

**IN THE APPELLATE TRIBUNAL FOR ELECTRICITY  
(Appellate Jurisdiction)**

**APPEAL No. 186 OF 2017**

**Dated: 27.01.2025**

**Present: Hon'ble Mr. Sandesh Kumar Sharma, Technical Member  
Hon'ble Mr. Virender Bhat, Judicial Member**

**IN THE MATTER OF:**

Chhattisgarh State Power Distribution Co. Ltd.  
Danganiya, Raipur,  
Chhattisgarh – 492014

**Appellant(s)**

**Vs.**

1. Chhattisgarh State Electricity Regulatory Commission (CSERC),  
Irrigation Colony, Shanti Nagar,  
Raipur, Chhattisgarh – 492001
2. M/s. Shree Cement Limited,  
Through its Company Secretary,  
Village – Khapradih, P.O. Grasim,  
Vihar, Tah. – Simga, District,  
Balodabazar (C.G.) – 493332

**Respondents**

Counsel for the Appellant(s) : Ms. Rashmi Singh  
Mr. Apoorv Kurup  
Ms. Aparna Arun  
Ms. Nidhi Mittal  
Ms. Stuti Krishnan  
Mr. R. K. Singh

Counsel for the Respondent(s) : Mr. Sapan Kumar Mishra  
Mr. Ravi Sharma for R-1

Mr. Kumar Mihir,  
Mr. Avinash Menon for R-2

## **JUDGEMENT**

### **PER HON'BLE MR. SANDESH KUMAR SHARMA, TECHNICAL MEMBER**

1. M/s. Chhattisgarh State Power Distribution Co. Ltd. has filed the instant Appeal challenging the order dated 01.04.2017 passed by the Chhattisgarh State Electricity Regulatory Commission (in short "CSERC" or "Commission") in Petition No. 58 of 2016 which was filed by Respondent No. 2 under section 86(1)(f) of the Electricity Act, 2003 (in short "Act").

2. The CSERC allowed the prayers sought by the Respondent No. 2 in the said petition and passed directions to the Appellant herein to calculate the PoC on the captive and non-captive load of 15MW from 04.09.2015 to 22.06.2016 and refund the excess amount by 30.04.2017 to the Respondent No. 2, which was recovered from the Respondent No. 2 as PoC and also directed to pay interest on the excess amount recovered from the date of its recovery till the date of refund of the amount @ 6 % per annum.

### **Description of parties**

3. The Appellant, Chhattisgarh State Power Distribution Co. Ltd. (in short "CSPDCL") is one of the successor companies of the erstwhile Chhattisgarh State Electricity Board. The Appellant is responsible for the distribution of electricity within its licensed distribution area as well as the procurement of surplus power from various sources.

4. The Respondent No. 1, the Chhattisgarh State Electricity Regulatory Commission established under section 82 of the Act and is the appropriate Commission to resolve the dispute in hand.

5. The Respondent No. 2, M/s. Shree Cement Ltd. is engaged in the generation of electricity and in the manufacturing of cement, having its cement manufacturing units in Rajasthan, Uttarakhand, Bihar, Haryana, Uttar Pradesh, and Chhattisgarh. The company has a 2.6 MTPA integrated cement plant located at Village Khapradih, PO Grasim Vihar, Tah Simga, District Balodabazaar, in Chhattisgarh.

### **Factual Matrix of the Case**

6. Respondent No. 2 holds a connection Service No. 1020210/534700A/86-R/2826 with CSPDCL. In a letter dated 23.04.2014, Respondent No. 2 indicated that the initial generation capacity of its plant would be 15 MW, however, the formal application submitted on 28.11.2014 was for 30 MW.

7. Respondent No. 2 subsequently applied to Chhattisgarh State Power Transmission Company Limited (in short "CSPTCL") for connectivity, synchronization, and parallel operation for a 30 MW generator. Approval for synchronization and parallel operation of the 1x30 MW generating plant was granted by CSPTCL's Executive Director (C&P) on 18.08.2015.

8. Further the Connection Agreement with CSPTCL's Grid was entered into between Respondent No. 2 and CSPTCL for 30MW connectivity.

9. The Executive Director (C&P), CSPTCL by his letter dated 06.04.2016 informed the Executive Director, Commercial, CSPDCL about the details of permission granted by CSPTCL to various CPP/IPPs for synchronization with its grid.

10. The PoC charges are calculated in accordance with the CSERC's Order dated 13.10.2009 at the rate of Rs.21/- per kVA per month on the captive and non-captive load of CGP which may either be co-located, fed through the grid or through dedicated lines of CGP. The computation of captive and non-captive load of CPP is done as under:

$$\text{Captive and non-captive load} = A - (B + C + D)$$

Where,

A — Installed Capacity of Power Plant in kVA (kW x Power Factor).

B — Auxiliary power demand of the power plant in kVA.

C — PPA with CSPDCL for quantum of power in kVA.

D — Interstate open access sought for the quantum of power in kVA.

11. The Appellant calculated PoC charges based on Respondent No. 2's Captive Generating Plant (CGP) capacity of 30 MW, in line with the "Connection Agreement with CSPTCL Grid" and the synchronization approval dated 18.08.2015. On 24.05.2016, the Appellant issued a bill for PoC charges of Rs. 55,99,125/- for the period from 04.09.2015 to 31.04.2016. Respondent No. 2 objected to the bill and made a partial payment of Rs. 27,99,562.50/-, which Respondent No. 2 deemed justified.

12. The Appellant continued billing PoC charges based on a 30 MW capacity in bills dated 01.06.2016 (for May 2016) and 01.07.2016 (for June 2016). The bill dated 01.07.2016 included arrears of Rs. 31,53,938/- for the payment shortfall from the 24.05.2016 bill and a surcharge of Rs. 47,309/- on the arrear amount. Subsequently, on 17.06.2016, the Appellant issued a disconnection notice due to non-payment of electricity charges. In response, the Respondent paid the PoC charges but submitted a letter of protest.

13. Further, being aggrieved by the notice and bills raised by the Appellant Respondent filed Petition No. 58 of 2016 on 14.09.2016 under section 86(1)(f) of the Electricity Act, 2003 before the Commission seeking claims for refund of Rs. 34,61,121/- and interest on the amount.

14. The Commission passed the Impugned Order on 01.04.2017 and granted the relief sought by Respondent No. 2, directing the Appellant to calculate and refund the POC charges on the captive and non-captive load of 15 MW for the period from 04.09.2015 to 22.06.2016 and the Appellant herein was ordered to return the excess amount by 30.04.2017, along with interest at 6% per annum, calculated from the date of recovery until the date of refund.

15. Aggrieved by the said order mentioned herein above, the Appellant has preferred the present Appeal.

### **Submissions of the Appellant**

16. The Appellant submitted that the key issue in this Appeal is whether Respondent No. 2 is required to pay PoC charges based on the installed generator capacity of 30 MW, regardless of the current operational capacity of 15 MW.

17. PoC charges are calculated under the CSERC Order dated 13.10.2009 at Rs. 21/- per kVA per month, applied to both captive and non-captive loads of the Captive Generating Plant (CGP), whether co-located, grid-fed, or connected through dedicated lines.

18. The captive and non-captive load is determined using the formula:

$$\text{Captive and non-captive load} = A - (B + C + D),$$

Where,

A- represents the installed power plant capacity in kVA (kW x Power Factor),

B- is the auxiliary power demand of the plant,

C- is the quantum of power under PPA with CSPDCL, and

D- is the quantum of power for interstate open access in kVA.

19. Further asserted that the Appellant calculated PoC charges using the 30 MW installed capacity of Respondent No. 2's Captive Generating Plant (CGP), in line with the "Connection Agreement with CSPTCL Grid" and the synchronization approval dated 18.08.2015.

20. Respondent No. 2's application to CSPTCL was for a 30 MW generator, without any reference to a 15 MW capacity. CSPTCL's approval, issued on 18.08.2015, specified that Respondent No. 2 must pay PoC charges based on the

30 MW generator capacity, regardless of any lower operational capacity (e.g., 15 MW).

21. The agreement between Respondent No. 2 and CSPTCL for 30 MW connectivity was executed on 18.08.2015 and has not been contested, making Respondent No. 2 bound by its terms.

22. Respondent No. 2 claims to have a turbine and generator each with a 30 MW capacity but has not provided any evidence supporting the existence of a 15 MW boiler as alleged. Additionally, no proof has been submitted to demonstrate the installation of any additional boilers. Official records consistently indicate that the generator capacity is 30 MW, not 15 MW for instance, a letter dated 06.04.2016 sent by CSPTCL to CSPDCL.

23. The Respondent's reliance on the judgment in Chhattisgarh State Power Distribution Co. Ltd. v. Godawari Power & Ispat Ltd. (Appeal No. 120 of 2009) is misplaced. In that case, there were multiple generators connected to three boilers, where only one 10 MW generator and one 30 MW plant could operate simultaneously, limiting the effective grid connectivity to 40 MW. However, in the current case, there is a single 30 MW generator with grid connectivity, and both boilers can operate, distinguishing it from the facts of the cited case.

### **Submissions of the Respondent No. 2**

24. Respondent No. 2 submitted that the present Appeal concerns the appropriate method for calculating parallel operation charges (PoC) on the captive

and non-captive load of Respondent No. 2's captive generating plant and determining the basis for these charges.

25. Respondent No. 2 operates a Waste Heat Recovery Based (WHRB) generating station located in Village Khapradih, District Balodabazar, Chhattisgarh, which supplies power to its 2.6 MTPA integrated cement plant in Balodabazar. The WHRB plant includes a 15 MW boiler connected to a 30 MW turbine, with the additional turbine capacity intended for future expansion plans. Currently, Respondent No. 2's generation capacity is limited to 15 MW.

26. Respondent No. 2 applied for connectivity, synchronization, and parallel operation with Chhattisgarh State Power Transmission Co. Ltd. (CSPTCL) on 28.11.2014. CSPTCL granted permission via letter dated 18.08.2015, indicating the power plant's total generation capacity as 15 MW.

27. A connectivity agreement was also signed on the same date. However, the Appellant (CSPDCL), through a supplementary bill dated 24.05.2016, demanded Rs. 55,99,125/- in POC charges, assuming the capacity as 30 MW for the period 04.09.2015 to 31.04.2016.

28. Respondent No. 2 disputed this calculation through its letter dated 06.06.2016, and subsequently paid Rs. 27,99,562.50 based on the correct capacity of 15 MW in its letter dated 16.06.2016.

29. Further, submitted that Respondent No. 2 received electricity bills dated 01.06.2016 (for May 2016) and 01.07.2016 (for June 2016). The bill dated 01.07.2016 included an arrear charge of Rs. 31,53,938/- for the underpayment of



PoC charges as per the supplementary bill dated 24.05.2016, along with a current surcharge of Rs. 47,309/-. Subsequently, the Appellant issued a disconnection notice on 17.06.2016 due to non-payment. Under pressure of this notice, Respondent No. 2 was compelled to pay the full POC charges demanded by the Appellant, submitting the payment with a protest letter.

30. In response to the circumstances, the Second Respondent was compelled to file Petition No. 58 of 2016 on 14.09.2016, before the State Commission, Respondent No. 1. After a full hearing and review of the evidence, the State Commission issued the contested order on 01.04.2017. This order contained key findings adverse to the Appellant, the relevant paragraph is as follows:

*“25. Going through the submissions of the parties, we can say that the petitioner did not hide the capacity of generator. The CSPTCL in letter dated 18.08.2015 has also granted permission for synchronization and parallel operation of the generator of 1x30MW with 15MW generation only. Copies of this letter were also communicated to the officials of the respondent company.*

.....

*It appears from above mentioned pleadings of the parties that the petitioner though installed a turbine of 30MW, but the petitioner’s capacity from WHR based boiler was limited to 15MW only. This technical part of the generators set was communicated by the petitioner to the respondent and the CSPTCL through which the petitioner’s plant is connected with the grid. The CSPTCL had permitted the petitioner for synchronization of it’s 1x30MW plant*

*with generation capacity limited upto 15MW with the grid through letter dated 18.08.2015.*

*27. The CSPTCL has granted permission for synchronization and parallel operation of balance 15MW captive power generation over and above the then existing 15MW WHR generation from 1x30MW generating set on 22.06.2016 through letter no. 584. Thus, after permitting for generation and parallel operation of rest 15MW capacity, the generation plant of the petitioner is running in it's full capacity of 30MW. Hence, we have no doubt that the capacity of power generation upto 22.06.2016 was 15MW and thereafter, the capacity is increased upto the full capacity of 30 MW of the plant.*

.....

*30. Parallel operation is an activity where one electrical system operates with connectivity to another system in similar operating conditions. In this process the power system operates in tandem with all the connected generators for better operational efficiency and ease of the generators. The captive users are required to pay POC to the licensee because of the benefits they derive from their parallel operation with the grid.*

*31. The Hon'ble Appellate Tribunal in appeal no. 19 of 2006 directed the Commission to fix the charges for parallel operation on the basis of the data, materials and scientific inputs relating to POC as made available to it by the parties. Accordingly, the Commission had taken up the task of determination of parallel operation charges by registering a suo-motu petition no. 39 of 2006(M). The Commission had appointed, for this purpose, M/s Electrical*

Research & Development Association (ERDA), Vadodara, as a technical consultant to assist it in the task of determination of POC. 32. In that suo-motu petition, the Commission had considered advantages and disadvantages of parallel operation to the CPPs as well as the utility, methods of evaluation of POC and also the rate of POC. A detailed order was passed in that petition on 31.12.2008 by the Commission. This order was reviewed, upon the application for review filed by the respondent CSPDCL, which was registered as petition no. 20 of 2009(M). This petition was decided by order dated 13.10.2009. According to the orders the POC is leviable on the captive and non-captive load of CPP which may be either co-located, fed through the grid or through dedicated line of CPP. In that order the Commission had observed that:-

“It will be appropriate to specifically identify the parameter responsible for causing shock, pollution and disturbance in the grid as parameter for calculation of POC. The power generated by CPP can be utilized for auxiliary consumption, captive load, non-captive load, supply to utility and for inter state sale. In case of elimination of supply for auxiliary consumption, supply to utility and power for inter state sale as per provision in our order dated 31.12.2008 the balance remains power supply to captive and non-captive loads of CPP, and this can be specifically identified as an element for payment of POC. The essence of technical study conducted and report submitted by the ERDA is that the load connected to grid is responsible for creation of shocks, disturbance and pollution in the grid. Though the grid absorbs the pollution of the loads of the consumers who has agreement with the utility and

*utility charges to consumers as per the retail tariff fixed by the Commission, but the grid also used to absorb the pollution of the captive and non-captive loads of the CPP connected with the grid which is not the consumer of utility and therefore, captive and non-captive load of CPP can be parameter for payment of POC. Such captive and non-captive load of CPP can either be co-located, supplied through the grid or may be supplied through dedicated system”.*

*33. From the above observations, it appears that the POC can be charged on the load deriving benefits from the grid, which is responsible for creation of shocks, disturbance and pollution in the grid. In this case, it is clear that from the date of commissioning till 22.06.2016, the petitioner’s power generation capacity was only 15MW, though the rating of turbine was 30MW. This fact is also accepted by the CSPTCL in the letter dated 18.08.2015. In these circumstances, in our view the POC can be levied for the period prior to 22.06.2016 from the commissioning of the CPP of the petitioner company on the load of 15MW and not on the 30MW. However, we are surprised that the CSPTCL imposed a condition for synchronization and parallel operation upon the petitioner for payment of POC to CSPDCL as per status of generator for 1x30MW WHR generating set, irrespective of the then generation capacity of 15MW, despite knowing the fact that, the petitioner was able to generate electricity 15MW only against the 30MW capacity of installed turbine and the POC is leviable only on the captive and non-captive load of a CPP. The CSPDCL raised the POC bills*

*accordingly, without application of mind. The act of the CSPDCL is unreasonable and not justified.*

*34. We therefore, decide that:-*

*i. The respondent is liable to calculate the POC on the captive and non-captive load of 15 MW from 04.09.2015 to 22.06.2016 and refund the excess amount by 30th April 2017 to the petitioner, which was recovered from the petitioner as POC;*

*ii. The respondent is liable to pay interest on the excess amount recovered from the date of it's recovery till the date of refund of the amount @ 6% per annum.”*

31. Respondent No. 2 continued to argue that the State Commission, after reviewing all legal provisions, correctly determined that PoC charges before 22.06.2016, should be based on the petitioner's 15 MW load capacity, not 30 MW and based on this, the Appellant's Appeal is without merit and should be dismissed.

32. Respondent No. 2 submitted that the judgment dated 18.02.2011 in Appeal No. 120 of 2009, Chhattisgarh Power Distribution Co. Ltd. vs. Godawari Power & Ispat Ltd., addressed a similar factual scenario and established the legal concept of Parallel Operation Charges (POC). This precedent clarifies the framework and applicability of POC in cases involving parallel operation of captive generating plants with the grid. The relevant paragraph is as follows:

*“17. The parallel operation is a facility in the nature of a Grid support to the Captive Power Plant. The Captive Power Plant gets the following advantages owing to the parallel operation with the Grid:*

- (i) *The fluctuations in the load of CPP are absorbed by the utility grid in the parallel operation mode. This will reduce the stresses on the captive generator and equipments. The CPP can operate his generating units at constant power generation mode irrespective of his load cycle.*
- (ii) *Absorption of harmonics.*
- (iii) *Negative phase sequence current is generated by unbalance loads. The magnitude of negative phase sequence current is much higher at the point of common coupling than at generator output terminal. This unbalance current normally creates problem of overheating of the generators and other equipments of CPP, if not running in parallel with grid. When they are connected to the grid, the negative phase sequence current flows into the grid and reduces stress on the captive generator.*
- (iv) *Captive Power Plants have higher fault level support when they are running in parallel with the grid supply. Because of the higher fault level, the voltage drop at load terminal is less when connected with the grid.*
- (v) *The grid provides stability to the load of Captive Power Plant to start heavy loads like HT motors.*
- (vi) *The variation in the voltage and frequency at the time of starting large motors and heavy loads, is minimized in the industry, as the grid supply acts as an infinite bus. The active and reactive power demand due to sudden and fluctuating load is not recorded in the meter.*

(vii) *The impact created by sudden load throw off and consequent tripping of CPP generator on over speeding is avoided with the grid taking care of the impact.*

(viii) *The transient surges reduce the life of equipment of the CPP. In some cases, the equipment fails if transient is beyond a limit. If the system is connected to the grid, it absorbs the transient surges. Hence, grid enhances the life of CPP equipments.*

*18. In short, the gain to the Captive Power Plant is quite substantial in case there is grid support. Owing to the above said substantial gains to the Captive Power Plant by operating in parallel with the grid, the parallel operation charges are levied from the Captive Power Plant.*

...

*22. The above observations contained in the above paragraphs would reveal that the State Commission has come to the above conclusion on the basis of the fact that from the quantum of steam generated by the 3 boilers, only one 10 MW Generating Plant can run at a time along a 30 MW power plant and thus, the effective connectivity of Generating Plant with the grid is only 40 MW and not 60 MW.*

*23. The parallel operation charges are payable on the installed capacity of the Captive Power Plant. The Captive Power Plant consists of number of machines, equipments of which the steam boiler forms a part. The Captive Power Plant can produce only such a quantum of electricity based on the steam which is dependent on*

*the capacity of the steam boilers installed. Even if the Captive Power Plant has multiple turbine generators for delivering the electricity of a substantially higher quantum of power, in case the boilers providing steam for electricity generation are of capacity less than the sum of capacity required for the turbine generators, then the ultimate capacity of the Captive Power Plant will be less than the sum of rated capacity of the generators and will be in accordance with the capacity of the boilers to provide steam. In other words, the capacity of the Captive Power Plant cannot be considered in isolation of one or two equipments but in a comprehensive manner taking into account the limitations or restrictions of one or two equipments such as boilers providing steam.*

*24. Considering the capacity of the boilers to provide steam, it will ultimately fed into the turbine generators for the purpose of generation, the State Commission has correctly decided the capacity of Captive Power Plant as 40 MW for levy of parallel operation charges.*

*25. In view of the discussion, we are of the view that the finding given by the State Commission with regard to the capacity of the Captive Power Plant as 40 MW for levy of parallel operation charges is perfectly valid.*

**SUMMARY OF OUR FINDINGS:**

*26.....*

*(2) The parallel operation charges are payable on the installed capacity of the Captive Power Plant. The Captive Power Plant*



*consists of a number of machines and equipments. Then capacity of Captive Power Plant cannot be considered in isolation of one or two equipments. MVA capacity of generating plant shall be worked out on the basis of designed power factor which is recorded in the nameplate of the generator. From the quantum of the steam generated by the three boilers installed in the premises of the 1st Respondent, only one 10 MW generating plant can run at a time along with the 30 MW power plant. Thus, the effective connectivity of generating plant with the grid is 40 MW and not 60 MW. Therefore, the 1st Respondent should be billed for parallel operation charges for 40 MW only and not for 60 MW.”*

33. Also, this Tribunal, in Appeal No. 385 of 2023, Arjas Steel (P) Ltd. vs Andhra Pradesh Electricity Regulatory Commission, ruled that Parallel Operation Charges (POC) apply solely to the co-located captive load of a Captive Generating Plant.

34. Given that the captive load in this case is capped at 15 MW, the 30 MW charge is not applicable. The Appellant referenced a letter dated 18.08.2015, stating that Respondent No. 2 is required to pay POC charges based on a 1x30 MW WHR generating set, regardless of the current 15 MW capacity, if relevant. The State Commission upheld that POC charges are only applicable to the actual 15 MW generation, aligning with the Tribunal's decision. Therefore, the Appeal lacks grounds and should be dismissed as the impugned order is legally sound.

### **Analysis and Conclusion**

35. After hearing all the parties at length, the only question that needs to be answered is *Whether the installed capacity for calculating PoC charges should be based on 15 MW or 30 MW as per CSERC's order dated 13.10.2009, for the period from 04.09.2015 to 22.06.2016?*

36. Respondent No. 2 had applied to CSPTCL on 28.11.2014, for connectivity, synchronization, and parallel operation, which was approved by CSPTCL on 18.08.2015. CSPTCL's letter dated 18.08.2015 is as follows:

*“....Please refer to your applications cited under reference vide which a request has been made by you regarding permission for synchronization & parallel operation of 1x30 MW(**with 15MW generation only**) Waste Heat Recovery Power Plant with CSPTCL Grid on 132 KV. In this regard, it is to convey that your request has been considered by the competent authority and accorded approval for synchronization & parallel operation of 1x30 MW(**with 15MW generation only**) Waste Heat Recovery Power Plant with CSPTCL Grid on 132 KV with CSPTCL grid on the following terms & conditions:-.....”*

37. This approval noted the power plant's total generation capacity as 15 MW, however, on the same date, Respondent No. 2 signed a connectivity agreement with CSPTCL.

38. The Appellant issued a supplementary bill on 24.05.2016, demanding Rs. 55,99,125 as PoC charges for the period from 04.09.2015 to 30.04.2016, based on a 30 MW capacity. Respondent No. 2 objected to this miscalculation via letter

No. 4475 on 06.06.2016, and subsequently paid Rs. 27,99,562.50, calculated on the correct 15 MW capacity, with a letter dated 16.06.2016.

39. The Appellant had issued electricity bills on 01.06.2016, and 01.07.2016, continuing to charge POC based on a 30 MW capacity instead of 15 MW, which in our opinion was invalid.

40. The bill dated 01.07.2016 also included arrears of Rs. 31,53,938 from the 24.05.2016 supplementary bill and a surcharge of Rs. 47,309 on this arrear amount.

41. Additionally, a disconnection notice dated 17.06.2016 was issued to the Appellant threatening to suspend the service for unpaid charges.

42. It is to be observed that this Tribunal vide order dated 18.02.2011 in Appeal No. 120 of 2009, Chhattisgarh Power Distribution Co. Ltd. vs. Godawari Power & Ispat Ltd., had established the legal framework for Parallel Operation Charges (POC) observing that PoC should reflect the practical generation capacity, not just the rated capacity of generators, as the actual output is limited by steam boiler capacity, as already noted in the foregoing paragraphs.

43. The above-referenced ruling clarified the basis and principles governing the imposition of POC for captive power plants operating in parallel with the state grid, setting a precedent for similar cases.

44. The Appellant herein has relied on a letter dated 18.08.2015, which stated that Respondent No. 2 should pay POC charges based on a 30 MW generating set, regardless of the current 15 MW capacity, if applicable.

45. Undisputedly, the contesting parties were well aware that the generation capacity of the plant was limited to 15 MW only as recorded in CSPTCL's letter dated 18.08.2015 is as follows:

*“....Please refer to your applications cited under reference vide which a request has been made by you regarding permission for synchronization & parallel operation of 1x30 MW(**with 15MW generation only**) Waste Heat Recovery Power Plant with CSPTCL Grid on 132 KV. In this regard, it is to convey that your request has been considered by the competent authority and accorded approval for synchronization & parallel operation of 1x30 MW(**with 15MW generation only**) Waste Heat Recovery Power Plant with CSPTCL Grid on 132 KV with CSPTCL grid on the following terms & conditions:-.....”*

46. The State Commission while passing the Impugned Order has taken note of it and has rightly observed that:

*“25. Going through the submissions of the parties, we can say that the petitioner did not hide the capacity of generator. The CSPTCL in letter dated 18.08.2015 has also granted permission for synchronization and parallel operation of the generator of 1x30MW*

*with 15MW generation only. Copies of this letter were also communicated to the officials of the respondent company.”*

47. The Commission also took note of the connectivity agreement by observing as under:

***“27. The CSPTCL has granted permission for synchronization and parallel operation of balance 15MW captive power generation over and above the then existing 15MW WHR generation from 1x30MW generating set on 22.06.2016 through letter no. 584. Thus, after permitting for generation and parallel operation of rest 15MW capacity, the generation plant of the petitioner is running in it’s full capacity of 30MW. Hence, we have no doubt that the capacity of power generation upto 22.06.2016 was 15MW and thereafter, the capacity is increased upto the full capacity of 30 MW of the plant.”***

48. And, thus, rightly ruled that:

*“34. We therefore, decide that:-*

- i. The respondent is liable to calculate the POC on the captive and non-captive load of 15 MW from 04.09.2015 to 22.06.2016 and refund the excess amount by 30th April 2017 to the petitioner, which was recovered from the petitioner as POC;*
- ii. The respondent is liable to pay interest on the excess amount recovered from the date of it’s recovery till the date of refund of the amount @ 6% per annum.”*

49. We find no infirmity in the Impugned Order passed by the State Commission.

**ORDER**

For the foregoing reasons as stated above, we are of the considered view that Appeal No. 186 of 2017 is devoid of merit and is dismissed.

The pending IAs, if any, are disposed of in the above terms.

**PRONOUNCED IN THE OPEN COURT ON THIS 27<sup>th</sup> DAY OF JANUARY, 2025.**

**(Virender Bhat)**  
**Judicial Member**

**(Sandesh Kumar Sharma)**  
**Technical Member**

**REPORTABLE / NON-REPORTABLE**

pr/mkj