

Conditions of Transmission Licence and other related matters) Regulations, 2009 (hereinafter "Transmission Licence Regulations") for grant of transmission licence for the transmission line comprising the following elements:

Transmission Line:

Name	Voltage Class(kV)	Length(Km)	Type(S/C or D/C)
Jhajjar-Mundaka	400 kV	65.69 kms	D/C

2. The petitioner has been incorporated on 21.12.2006 under the Companies Act, 1956 as Aravali Power Company Limited. The petitioner is a joint venture with the following share participation:

- (a) NTPC Ltd. (NTPC)50%
- (b) Haryana Power Generation Company Ltd. ...25%
- (c) Indraprastha Power Generation Company Ltd ...25%

3. The petitioner has set up a power station named Indira Gandhi Super Thermal Power Project (IGSTPP) in district Jhajjar of Haryana State having an approved capacity of 1500 MW (3X500 MW).

4. The petitioner has submitted that power generated from IGSTPP was originally envisaged to be shared between Delhi and Haryana in the ratio of 50:50. Ministry of Power vide its GOI dated 5.10.2010, 4.3.2011, 18.4.2011 and 7.9.2011 had allocated 46.2% capacity each to Delhi and Haryana and retained 7.6% of the total capacity as unallocated quota which was allocated among all regional beneficiaries of Northern Region on April 2000 as per the guidelines for allocation of power from Central Generating Stations.

5. The petitioner has submitted that Haryana has constructed a separate 400 kV D/C Jhajjar-Daulatabad line for evacuation of power from IGSTPP. The petitioner has submitted that it has set up a 400 kV D/C Jhajjar-Mundka transmission line connecting the 400 kV IGSTPP, Jhajjar bus-bar to 400/220 kV Mundka sub-station at Delhi for evacuation of power supplied to Delhi. The subject transmission line was declared under commercial operation on 1.3.2011.

6. The petitioner has submitted that Government of National Capital Territory of Delhi surrendered part of its share in phases and retained 100 MW power. The said surrendered capacity was re-allocated by the Ministry of Power among other States. At present, the allocation of capacity of the generating station among various beneficiaries is as under:

S.No.	Beneficiary States	Power allocation	
		(MW)	(%)
1.	Delhi	177	11.79
2.	Haryana	693	46.20
3.	Andhra Pradesh	226	15.07
4.	Kerala	90	6.00
5.	Uttar Pradesh	200	13.34
6.	Ministry of Power (unallocated)	114	7.60
	Total	1500	100.00

The petitioner has submitted that the respondents/beneficiaries have agreed in the PPA to bear the transmission charges of the transmission line.

7. The petitioner had filed Petition No. 239/2010 for determination of tariff for the subject transmission line from date of commercial operation to 31.3.2014 with prayer to declare transmission line as 'deemed ISTS'. The Commission vide its order dated 8.6.2013 directed the petitioner to file appropriate application for

grant of transmission licence for the subject transmission line. Relevant portion is extracted as under:

"15. We have considered the submissions of the petitioner, the CTU, the CEA and the respondents. There is no denying the fact that the subject transmission line was constructed as a dedicated transmission line for carrying the 50% share of power of Delhi from Jhajjar till Mundka. However, on analyzing the network configuration and incidental flows in the present case, it emerges that the Jhajjar-Mundka line is a part of a meshed network. The Jhajjar-Daultabad line of Haryana is connected further by Daultabad-Dhanonda line to Dhanonda Sub-station of Haryana, where APL Mundra Power is also received. On the other hand, the Jhajjar-Mundka line is connected to Delhi Transco's transmission system at Mundka which is connected to Bawana Sub-station of STU on one side and to Bamnauli Sub-station of STU on the other end. One circuit of Mundka-Bamnauli Circuit is LILoed at Jhatikara Sub-station of CTU. Hence, it is a complete meshed circuit of CTU, Delhi Transco and Haryana. Though Haryana has 50% share of power in the IGSTPP, the flow on Jhajjar-Daultabad line is not exactly 50% of the scheduled generation. At times less power flows through Jhajjar-Daultabad line than the Jhajjar Mundka line. It is also observed that there is incidental power flow from MGSTPP of Jhajjar Power Limited (JPL) through the subject transmission asset. It is further observed that the scheduling of generation of IGSTPP is being done at the bus bar of the generating station. However, the actual generation is being measured at Mundka end for the power allocated to NR and SR beneficiaries. Due to this, the losses are being borne by generating company and there is no methodology to allocate these losses to the NR and SR beneficiaries. Further, due to difference in schedule generation at Jhajjar and actual generation measurement at Mundka, the generator is required to pay UI charges as well. NRLDC is treating Mundka as the inter-State boundary and metering at that point is as per CEA Metering Regulations. At present, this line is being treated as a dedicated transmission line and the petitioner is bearing the transmission losses and paying the UI charges as the actual generation is metered at Mundka end. We are of the view that the problem can be overcome by granting transmission licence for Jhajjar-Mundka line to the petitioner as prayed. This would enable NRLDC to meter both scheduled generation and actual generation at Jhajjar end. The line losses could then be considered as the NR pool losses and the same will be applied on the schedule of Jhajjar beneficiaries.

16. We are of the view that the subject transmission asset is not functioning as dedicated transmission line and is actually being used as in inter-State transmission line. Since, the business of transmission cannot be carried out without a transmission licence, the petitioner should file the appropriate application for grant of transmission licence for the subject transmission line."

8. Accordingly, the petitioner has filed present petition for grant of transmission licence for 400 kV D/C Jhajjar-Mundka transmission line.

9. The main objects of the petitioner company include the following:

"2. To undertake, wherever necessary the construction of transmission lines and ancillary works for timely and coordinated exchange of electric power."

10. Section 14 of the Electricity Act, 2003 provides that the Appropriate Commission may, on an application made under section 15 of the Act grant licence to any person to transmit electricity as a transmission licence in any area as may be specified in the licence. The word 'person' has been defined in section 2(48) of the Act to include any company or body associate or body or association of individuals whether incorporated or not or artificial juridical person. The petitioner, a Joint Venture Company, has been incorporated under the Companies Act, 1956 and as such is eligible to make application for grant of transmission licence. Section 15(1) of the Act provides that every application under section 14 shall be made in such manner and in such form as may be specified by the Appropriate Commission and shall be accompanied such fees as may be prescribed.

11. Regulation 7 of the Transmission Licence Regulations provides for the procedure for grant of transmission licence as under:

"(1) The application for grant of licence shall be made to the Commission in Form-I appended to these regulations and shall be accompanied by such fee as may be prescribed by the Central Government from time to time.

(2) In case of the person selected for implementation of the project in accordance with the guidelines for competitive bidding, the application shall

also contain such additional information, as may be required under these guidelines.

(3) The application shall be supported by affidavit of the person acquainted with the facts stated therein.

(4) Before making an application, the applicant shall serve a copy of the application on each of the long-term customers of the project and shall submit evidence to that effect along with the application and shall also post the complete application along with annexures and enclosures on its web site, the particulars of which shall be given in the application.

(5) The application shall be kept on the web site till such time the licence is issued or the application is rejected by the Commission.

(6) Immediately on making the application, the applicant shall forward a copy of the application to the Central Transmission Utility.

(7) The applicant shall, within 7 days after making the application, publish a notice of its application in Form-II attached to these regulations, in at least two daily newspapers, one in English language and one in vernacular language, having circulation in each State or Union Territory where an element of the project or a long-term customer is situate, in the same language as of the daily newspaper in which the notice of the application is published.

(8) As far as possible, within 7 days of receipt of the application the Secretariat of the Commission shall convey defects, if any, if noticed on preliminary scrutiny of the application for rectification and the defects conveyed shall be rectified by the applicant in such time as may be indicated in the letter conveying the defects.

(9) In the notice published in the newspapers under clause (7) it shall be indicated that the suggestions and objections, if any, on the application, may be filed before the Secretary, Central Electricity Regulatory Commission, Third Floor, Chanderlok Building, Janpath, New Delhi-110001 (or the address where the office of the Commission is situated), with a copy to the applicant, by any person, including the long-term customers, within 30 days of publication of the notice,

(10) The applicant shall within 15 days from the date of publication of the notice as aforesaid submit to the Commission on affidavit the details of the notice published, indicating the newspapers in which the notice has been published and the date and place of their publication and shall also file before the Commission the relevant copies of the newspapers, in original, in which the notice has been published.

(11) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application within a period of thirty days from the date of receipt of application by it:

Provided that copy of the recommendations, if any, made by the Central Transmission Utility shall always be forwarded to the applicant;

Provided further that the recommendations of the Central Transmission Utility shall not be binding on the Commission.

(12) The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the public notice published by him, within 45 days of service of copy of the application on the Central Transmission Utility or publication of notices in the newspapers, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.

(13) The Commission after considering the suggestions and objections received in response to the public notice published by the applicant and the recommendations, if any, of the Central Transmission Utility may, propose to grant the licence or for reasons to be recorded in writing, reject the application.”

12. The petitioner has made the application as per Form 1 for grant of transmission licence in accordance with Transmission Licence Regulations and paid fee as prescribed by the Government. The petitioner has submitted proof of service of the copies of the application on the beneficiaries and Central Transmission Utility and proof of web posting of the complete application.

13. The petitioner vide its affidavit dated 22.8.2013 has placed on record the relevant copies of the newspapers in original in which notice of its application has been issued. The petitioner has published the notices in both in English and Hindi/local languages. The petitioner has complied with the requirement of Regulation 7(7) of Transmission Licence Regulations.

14. None of the beneficiaries has filed their replies. No objection has been received from the public in response to the public notice.

15. The petitioner had served a copy of the application on Central Transmission Utility (CTU) as required under Section 15(3) of the Act and Regulation 7(6) of the Transmission Licence Regulations. No response has been received from CTU.

16. The Commission vide its order dated 8.6.2013 had directed the petitioner to file appropriate application for grant of transmission licence. In compliance with Commission`s direction, the petitioner has filed present application for grant of transmission licence. The petitioner has complied with the provisions of the Act and Transmission Licence Regulations for grant of licence. The petitioner is also engaged in the business of generation of power. During the course of hearing, the representative of the petitioner submitted that the petitioner shall maintain separate accounts for each business in terms of Regulation 15 of the Transmission Licence Regulations. Considering all the materials on record, we are *prima facie* of the view that the petitioner satisfies the conditions for grant of inter-State transmission licence for the transmission line as described in para 1 of this order. We, therefore, direct that a public notice under clause (a) of sub-section (5) of Section 15 of the Act be published to invite suggestions or objections from the public to grant of transmission licence to Aravali Power Company Limited.

17. The matter shall be listed for further hearing on 29.10.2013.

sd/-
(M. Deena Dayalan)
Member

sd/-
(V.S.Verma)
Member