

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 116/MP/2011

Subject: Miscellaneous petition under section 94(1) of the Electricity Act, 2003 read with CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Amendment) Regulations 2010 and Regulation 24 of CERC (Conduct of Business) Regulations 1999 seeking direction from commission for development of transmission system for connectivity of IPP generation projects whose date of connectivity is less than the time line indicated in the regulation in case of implementation by CTU.

Date of Hearing: 21.6.2011

Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S.Verma, Member
Shri M.Deen Dayalam, Member

Petitioner: Power Grid Corporation of India Ltd.

Respondents:

1. LANCO Vidarbha Thermal Power Pvt. Ltd.
2. SJK Powergen Limited
3. Torrent Energy Ltd.
4. Raigarh Energy Limited
5. GMR Rajahmundry Energy Ltd.
6. Pipavav Energy Pvt. Ltd.
7. Gupta Energy Pvt. Ltd.
8. Gujarat Fluorochemicals Ltd.
9. Reliance Infrastructure Limited
10. Spectrum Power Generation Limited
11. GVK Gautami Power Limited
12. GVK Industries Limited
13. Corporate Power Limited

Parties present:

1. Sh. Vinod Khanna, Torrent Energy Ltd.
2. Sh. Prashant Sharma, Power Grid Corporation of India Ltd.
3. Sh. A. M. Pavgi, Power Grid Corporation of India Ltd.
4. Ms. Kashish Bhambhani, Power Grid Corporation of India Ltd.
5. Sh. Subir Sen, Power Grid Corporation of India Ltd.
6. Sh. R. V. M. M. Rao, Power Grid Corporation of India Ltd.

RECORD OF PROCEEDINGS

This petition has been filed by the Central Transmission Utility for approval and permission to deviate from Regulation 8 (8) 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 as amended (hereinafter referred to as “Connectivity Regulations”) in respect of the applications for connectivity regarding development of dedicated transmission system and directions to the applicants to develop the dedicated transmission system on their own due to paucity of time available for implementation by the petitioner.

2. The representative of the petitioner made a presentation on the status of construction of dedicated transmission lines for which connectivity has been granted by the CTU. The representative of the petitioner submitted that in accordance with the Connectivity Regulations, the CTU has granted connectivity to thirty nine (39) applicants. The status of the applications is as follows:

- (a) 10 nos. – Being thermal generation of less 500 MW, transmission lines to be developed by the applicants in accordance with the Connectivity Regulations
- (b) 5 nos. - Connectivity through Bus extension by developers
- (c) 4 nos. – System to be developed by CTU (POWERGRID)
- (d) 3 nos.- System to be developed through tariff based competitive bidding
- (e) 13 nos. - time available for connectivity is less than the time required for development of transmission system as per the detailed procedure under Connectivity Regulations
- (f) 2 nos. – applications withdrawn
- (g) 2 nos. – NPCIL transmission lines to be developed by POWERGRID

3. The representative of the petitioner submitted that in respect of thirteen (13) applications mentioned in para 2 (e) above, the time period available for commencement of connectivity is less than the time period required for the construction of the dedicated transmission lines by CTU as per the procedure under the Connectivity Regulations. In the Standing Committee Meetings on Transmission Planning of the respective regions, all

developers except SJK Powergen Limited and Raigarh Energy Limited have agreed for construction of the dedicated lines on their own. He further submitted that SJK Powergen Ltd. (Respondent No.2) had failed to sign the transmission agreement and submit the bank guarantee even after seeking two months extension which expired in December 2010. Raigarh Energy Ltd. (Respondent No. 4) first agreed for construction of the dedicated lines but subsequently requested CTU to construct the same. However, the developer has neither signed the transmission agreement nor submitted the bank guarantee. He submitted that these two cases would now be considered under tariff based competitive bidding.

4. The representative of the petitioner submitted that Respondent Nos. 1, 3 , 5 to 13 have agreed for construction of the dedicated transmission lines from the generating switchyard to the point of connectivity to the CTU network on their own. Lanco Vidarbha Thermal Power Pvt. Ltd. (Respondent No. 1) and Torrent Energy Ltd. (Respondent No. 3) have already taken up the construction of dedication lines. Corporate Power Ltd. (Respondent No. 13) has also started construction of the dedicated line. The representative of the petitioner submitted that the Commission may, in deviation of Regulation 8 (8) of the Connectivity Regulations, direct the respondents Nos.1, 3 and 5 to 13 to develop the dedicated transmission lines on their own.

5. The Commission enquired from the petitioner whether CTU has got the written consents from the respondents for the construction of dedicated lines by themselves. The representative of the petitioner replied that all respondents except Respondent No. 2 and 4 have agreed in the Standing Committee Meetings to undertake construction of the dedicated transmission lines on their own.

6. The representative of Torrent Energy Limited (Respondent No. 3) submitted that dedicated transmission line is being constructed by the respondent. In reply to a query from the Commission, he submitted that although the line was being constructed by Torrent Energy Limited, the transmission line should be pooled with the regional assets as in the case of the transmission lines constructed by the CTU.

7. The Commission admitted the petition and directed to issue notices to the respondents who shall file their replies by 15.7.2011.

8. The Commission directed the CTU to submit written consents of the Respondent Nos. 1, 3 and 5 to 13 for construction of dedicated transmission lines on their own and the present status of construction of each of the dedicated transmission lines.

9. The matter shall be listed for hearing on 21.7.2011.

Sd/-
(T. Rout)
Joint Chief (Law)