sort out the issues related to NOC and power supply to Odisha. They were in a process to sign a modified PPA for getting power supply from Vedanta.

Further, OPTCL viewed that all CPP units (unit #1, 3 &4) and IPP unit (#2) of Vedanta Ltd along with SEZ (smelter ) load shall be kept at 400 kV bus of Vedanta Ltd Switchyard without bus splitting and shall be connected to STU network through 400 kV Vedanta Ltd-Meramundali D/C line.

CTU clarified that as per connectivity regulations Vedanta can get connectivity either as 3x600 CPP generator provided their net exportable capacity is more than 250 MW or as a Bulk Consumer with load of 1000 MW. But connectivity for both injection of more than 250 MW and drawl of 1000 MW power is not permitted as per present CERC regulation on grant of Connectivity, LTA and MTOA.

Further, it was informed that for the purpose of scheduling Vedanta generation, the control area jurisdiction of Vedanta should be decided following the principle outlined in IEGC, i.e. if a generating station is connected both to ISTS and the State network, scheduling and other functions performed by the system operator of a control area will be done by SLDC, only if state has more than 50% Share of power .The role of concerned RLDC, in such a case, shall be limited to consideration of the schedule for inter state exchange of power on account of this ISGS while determining the net drawal schedules of the respective states. If the State has a Share of 50% or less, the scheduling and other functions shall be performed by RLDC.

During deliberation it emerged that Vedanta as a 4X600 MW plant has obligation to supply power more than 50% of its capacity within the home state of Odisha itself [900 MW (50% of 1800MW) for smelter load and 550 MW to Odisha state i.e. 1450MW total]. As such, it does not qualify to be a regional entity. Therefore even if Vedanta is connected to both CTU and STU system, it should be scheduled by Odisha SLDC. After detailed deliberation the followings were decided:

1. Control area jurisdiction of Vedanta will be shifted from ERLDC to SLDC, Odisha.
2. CPP units (unit #1, 3 &4) and IPP unit (#2) of Vedanta Ltd along with SEZ (smelter ) load shall be kept at 400 kV bus of Vedanta Ltd Switchyard without bus splitting and shall be connected to STU network through 400 kV Vedanta Ltd-Meramundali D/C line.

There will be no need to operate the 400kV buses of Vedanta in split bus mode and they should be coupled by completing all the dias.

3. One unit shall be kept as standby till the completion of 400 kV Sterlite-Jharsuguda D/C line.
4. Vedanta Ltd shall be a State embedded entity for all purposes and requisite STU connection would be obtained by Vedanta Ltd i.r.o above.
5. The CTU connectivity of Vedanta may be kept in abeyance. The same may be closed/ withdrawn from the date of getting the STU connectivity.
6. On change of control area jurisdiction the NOC granted by ERLDC to Vedanta Ltd shall stand revoked.
7. After changeover of control area jurisdiction, the LILO point of 400 kV Rourkela-Raigarh at Vedanta will be interface point of Odisha STU till 30<sup>th</sup> November, 2016.
8. Subsequently, after the completion of 400 kV Sterlite-Jharsuguda D/C line the interface point of Odisha STU will be shifted to Jharsuguda.

9. With the change of control area jurisdiction the status of 400 kV Sterlite-Jharsuguda D/C line will no more be a dedicated line. So, Vedanta agreed to hand over the line to OPTCL which can be treated as an ISTS tie of OPTCL.
10. Vedanta has to strictly adhere to the schedule for completion of 400 kV Sterlite– Jharsuguda D/C line (i.e. 30<sup>th</sup> November, 2016) as per the decision of 33<sup>rd</sup> TCC/ERPC and decided in the meetings held in CEA on 16.9.16. In case 400kV Vedanta-Jharsuguda D/C line is not commissioned by that date, the LILO connection to Vedanta shall be withdrawn.
11. Due to change of control area jurisdiction from ERLDC to SLDC Odisha. Vedanta Ltd has to settle the following:
  - I) ERLDC fees and charges shall be paid by Vedanta Limited as applicable up to the cutoff date.
  - II) Previous dues up to cut off date of the pool accounts such as DSM charges along with interest, RTDA, any others has to be settled by Vedanta.
  - III) Henceforth, any deviation of Vedanta Limited will be treated as deviation of OPTCL.
  - IV) After changeover of jurisdiction if in future it is found that any amount in pool account had remained unaccounted by mistake against Vedanta Limited, Vedanta Limited will have to pay the amount into the pool account.
  - V) For calculation of POC charges and losses Vedanta Limited generation will be considered as generation of Odisha.
  - VI) Vedanta Limited has to get registered afresh at each RLDC for Short Term Open Access as embedded entity in OPTCL.
  - VII) Reconciliation of accounts is also required to be done up to the cutoff date by Vedanta.
  - VIII) OPTCL in coordination with Vedanta has to send weekly SEM data to ERLDC by Tuesday Noon.

Vedanta expressed that presently the 400 kV Vedanta- Meramundali D/C line is not stable and tripping frequently. Vedanta and OPTCL were advised to look into the matter and resolve the issues related to this line expeditiously. Till carrier aided distance protection scheme is implemented, entire length of the line should be covered in Zone-1 from both ends

ERLDC stressed that the SPS for restricting power flow in 400kV Vedanta – Rourkella or Vedanta-Raigarh line within 650 MW, should be kept in service. Vedanta agreed.

After changeover of the jurisdictional authority, it was felt that closed Bus operation would ensure greater reliability. In this regard CTU stated that with such a closed bus operation, the impact of increase of short circuit MVA levels at various buses would not be significant and would remain within limits. Further, it was decided that a system study may be carried out for the above arrangement and placed in the next OCC. It was also decided that the control area jurisdiction may be handed over to SLDC, Odisha w.e.f. 24.10.2016 as under the present circumstances Vedanta is not mandated to inject to the ISTS Grid and their NOC stands revoked w.e.f 24.10.16.

Meeting ended with vote of thanks to the chair.

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**Participants in the Special meeting on issues related to Vedanta Ltd**

Venue: ERPC Conference Hall, Kolkata

Time: 15:00 hrs

Date: 14.10.2016 (Friday)

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