

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 105/2010

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri M.Deena Dayalan, Member**

DATE OF HEARING: 19.4.2011

DATE OF ORDER: 9.5.2011

In the matter of

Application for grant of Inter-State Transmission Licence to Jindal Power Limited.

And

In the matter of

Jindal Power Limited, Chattisgarh

..... **Applicant**

Vs

- 1 Gujarat Urja Vikas Nigam Ltd, Vadodara
- 2 Maharashtra State Electricity Distribution Company Ltd., Mumbai
- 3 M.P.Tradeco, Jabalpur
- 4 Chhattishgarh State Power Holding Co. Ltd., Raipur
- 5 Electricity Deptt., Govt. of Goa, Panji
- 6 Electricity Deptt., Administration of Daman and Diu, Daman
- 7 Electricity Deptt., Administration of Dadra and Nagar Haveli, Silvassa
- 8 Madhya Pradesh Audyogik Kandra Vikas Nigam (Indore) Ltd., Indore
- 9 Torrent Power Ltd., Surat
- 10 Adani Power Ltd., Gurgaon
- 11 PTC (India) Ltd., New Delhi
- 12 Heavy Water Board, Mumbai
- 13 Power Grid Corporation of India Ltd., Chandrapur
- 14 Power Grid Corporation of India Ltd., Singrauli

.... **Respondents**

The following were present:

1. Shri M. G. Ramchandran, Advocate for JPL
2. Shri K. R. Nagendra Kumar, JPL



ORDER

The Applicant, Jindal Power Limited, has filed this application under sections 14 and 15 of the Electricity Act, 2003 (hereinafter referred to as 'the Act') for grant of transmission licence for the Transmission System comprising the following elements:

(a) Transmission lines:

Name (end-points location)	Voltage (kV)	Class	Length (in Km)	Type (S/C/ D/C)
JPL Tamnar-PGCIL Raipur	400 kV		258	D/C

(b) Sub-stations

Name (Location)	Voltage Level (s) (kV)	Transformer (Nos. and MVA capacity)	Reactive/ capacity compensation (Device with MVAR capacity)	No. of bays
JPL Tamnar 400/220/33 kV switchyard	400 kV, 220 kV & 33 kV	2 Nos X 315 MVA, 400/220 kV	Nil	400 kV- 2 nos. line bays and 2 nos. of transformer bays. 220 kV- 2 nos. transformer bays

(c) Completion Schedule

S. No.	Scope of work	Completion schedule
1.	400 kV JPL Tamnar-PGCIL Raipur Line(ckt. 1)	3.4.2008
2.	400 kV JPL Tamnar-PGCIL Raipur Line(ckt. 2)	18.8.2008
3.	315 MVA, 400/220 kV Transformer(1 st Unit)	30.1.2007
4.	315 MVA, 400/220 kV Transformer(2 nd t Unit)	16.6.2007

2. The applicant has submitted that Jindal Power Limited (JPL) has set up a generating station of 1000(4x250) MW Thermal Power Plant at Tamnar in Raigargh District of Chhattishgarh. As part of the generation project, JPL



has established 258 km dedicated transmission line i.e. 400 kV D/C Transmission Line from JPL, Tamnar Power Plant to Power Grid Corporation of India Limited (PGCIL) substation at Kumhari in Raipur District of Chhattishgarh for evacuation of power from the place of generation to the interconnection point for onward inter-State transmission. The applicant has further submitted that Jindal Steel and Power Limited (JSPL) is engaged in the business of manufacture of steel and steel products. JSPL has independently established captive power plants at Raigarh for an aggregate capacity of 358 MW and is in the process of commissioning an additional 540 MW at Dongamahua, Raigarh District. The power units of JSPL are connected to the switchyard of the generation project of JPL. JSPL has some surplus generation from time to time which it is in a position to sell to third parties subject to applicable laws and regulations.

3. We had examined the application of the applicant in the light of the provisions of the Act and the provisions of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009 (hereinafter referred to as 'the transmission licence regulations') and had come to the following conclusion in our order dated 17.3.2011:

*"18. The applicant has complied with the provisions of the Act, transmission licence regulations for grant of licence and directions issued by the Commission in order dated 10.12.2010. We are **prima-facie** satisfied that the applicant fulfills the conditions for grant of transmission licence for 400 kV D/C JPL Tamnar-PGCIL, Raipur transmission line and 400/220/33 kV*



JPL Tamnar Switchyard. Accordingly, we direct that a notice of our proposal to grant transmission licence to the applicant company Ltd. be published in two daily newspapers inviting suggestions/objections from the public in terms of sub-section 5 of section 15 of the Act."

4. The public notice under Section 15 (5) of the Act was published on 29.3.2011 in all editions of Times of India and Dainik Bhaskar. In response to the public notice, no suggestions/objections have been received. During the hearing on 19.4.2011, no body appeared on behalf of any of the respondents or any objector.

5. The applicant vide its affidavit dated 19.4.2011 has submitted that the Jindal Steel and Power Limited (JSPL) vide Power of Attorney dated 5.11.2008 authorized it to do all such acts as was necessary for obtaining long-term open access with Central Transmission Utility (CTU) for evacuation of its power. It has been further submitted that in pursuance of the said Power of Attorney, long term open access was applied by the applicant on behalf of JSPL for transmission of 400 MW through PGCIL line and the applicant vide its letters dated 16.9.2009 and 29.9.2009 brought to the notice of PGCIL that the said 400 MW would comprise,-

(a) 175 MW from 4x250 MW power plant at Tamnar;

(b) 225 MW to be injected ex-bus, JPL from 4x135 MW captive plant at Dongamahua.



6. The petitioner has further submitted that a Bulk Power Transmission Agreement (BPTA) was signed on 24.2.2010 between the JPL and PGCIL for 400 MW of power with bifurcation of 225 MW from 4x135 MW captive power plant at Donga Mahua of JSPL and 175 MW from existing 4x250 MW Tamnar Thermal Power Station of JPL. Even though the name of JSPL is missing in the LTOA granted by PGCIL and BPTA signed on 24.2.2010, it is evident that JSPL has already obtained Long Term Open Access from PGCIL for transmission of 225 MW power from its captive power plant at Dongamahua. It has been further submitted that considering that JSPL has already authorized JPL to obtain LTOA on its behalf and also that there is no change in the location of plant nor change in the quantum of power, the application already made should be treated as having been made on behalf of JSPL.

7. During the hearing of the application, the learned counsel for the applicant submitted that the requirement of JSPL for seeking open access from the Central Transmission utility has been complied with as JPL on the basis of the Power of Attorney has sought the LTOA from the CTU.

8. We have considered the submission of the applicant. In our order dated 10.12.2010, we had observed the following with regard to the LTOA and connectivity of JPSL:

"18. In the present case, the applicant has placed on record a letter dated 16.11.2009 from PGCIL granting LTOA for 400 MW to JPL for transfer of power



from Tamnar Switchyard (175 MW from Tamnar TPS AND 225 mw for upcoming Dongamahua CPP) to the beneficiaries of Western Region. It is apparent that Dongamahua CPP belongs to JSPL for which long term access has been sought for by JPL and granted by PGCIL. JSPL has submitted on affidavit that it will abide by the connectivity and agreement for LTOA executed between PGCIL and JPL. In our view, both JPL and JSPL are independent legal entities and there is nothing on record to show that JPL was authorized by JSPL to seek connectivity and long term open access on its behalf. Therefore, JSPL should apply to the CTU for connectivity and long term access in terms of the Connectivity Regulations and once connectivity and long term access are granted, it can be treated as a Long Term Transmission Customer of the inter-State Transmission System including the 400 kV JPL Tamnar-PGCIL Raipur Transmission lines."

Accordingly, in our order dated 10.12.2010, we had directed that "JSPL will be required to seek connectivity and long term access from CTU before it is considered as a long term customer of the transmission line." In its affidavit dated 12.12.2010, the applicant had agreed to the conditions and did not bring to the notice of the Commission that the applicant had sought and obtained long term open access for 225 MW power from the captive power plant of JSPL. Though it has been brought on record that JPL was authorized by JSPL through Power of Attorney to enter into any agreement on its behalf, the BPTA has been signed by JPL on behalf of JSPL for 225 MW power.

9. As per Regulation 15 of the Central Electricity Regulatory Commission (Grant of Connectivity, Long term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009, the applicant for long term access shall sign an agreement for long term access with the Central Transmission Utility in case long-term access is



granted by the CTU in accordance with the provisions of the detailed procedure. Since long term access has been granted by CTU to JPL which includes 225 MW for the Dongamahua plant of JSPL, we direct the applicant and JSPL to sign separate connection and long-term access agreements with the CTU in accordance with Regulations 8 (5) and Regulation 15 of the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium Term Open Access in inter-State Transmission and related matters) Regulations, 2009. The JSPL is also directed to sign a tripartite long-term access agreement with the CTU and JPL.

10. Clauses (15) and (16) of Regulation 7 of transmission licence regulations provide as under:

“(15) The Commission may after consideration of the further suggestions and objections, if any, received in response to the public notice aforesaid, grant licence as nearly as practicable in Form-III attached to these regulations or for reasons to be recorded in writing, reject the application if such application is not in accordance with the provisions of the Act, the rules or regulations made thereunder or any other law for the time being in force or for any other valid reasons.

(16) The Commission may, before granting licence or rejecting the application, provide an opportunity to the applicant, the Central Transmission Utility, the Long-term customers, or the person who has filed suggestions and objections, or any other person:

Provided further that the applicant shall always be given a reasonable opportunity of being heard before rejecting the application.”



11. The applicant intends to use the dedicated transmission line as the main transmission line and as part of the inter-State transmission system for evacuation of power from JSPL for undertaking inter-State transmission of power. Accordingly, the applicant fulfills the requirements of Regulation 6 (b) of the transmission licence regulations. In our order dated 15.10.2010, we had proposed to grant transmission licence to the applicant company and directed for issue of public notice. In response to public notice, no suggestions/objections have been received. We are satisfied that the applicant company meets the requirements of the Act and the transmission licence regulations for grant of transmission licence for the subject transmission system mentioned at para 1 of this order. Accordingly, we direct that a transmission licence be granted to Jindal Power Limited for 400 kV D/C JPL Tamnar-PGCIL, Raipur transmission line and 400/220/33 kV JPL Tamnar Switchyard as per the details given in para 1 above.

12. The grant of transmission licence to the applicant is subject to the fulfillment of the following conditions throughout the period of licence:

(a) The transmission licence shall, unless revoked earlier, remain in force for a period of 25 years;

(b) If the useful life of the transmission system extends beyond the period of 25 years, the applicant may make an application, two years before the expiry of initial licence period, for grant of licence



for another term which shall be considered by the Commission in accordance with law;

(c) The applicant shall not enter into any contract for or otherwise engage in the business of trading in electricity during the period of subsistence of the transmission licence;

(d) The applicant shall have the liability to pay the license fee in accordance with the provisions of the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2008, as amended from time to time or any of other regulations in force. Delay in payment or non-payment of licence fee or a part thereof for a period exceeding sixty days shall be construed as breach of the terms and conditions of licence;

(e) The applicant shall comply with the directions of the National Load Despatch Centre under section 26 of the Act, or the Regional Load Despatch Centre under sub-section (3) of section 28 or sub-section (1) of section 29 of the Act, as may be issued from time to time for maintaining the availability of the transmission system;

(f) The applicant shall remain bound by the Central Electricity Regulatory Commission (Standard of performance of inter-State transmission licensees) Regulations which will be notified by the Commission shortly.



(g) The applicant shall provide non-discriminatory open access to its transmission system for use by any other licensee, including a distribution licensee or an electricity trader, or generating company or any other person in accordance with the Act, Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 and Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 as amended from time to time;

(h) The applicant shall not undertake any other business for optimum utilization of the transmission system without prior intimation to the Commission and shall comply with the provisions of the Central Electricity Regulatory Commission (Sharing of revenue derived from utilization of transmission assets for other business) Regulations, 2007, as amended from time to time;

(i) The applicant shall remain bound by the Central Electricity Regulatory Commission (Sharing of inter-State Transmission Charges and Losses) Regulations, 2010 which will come into force with effect from 1.7.2011.



(j) The applicant shall remain bound by the provisions of the Act, the rules and regulations framed thereunder, in particular the transmission licence regulations, the Grid Code, the Standards specified by the Central Electricity Authority, orders and directions of the Commission issued from time to time.

13. Petition No. 105 of 2010 is disposed of in terms of the above.

Sd/-

(M. DEENA DAYALAN)
MEMBER

Sd/-

(S. JAYARAMAN)
MEMBER

Sd/-

(Dr. PRAMOD DEO)
CHAIRPERSON

