

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 331/SM/2013**

**Coram:**

**Shri Gireesh B.Pradhan, Chairperson**

**Shri V.S.Verma, Member**

**Shri M. Deena Dayalan, Member**

**Shri A.K.Singhal, Member**

**Date of Order: 10.12.2013**

**In the matter of**

Non-compliance of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2009.

**And**

**In the matter of**

1. Raichur Sholapur Transmission Company Limited
2. Managing Director, Raichur Sholapur Transmission Company Limited.

**Respondents**

**Order**

By order dated 24.8.2011, Raichur Sholapur Transmission Company Limited (hereinafter referred to as 'the licensee') was granted transmission licence in terms of Regulation 7 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') as amended from time to time for the transmission systems associated with Krishnapattnam UMPP-Synchronous inter-connection between Southern Region and Western Region (Part-B) comprising the following element:

<b>Name (end-points location)</b>	<b>Voltage class (kV)</b>	<b>Length (km)</b>	<b>Type S/C or DC</b>	<b>Completion schedule</b>
Raichur-Sholapur	765	208	S/C	36 months from the effective date i.e. 7.1.2011



2. As per the above, the transmission line is required to be completed by 6.1.2014. Central Electricity Authority vide its letter dated 30.9.2013 has reported that Raichur-Sholapur transmission line is being constructed for synchronous integration of SR with the rest of Indian grid. Though CEA has been monitoring the progress of transmission line of the licensee and has been advising about the remedial measures to be taken to achieve monthly targets to complete transmission line by December, 2013, the licensee has not complied with CEA's remedial suggestions, which have resulted in missing the targets. CEA has reported that the transmission line is unlikely to be completed by 6.1.2014, going by the current pace of progress of work as on 29.9.2013 as under:

Total Location (nos)	:	542
Foundation completed (nos)	:	487
Tower erected (nos)	:	309
Total length of line (ckm)	:	208
Stringing completed (ckm)	:	18

3. Central Electricity Authority has approached the Commission in terms of Clause 5.8 of the Transmission Service Agreement for intervention in the matter. Clause 5.8 of the TSA provides as under:

"5.8. Remedial Measures: The TSP shall take all necessary actions for remedying the shortfall in achievement of timely progress in execution of the Project, if any, as intimated by the CEA. However, such intimation by the CEA and the subsequent effect of such remedial measures carried out by the TSP shall not relieve the TSP of its obligations in the Agreement. CEA may carry out random inspections during the Project execution, as and when deemed necessary by it. If the shortfalls as intimated to the TSP are not remedied to the satisfaction of the CEA, it may refer the same to the Appropriate Commission for appropriate directions."

4. We have considered the report of CEA. In accordance with Regulation 10

(2) of the Transmission Licence Regulations, the licensees are required to build the project in a time-bound, efficient, coordinated and economical manner. As per clause 4.3 of the Transmission Service Agreement, TSP is required to take all necessary steps to commence work on the project from the effective date i.e 7.1.2011 of the agreement and achieve scheduled COD of the project in accordance with the time schedule specified in TSA. It is the responsibility of the licensee to ensure that the project is completed as per the schedule given in the licence. The failure to comply with the schedule will render the licensee liable for revocation of the licence .

5. In view of the above, the respondents are directed to explain, latest by 24.12.2013 regarding the reasons for delay and the remedial measures being taken by them to implement the project within the schedule time.

6. The petition shall be listed for hearing on 7.1.2014. Representatives of CEA and CTU are directed to be present during the hearing to assist the Commission.

7. A copy of this order shall be endorsed to all LTTCs of the project who shall be present before the Commission to render necessary assistance.

Sd/-	sd/-	sd/-	sd/-
<b>(A.K.Singhal)</b> Member	<b>(M. Deena Dayalan)</b> Member	<b>(V.S.Verma)</b> Member	<b>(Gireesh B.Pradhan)</b> Chairperson