

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 143/MP/2012

Coram:

Shri V.S.Verma, Member

Shri M.Deena Dayalan, Member

Shri A.S.Bakshi, Member (EO)

Date of Hearing: 11.6.2013

Date of Order: 20.6.2013

In the matter of

Application for grant of Regulatory Approval for execution of transmission system required in connection with grant of long-term to group of developers-regarding implementation of high capacity power transmission corridor-XI (Transmission system associated with IPP projects in Nagapattinam/Cuddalaore Area).

And in the matter of

Power Grid Corporation of India Limited, Guargon

Petitioner

Vs

IL&FS Tamil Nadu Power Company Limited, Chennai and others **Respondents**

The following were present:

Shri M.G.Ramchandran, Advocate, PGCIL

Shri U.K. Tyagi, PGCIL

Shri B.Vamsi, PGCIL

Shri RVMM Rao, PGCIL

Shri Dilip Rozeker, CTU

Shri Param Kumar Mishra, Advocate

Shri Piyush Joshi, Advocate

Shri Yadava, Advocate

Shri Hazig Beg, ITPCL

Shri S.C. Misra, ITPCL

Shri V. L. Dua, ITPCL

Shri A.R.Sah, IPTCL



ORDER

The petitioner, Power Grid Corporation of India Limited has filed this petition with following prayers:

- "(a) Issue appropriate directions with regard to whether or not to implement the HCPTC-XI (Transmission System associated with IPP projects in Nagapattinam/Cuddalore Area);
- (b) Pass any order as deem fit by the Hon`ble Commission;
- (c) Pass such other relief as Hon`ble Commission deems fit and appropriate under the circumstances of the case and in the interest of justice."

2. Briefly, the submissions of the petitioner are as under:

(a) The Commission vide its order dated 31.5.2010 in Petition No. 233/2010 had accorded regulatory approval for execution of the nine nos of High Capacity Power Transmission System (HCPTCs). Further, the Commission vide its order dated 13.12.2011 in Petition No. 233/2009 had accorded regulatory approval for execution of HCPTC X(Transmission system associated with IPPs in Vemagiri area) and HCPTC XI (Transmission system associated with IPPs in Nagapattinam/Cuddalore area), strengthening of two nos of HCPTCs and three nos of connectivity lines proposed by CTU.

(b) On 10.12.2010, IL&FS Tamil Power Company Limited (ITPCL) was granted Long Term Access (LTA) of 1150 MW against the installed capacity of 1200 MW. Subsequently, on 24.12.2010, the generating



company signed BPTA with Power Grid and submitted the requisite bank guarantee @ Rs. 5 lakh/MW of LTA.

(c) Though, the BPTA for the HCPTC-XI was signed prior to 5.1.2011, in 25th meeting of Empowered Commission on Transmission held on 1.2.2011 it was decided that transmission line of HCPTC-I would be implemented through tariff based competitive bidding and the balance (sub-station and its grid connectivity) would be implemented by Power Grid. Accordingly, on 15.3.2011, notification was issued for development of Nagapattinam-Salem 765 kV D/C line and Salem-Madhugiri 765 kV S/C line covered under HCPTC-XI through tariff based competitive bidding.

(d) The RfQ and RfP for the said transmission system was issued by BPC in May 2011 and September, 2011, respectively. On 6.3.2012, Lol was issued to successful bidder i.e Power Grid Corporation of India Limited with a completion schedule of 36 months from the effective date. Subsequently, on 29.3.2012, Power Grid acquired Nagapattinam-Madhugiri Transmission Company Limited (NMTCL). Thereafter, NMTCL approached CERC for grant of transmission licence under Section 14 and adoption of transmission charges under Section 63 of the Electricity Act, 2003.

(e) Since, the generation project of ITPCL was expected earlier than the likely date of availability of transmission system, request was made by the generating company to CTU for early commissioning of Nagapattinam



pooling station and its grid connectivity to meet its start-up power requirement and also initial evacuation based on the margins available in the grid, for which a separate transmission agreement was signed on 31.1.2012. Accordingly, CTU has started preliminary activities for early commissioning of Nagapattinam pooling station and its connectivity to grid through LILO of 400 k V S/C Neyveli-Trichy line at Nagapattinam pooling station.

(f) National Green Tribunal (NGT) vide its judgment dated 23.5.2012 had suspended the Environmental Clearance to ITPCL and directed Ministry of Environment and Forest to initiate a carrying capacity study taking into account the assimilating and supportive capacity of the region to be completed within a period of maximum of three years. NGT further directed to Ministry of Environment and Forest to review the EC based on the cumulative impact assessment study and cumulative impact assessment study and stipulate any additional environmental conditions, if required.

(g) The petitioner has submitted that in view of said judgment of NGT, there is a lot of uncertainty in the time frame for actual materialization of ITPCL generation project. Further, it being the only project as of now getting connected to Nagapattinam pooling station, the utilization of HCPTC-XI corridor is uncertain. Under the circumstances, the petitioner has sought



clarity regarding the implementation of the generation project in view of the order of the National Green Tribunal.

3. The respondent, ITPCL in its affidavit dated 24.8.2012 has submitted that there is no uncertainty in the implementation of the generation project and has prayed for appropriate directions to the petitioner to execute the work of transmission project as scheduled. ITPCL in its affidavit 31.8.2012 has placed on record a copy of Ministry of Environment and Forests (MoEF) corrigendum dated 14.8.2012 issued in pursuance of the judgment of the National Green Tribunal dated 24.5.2012. In the said corrigendum, MoEF, based on the recommendations of the Environment Assessment Committee (EAC) has put certain additional conditions for compliance by the respondent, the project proponent, while retaining other conditions initially imposed. Thus, the generation project has been permitted to be continued.

4. We have heard learned counsel for the petitioner and learned counsel/representatives of the respondents. We have very carefully considered the pleadings of the parties and the documents available on record.

5. It is pertinent to mention that the issue raised in the present petition has been dealt with by this Commission in order dated 9.5.2013 in Petition No. 122/2012 adopting the transmission charges for Nagapattinam-Madhugiri Transmission Company Limited to establish transmission system associated with



IPPs of Nagapattinam/Cuddalore Area under Section 63 of the Act. The relevant portion of the order is extracted as under:

"33. During the hearing of IA on 9.4.2013, learned counsel for the petitioner submitted that clarity is required regarding the implementation of the generation project in view of the order of the National Green Tribunal. Learned counsel for the respondent submitted that with the issue of Ministry of Environment and Forests corrigendum dated 14.8.2012, in compliance with the direction of the National Green Tribunal, the environmental issue has been settled and there is no uncertainty regarding execution of the project. Noting the statement of learned counsel of the respondent, we are of the view that the petitioner should go ahead with the execution of the transmission project."

6. In view of the above, the prayer of the petitioner does not survive.

Accordingly, petition is disposed of.

Sd/-
(A.S.Bakshi)
Member

sd/-
(M. Deena Dayalan)
Member

sd/-
(V.S.Verma)
Member

