

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No.169/Suo-Motu/2012

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

Date of Order: 21.8.2012

In the matter of:

Signing of Connection Agreements by all Generators

And

In the matter of:

Central Transmission Utility

... Respondent

ORDER

As per Regulation 8(5) 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 (hereinafter referred to as "Connectivity Regulations"), the applicants or inter-State transmission licensees are mandated to sign a connection agreement with the CTU. The term 'applicant' has been defined in the Connectivity Regulations as under:-

"(b) 'Applicant' means

- (i) a Generating station of installed capacity 250 MW and above, including captive generating plant of exportable capacity of 250 MW and above or bulk consumer in respect of grant of connectivity and*
- (ii) a generating station including a captive generating plant, a consumer, an Electricity Trader or a distribution licensee, in respect of long-term access or medium-term open access, as the case may be".*

2. The Commission in its order, dated 31.3.2012 in Petition Nos. 289 & 290/2010, had directed the CTU to ensure that all the generators sign the Connectivity Agreements as per the formats prescribed in the Connectivity Regulations by 31.3.2012. Relevant portion of the above said order is as under:-

"We direct the CTU to ensure that all generators sign the Connectivity Agreements as per the formats prescribed in the Detailed Procedure by 31.3.2012 and a compliance report to that effect is filed with the Commission by 15.4.2012. All RLDCs are directed that with effect from 1.4.2012, they should satisfy themselves that all generators within their control area jurisdiction have signed the connectivity agreement and any instance of non-compliance shall be brought to the notice of the Commission."

3. Representations have been received from some of the generators highlighting the difficulties to sign the Connection Agreements as per Con 6 of the Detailed Procedure as the requirements of the Agreement cannot be complied with by the old generating stations. NHPC, vide its letter dated 30.3.2012, has submitted that the Connection Agreement that is required to be signed as per Regulation 8(5) of the 2009 Connectivity Regulations is not applicable in respect of old, commissioned, operating physically connected generating stations in terms of the Regulations and order of the Commission. NLC, vide its letter dated 9.4.2012 has submitted that the Draft Connection Agreements to be signed between NLC and CTU, needs certain modifications to suit the requirement of the existing generating stations and ongoing thermal power plants.

4. We have considered the submissions of NLC, NHPC and NTPC. NLC is stated to have forwarded Con 6 with suggested modifications to PGCIL for their consideration.

NTPC has also expressed similar difficulties with regard to signing of Con 6 in respect of the old and existing generating stations. We are also of the view that Con 6 prescribed in the Detailed Procedure issued under the Connectivity Regulations requires to be modified to take care of the peculiar conditions of the old and existing generating stations. Accordingly, we direct the CTU to devise a connection agreement to be executed by the old and existing generating stations which achieved commercial operation prior to 1.1.2010. The format of the Connection Agreement for old and existing stations should be submitted by the CTU for approval of the Commission by 15.9.2012.

5. The CTU in its letter dated 4.6.2012, has submitted three lists of generators, those who have signed the Connection Agreements, those who are in the process of signing the Connection Agreements and those who have not yet signed the Connection Agreements. CTU has sought extension of the cut off date for signing of the Connection Agreements by the generators and has also sought direction to the utilities for signing of the Connectivity Agreement.

6. We would like to clarify that Connection Agreement is a statutory requirement and has to be signed by all generators without any exception. All generating companies whose generating stations were commissioned after 1.1.2010 are directed to sign the Connection Agreements as per Con 6 by 30.9.2012. In respect of the generating stations commissioned prior to 1.1.2010, the Connection Agreements duly approved by the Commission shall be sent by the CTU to the generating companies within

15.10.2012 and the generating companies shall complete the signing of Connection Agreements by 15.11.2012.

sd/-	sd/-	sd/-	sd/-
(M. Deena Dayalan) Member	(V.S. Verma) Member	(S. Jayaraman) Member	(Dr. Pramod Deo) Chairperson